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CHRISTOPHER N. RUSZKOWSKI  
SECRETARY OF EDUCATION

SUSANA MARTINEZ  
GOVERNOR

## **2018 Charter School Renewal – School of Dreams Academy**

### **PED RECOMMENDATION**

The PED recommends a **renewal term of five (5) years with the following conditions:**

- Implement a continuous improvement plan such as NM DASH resulting in a letter grade of at least a “C” in each category on the A-F School Grading Report during each year of the contract term.
- Attain an overall rating of “Meets Standard” in the organizational framework for each year of the contract term.
- Attain a rating of “Meets Standard” in identifying and servicing English Language Learners for each year of the contract term.
- Receive an unmodified audit devoid of: (a) material weakness and significant deficiency findings and (b) repeat findings at any classification level one year prior to and during the term of its contract (Audit reports released during 2018-2019 through 2022-2023).

### **Summary of Performance**

**Academic.** The school exhibited satisfactory performance in more than half of the categories in the A-F School Grading Report during most years. In most years, unsatisfactory performance in: (a) *improvement of lower performing students (Q1)* and (b) *graduation*. Achievement of school specific goals were mixed with some receiving “Exceeds Standard” while others receiving “Falls Far Below Standard.” Low ratings were due primarily to lack of verifiable evidence supporting purported progress towards goals. The school met two (2) of three (3) school specific goals during 2017-2018 and none in 2016-2017. Low ratings were due primarily to lack of verifiable evidence supporting purported progress towards goals. The school’s Overall School Grades during the contract term were: D, C, B, and C.

**Financial.** The school had a total of 15 audit findings in three (3) years with one (1) at the significant deficiency level of classification, and three (3) that were repeated. The school had the highest number of compliance and other matter findings in FY17 when compared to state-authorized charter schools. In addition, a recent Training and Experience (T&E) audit disclosed twenty (20) exceptions that did not comply with the requirements of the T&E Manual of Procedures, resulting in a significant decrease (\$244,506.66) in the school’s budgeted SEG for the current school year. Please see attached letter, dated December 3, 2018 from Amelia Saiz, Acting Administrative Services Director/CFO, PED (Appendix B).

**Organizational.** During the most recent year (2017-2018), the school received nine (9) “Falls Far Below Standard” ratings. During the prior year (2016-2017), the school received 11 “Falls Far Below Standard” ratings. The concerns ranged from insufficient documentation for how the school identifies English Learners and lack of policies and procedures for addressing the needs of homeless students to concerns with business management and oversight.

## Renewal Application - School of Dreams Academy

### **PART A: Data analysis provided by CSD**

Please see Part A - Summary Data Report based on data from Current Charter Contract term

### **PART B: Progress Report provided by the School**

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.

<b>Chart 1. Evaluation Ratings of the School’s Progress Report, as confirmed at the renewal site visit</b>		
<b>Section</b>	<b>Indicator</b>	<b>Final Rating</b>
<b>ACADEMIC PERFORMANCE</b>		
1.a	Department’s Standards of Excellence— A-F Letter Grades	<i>Failing to Demonstrate Substantial Progress</i>
1.b	Specific Charter Goals	<i>Failing to Demonstrate Substantial Progress</i>
<b>FINANCIAL COMPLIANCE</b>		
2.a	Audit	<i>Failing to Demonstrate Substantial Progress</i>
2.b	Board of Finance	<i>Meets the Standard</i>
<b>CONTRACTUAL, ORGANIZATIONAL, AND GOVERNANCE</b>		
3.a	Material Terms	<i>Demonstrates Substantial Progress</i>
3.b	Organizational Performance Framework	<i>Failing to Demonstrate Substantial Progress</i>
3.c	Governance Responsibilities	<i>Demonstrates Substantial Progress</i>

*The ratings above, based on the rubric in the renewal kit, are also listed in the margin below. In addition, the Performance Framework results for the last two (2) school years (2016-2017 and 2017-2018) are provided in Appendix A.*

### **1) Academic Performance**

#### **a) Department’s Standards of Excellence - A-F Letter Grades**

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

**Academic Performance Framework 1a: Overall NM School Grades: D, C, B, and C**

**The school was identified by PED as a CSI (Comprehensive Support and Improvement) School in December 2017 and has not started an NM DASH school improvement plan, as required.**

*Failing to  
Demonstrate  
Substantial  
Progress*

*Failing to Demonstrate Substantial Progress*

**b) School Specific Charter Goals**

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

**Academic Performance Framework 1b and 1c:**

**Mission Specific Goals, Optional Supplemental Indicators, and any School Specific Terms:**

- **Academic growth of at least one year in short cycle assessment scores: *Does Not Meet Standard***
- **College and/or Career Readiness: demonstrated by scores on PSAT®, SAT®, ACT®, ASVAB, KUDER, and COMPASS®, successful completion of dual enrollment, concurrent enrollment or honors courses earned throughout high school (NOTE: Exceptions for students with special instructions recorded in their IEP), and successful completion of a Next Step Plan or an IEP Transition Plan: *Meets Standard***
- **Graduation rates for two cohorts: *Exceeds Standard***

**2) Financial Compliance**

*Failing to Demonstrate Substantial Progress*

**a) Audit**

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.

**Organizational Performance Framework 2a and 2b**

**b) Board of Finance**

Schools that have maintained all Board of Finance authority during the entire term of the contract do NOT complete this Section. If required to complete this section, provide a narrative explaining the actions taken (improved practices and outcomes).

**c) *Additional Financial Information***

**Financial Performance Framework #1-8: Self-Assessment Survey**

**Any formal complaints or investigations: See letter from Audit Bureau**

*Meets the Standard*

**3) Contractual, Organizational, and Governance Responsibilities**

*Demonstrates Substantial Progress*

**a) Charter Material Terms**

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

**Organizational Performance Framework 1a: Material Terms**

- **Science, Technology, Engineering, Arts and Mathematics (STEAM)**
- **Ongoing professional development to accommodate the integration of Technology and Art programs across the curriculum**
- **Professional development via school PLC that corresponds to the AdvancEd standards**
- **Service learning projects**
- **Individualized Learning Plan (ILP)**
- **STEAM Portfolio: Competitions, Contests and Performances attained while at SODA**

**b) Organizational Performance Framework**

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.

**Organizational Performance Framework 1b-1g, 4a-4c, and 5a-5c**

Any OCR complaints or formal special education complaints, identify those, provide all communication related to those, and describe the current status in Appendix, referenced in narrative by name. List complaints: The school received a CAP closure letter on 10/16/17 that states “The Special Education Bureau (SEB) has reviewed the documentation submitted by the School of Dreams Academy and has determined that all findings of non-compliance have been corrected.”

*Failing to Demonstrate Substantial Progress*

Demonstrates  
Substantial  
Progress

c) **Governance Responsibilities**

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

**Organizational Performance Framework 3a and 3b**

  X  

**PART C: Financial Statement**

A financial statement that discloses the costs of administration, instruction and other spending categories for the charter school that is understandable to the general public that allows comparison of costs to other schools or comparable organizations and that is in a format required by the department.

**PART D: Petitions of Support**

  X  

- 1) A petition in support of the charter school renewing its charter status signed by not less than sixty-five percent of the **employees** in the charter school, with certified affidavit.

Number: 56 of 60 Percentage: 93

  X  

- 2) A petition in support of the charter school renewing its charter status signed by at least seventy-five percent of the **households** whose children are enrolled in the charter school, with certified affidavit.

Number: 189 Percentage: 71 % (**Percentage is below the required amount.**)

**PART E: Description of the Charter School Facilities and Assurances**

A description of the charter school facilities and assurances that the facilities are in compliance with the requirements of Section 22-8B-4.2 NMSA 1978.

  X  

- 1) A narrative description of its facilities

- 2) Attach \_\_\_\_\_ facility plans or \_\_\_\_\_ the school's Facility Master Plan

- 3) Attach a copy of the following

  X  

a) Copy of the building E Occupancy certificate(s)  
from Construction Industries Division numbers 24551-25586

  X  

b) Letter from PSFA (dated 2018) with the facility NMCI Score No Score Listed indicating that the school meets the requirements of Subsection C of 22-8B-4.2 NMSA 1978 (if the charter school is relocating or expanding to accommodate more students).

  X  

- 3) Provide assurances that the facilities are in compliance with the requirements of Section 22-8B-4.2 NMSA 1978, including subsections A, C, and D. A template is available from the PEC's website.

  x   Public (Cert A) **FOR LAND** \_\_\_\_\_ Private (Cert B)   x   Foundation (Cert C)

*School provided copies of the lease agreements.*

*School originally sent 10 Safety Assurances rather than the Facilities Assurances.*

**PART F: Amendment Requests**

OPTIONAL: Identify any amendments the school would like to have considered as part of the renewal process to be considered by the PEC as changes to the material terms that would become effective as part of the new contract.

**Number of proposed amendments submitted by school for new contract:** 2

**The primary changes SODA needs in the contract is associated with the mission specific goals:**

- **We do not have the lower grades addressed in the mission statement and need to do so.**
- **We do not have the appropriate test or test criteria for the higher grades (above the 5th or 6th grade). The current testing (NWEA MAP) is not suitable for summative goals in these higher grades.**

**Number of prior Amendment Requests on file with CSD since 2014:** 7

- Amendment request to expand to serve 4<sup>th</sup> grade APPROVED 4/13/18.
- Amendment request to expand to serve grades 4 – 6 DENIED 4/13/18.
- Amendment request to expand to serve 3rd grade APPROVED 7/19/17.
- Amendment request to expand to serve 3Y4Y Developmentally Disabled Program APPROVED 5/13/16.
- Amendment request to expand to serve grades K-2 APPROVED 5/13/16.
- Amendment request to add an additional Education Program, credit-recovery program for non-traditional students APPROVED 5/13/16.
- Amendment request to move into permanent facility APPROVED 4/8/16.

attached

**School Response to CSD Preliminary Analysis**

<input checked="" type="checkbox"/>	School of Dreams Academy (SODA)	2016-2017	2017-2018
	<b>Category I. Academic Performance Framework</b>		
<input type="checkbox"/>	<b>I-A.00</b> (1a) NM A-F School Grading System	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
<input type="checkbox"/>	<b>I-A.01</b> (1b) Mission Specific Indicators	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
<input type="checkbox"/>	<b>I-A.02</b> Optional Supplemental Indicators (school specific items in charter)	Not Applicable	Not Applicable
	<b>Category II. Financial Performance Framework</b>		
<input type="checkbox"/>	<b>II-A.00-06</b> (#1-8) Operating Budget/Audits/PeriodicReports/Expenditures/Reimbursements/AuditReviews/Meals	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
	<b>Category III. Organizational Performance Framework</b>		
<input type="checkbox"/>	<b>III-A.00</b> (1a) Educational Plan: <a href="#">material terms</a> of the approved charter application	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
<input type="checkbox"/>	<b>III-A.01</b> (1b) Education Plan: applicable education requirements	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
<input type="checkbox"/>	<b>III-A.02</b> (1c) Education Plan: protecting the rights of all students	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
<input type="checkbox"/>	<b>III-A.03</b> (1d) Educational Plan: protecting the rights of students with special needs (IDEA, 504, gifted)	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
<input type="checkbox"/>	<b>III-A.04</b> (1e) Educational Plan: protecting the rights of English Language Learners (Title III)	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
<input type="checkbox"/>	<b>III-A.05</b> (1f) Educational Plan: complying with the compulsory <a href="#">attendance</a> laws	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
<input type="checkbox"/>	<b>III-A.06</b> (1g) Educational Plan: meet their <a href="#">recurrent enrollment</a> goals	Meets (or Exceeds) Standard	Working to Meet Standard
<input type="checkbox"/>	<b>IV-A.00</b> (2a) Business Management & Oversight: meeting <a href="#">financial</a> reporting & compliance requirements	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
<input type="checkbox"/>	<b>IV-A.01</b> (2b) Business Management & Oversight: following generally accepted <a href="#">accounting</a> principles	Meets (or Exceeds) Standard	Working to Meet Standard
<input type="checkbox"/>	<b>V-A.00</b> (3a) Governance and Reporting: complying with governance requirements	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
<input type="checkbox"/>	<b>V-A.01</b> (3b) Governance and Reporting: holding management accountable	Falls Far Below (or Does Not Meet) Standard	Working to Meet Standard
<input type="checkbox"/>	<b>VI-A.00</b> (4a) Employees: meeting teacher and other staff credentialing requirements	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
<input type="checkbox"/>	<b>VI-A.01</b> (4b) Employees: respecting employee rights	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
<input type="checkbox"/>	<b>VI-A.02</b> (4c) Employees: completing required <a href="#">background checks</a>	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard
<input type="checkbox"/>	<b>VII-A.00</b> (5a) School Environment: complying with facilities requirements	Meets (or Exceeds) Standard	Working to Meet Standard
<input type="checkbox"/>	<b>VII-A.01</b> (5b) School Environment: complying with health and safety requirements	Falls Far Below (or Does Not Meet) Standard	Working to Meet Standard
<input type="checkbox"/>	<b>VII-A.02</b> (5c) School Environment: handling information appropriately	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
	<b>Category: Organizational Performance Framework</b>		
<input type="checkbox"/>	<b>School Specific Terms:</b> data on any terms specified in the school's Performance Framework	Not Applicable	Not Applicable

## Appendix A



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SECRETARY OF EDUCATION

SUSANA MARTINEZ  
GOVERNOR

December 3, 2018

School of Dreams Academy  
Attn: Mr. Mike Ogas, Head Administrator  
906 Juan Perea Rd.  
Los Lunas, NM 87031

Dear Mr. Ogas,

In October 2017, the School of Dreams Academy submitted a report to the Public Education Department (PED) with a calculated Training & Experience (T&E) Index Factor of **1.071**. All documentation used by the Charter School to calculate the T&E Index Factor was provided to PED auditors. PED performed the audit on September 24, 2018 to September 26, 2018. PED reviewed documentation for forty-three (43) files (100 percent of the total operational files in the Charter School), which disclosed twenty (20) exceptions that did not comply with the requirements of the T&E Manual of Procedures.

***T&E Audit Effect:***

The audited T&E Index Factor was found to calculate to less than the original T&E Index Factor at the School of Dreams Academy's FY 2018-2019. The audited T&E index is .9500. Per NMSA 22-8-24 Section D, "in the event that the result of the calculation of the training and experience index is 1.000 or less, the districts factor shall be no less than 1.000", therefore, the audited index calculation for the school is **1.000**.

As a result of the T&E Audit, the School of Dreams will see a decrease adjustment in the Charter School's FY 2018-2019 budgeted SEG of **(\$244,506.66)**.

The following are explanations regarding the exceptions related to the reported T&E Index Factor and the impact to the T&E Index Factor. Also noted, are observations and recommendations made to the Charter School.

***Employee File Exceptions:***

- One (1) exception was due lack of licensure for a staff reported in the Charter's T&E report. (see T&E Manual, 1. Licensure, page 10).

- Two (2) exceptions were due to miscalculation of FTE for staff working less than full-time and FTE reported as 1.000 in the Charter's T&E matrix (see T&E Manual, FTE Requirements, page 7).
- Two (2) exceptions were due to FTE for an administrator and unlicensed staff reported in the Charter's T&E matrix (see T&E Manual, II Placement Requirements, A., page 6).
- Six (6) exceptions were due to lack of official transcripts to verify the degrees reported in the T&E matrix (see T&E Manual, V. Training Requirements, page 9).
- Two (2) exceptions were due to additional post degree hours miscalculated and under reported in the Charter's T&E matrix (see T&E Manual, V. Training Requirements, page 9).
- Four (4) exceptions were due to lack of documentation to support additional post degree hours reported in the Charter's T&E matrix (see T&E Manual, V. Training Requirements, page 9).
- One (1) exception was due to verification of additional work experience years not reported in the Charter's T&E matrix (see T&E Manual IV. Experience Requirements, page 8-9).
- Twenty-three (23) exceptions were due to lack of documentation to support years of experience reported in the T&E matrix (see T&E Manual IV. Experience Requirements, page 8-9).
- Twenty (20) exceptions resulted from inaccurate plotting FTE on the original T&E Matrix submitted to PED (see T&E Manual, pages 6-10).

**Observations:**

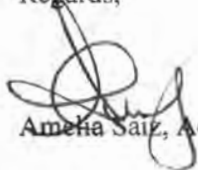
- The Charter Schools personnel files were missing several documents to support education and experience. Three files contained documentation from the New Mexico Educational Retiree Board (ERB) as verification of several years of experience.
- All 2017-2018 contracts were present in the files and all contracts were signed. However, contracts did not list the instructional job classification codes as required in the T&E Manual.
- The Charter School reported personnel who are not allowable on the T&E Matrix.
- The FTE for part-time instructional staff was reported as full-time, 1.000.

**Recommendations:**

- Refer to the T&E Manual of Procedures for guidance on documentation requirements for verification of education and experience and retention in the personnel files.
- FTE calculations should be determined in accordance with the T&E Manual FTE Requirements.
- Report FTE accurately when plotting staff on the T&E matrix and when calculating the T&E Index.

Should you have any questions about the audit work performed, please call me at 505-827-3856. Please extend our thanks to the School of Dreams Academy staff that assisted with the audit in an amicable and professional manner.

Regards,



Arnela Saiz, Acting Administrative Services Director/CFO, PED

cc: Marian Rael, Acting Deputy Secretary of Finance and Operations, PED  
David Craig, School Budget and Finance Director, PED  
Diego Sisneros, Audit Supervisor, PED  
Donna Jarvis, Business Manager, School of Dreams Academy

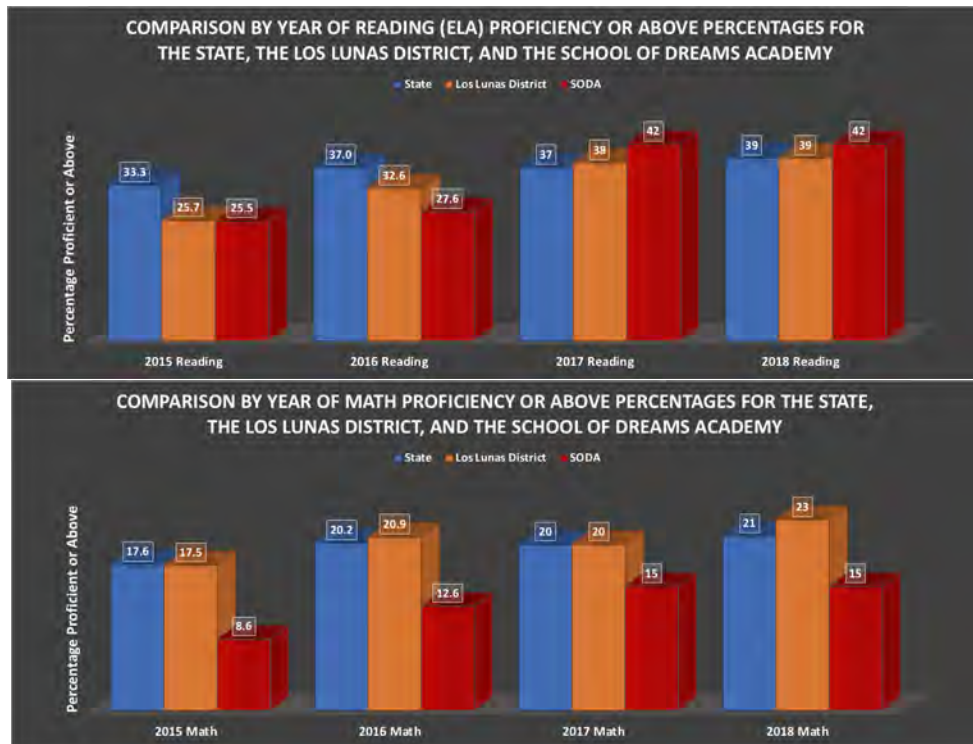




**Response to the Public Education Department’s “2019 CSD  
Preliminary Analysis of Renewal Application and Site Visit”  
for the School of Dreams Academy Charter School  
(November 16, 2018)**

The School of Dreams Academy (SODA) wishes to address some of the issues raised in the Public Education Department’s Analysis (shown in this title). We shall address each item that is labeled in Bold at the beginning of paragraphs, as appropriate.

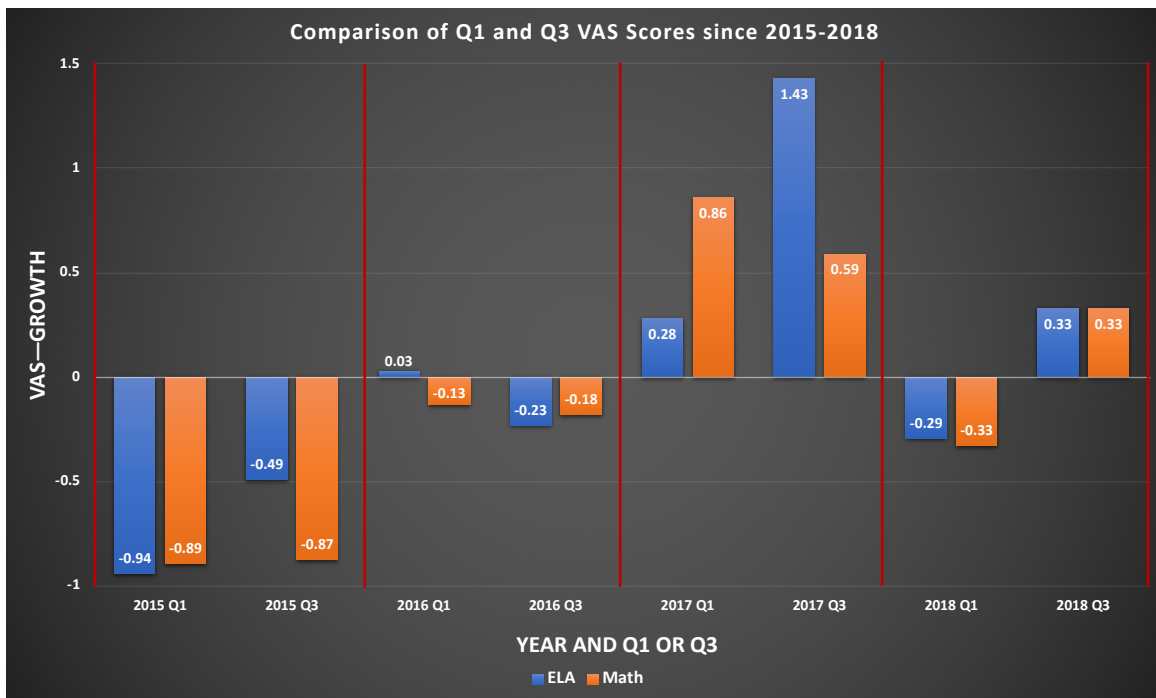
**Academic Performance—Summary.** There is no set definition provided to us for what “Failing to Make Progress” is regarding individual academic metrics other than elements that fall below a “C” on the PED report card. However, as a whole, when we score higher PARCC proficiency or better, we demonstrate a continuing trend of general improvement that is not explicitly measured in the PED’s evaluation of our performance framework. Figure 1 is replicated from our “School of Dreams 2018-2019 Charter Renewal Application” and shows an improving trend over the last four years nearly doubling ELA and math performance. It is true that the 2017-2018 year did not show growth for PARCC proficiency or better percentages, but that was not because we were not addressing issues and instituting additional measures to help grow student performance. We have worked continually to increase student overall performance as evidenced by the list in our renewal application. We wish to make sure that the Public Education Department (PED) and the Public Education Commission (PEC) understand that we are aware that there are designated inspection criteria. But we also wish the PED and PEC to understand that we *have* made significant progress in academic scoring as measured by PARCC testing.



**Figure 1. SODA has improved its PARCC test results overall for the last four years. We have even exceeded the state average ELA and are catching up with math. We believe this has demonstrated our academic progress, though it is only a part of the PED metrics used.**

**Academic Performance: Lower Quartile F Grade.** We met our goal for dual enrollment in the upper grades such that we now have more students taking college course than we have had in the past. Many of these students tell us that the college classes teach them differently than the PARCC test questions. We feel these students are caught between the next period of their lives and the PARCC test needs. Additionally, a number of our students, especially those already in the lower quartile, are simply not motivated to do well in PARCC and this helps contribute to the lower rankings of the Q1 profile. We intend to address this as a potential way to improve Q1 scores. This will require a considerable amount of research, but we shall begin tracking to look for correctable trending.

If we were able to determine what students were counted in the lower quartile, we could analyze more precisely if and how the above impacts our report card score for this evaluation element. But we cannot, because we do not have access to the records of new, incoming students who may have scored in a lower quartile in the previous 2 years and who are then counted as such in the current year. We can look at the trending for the lower and upper quartiles (Figure 2) and again note that SODA is generally improving, and we believe *substantively* improving. In the meantime, we request that the PED provide an accurate listing of known, incoming Q1 students to help us identify those who may be performing well in class, but not doing well on PARCC so we can concentrate on all the Q1 students, especially in terms of motivation to do well.



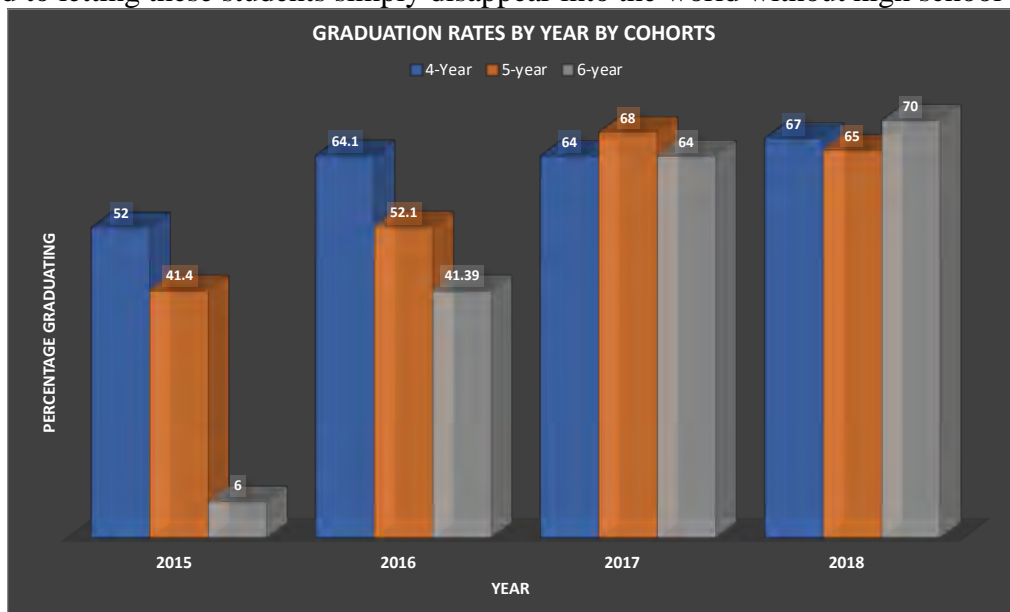
**Figure 2. When we look at the value-added growth scores that the PED uses to determine growth for the lower and upper quartiles, we see another general upward trend.**

We have instituted several activities to help with lower performing students, a number of whom we cannot identify, as stated above. These are not considered a part of our improvement, because there are no results for 2018-2019 yet. We have a consultant who understands the process that the PED has in place to measure growth but has no way to duplicate the process nor

to say how errors in testing and imprecisions propagate through from the PARCC scores. However, our staff looks at the report card element scores and element grades and have little to no idea what they really mean. We will gladly accept any advice that the PED provides to us to help improve in those areas where we are falling below their improvement criteria.

We are continually trying to improve a learning environment that helps with a superior preparation for students when they leave school. But we take in anyone, including returning students who have previously dropped out. Some of the charter schools who filter their students down to just the top performers through various methods. We cannot do that. We do want our lower performing students to prosper and learn to the best of their abilities. We are trying different things to make this happen but do not always understand lower rankings when our overall performance is improving. We request that the PED help us to understand what the report card numbers specifically means with respect to our unique set of students such that we can improve their rankings.

**Academic Performance—Graduation.** The trending in graduation percentage for each cohort level (4-year, 5-year, and 6-year) is upwards in general as shown in figure 3. One reason that we have lower graduation percentages is that we do take in high school students who have previously dropped out. That number has ranged from about 20 to 40 students. When our school was first envisioned, we purposefully decided to be a rescue school along with a school pushing students higher performing students to do their very best (e.g., using dual credit courses). We knew that the returning dropouts from other schools would generally not follow through all the way to graduation, much less to a 4-year graduation (generally about 25% actually graduate). We informed the Public Education Commission (PEC) that this would be the case, almost certainly lowering our overall graduation rating but giving some students a better chance in life. We believe this is a worthy thing to do—it would help make the world a bit better compared to letting these students simply disappear into the world without high school degree.



**Figure 3. The graduation rates for the School of Dreams Academy has shown an increasing upward trend over the last four years, despite the fact that we are a rescue school in which rescue students tend to drive graduation percentages down.**

However, when all schools are judged based on one set of grading criteria, even though SAM schools are given a small compensation for graduation in our case, there is no ability to consider that the differences in charter schools and the students they teach lead to differences in the grading metric output. These differences are built in, so to speak. That is, we cannot change the very nature of our incoming students to match the report card grading goals. We can, and we are improving our general output performance in graduation percentages. We expect that trend to continue. We believe that this should be considered as improvement over the terms of the contract, even though it is not within the specific PED evaluation criteria. Yes, the rating is failed to meet substantive progress. But looking at the graphic of PED data, figure 3, there is clearly an upward trend in graduation rates. The special nature of our high school student population may not be considered above and beyond the very small SAM increment. We are doing better, and we are trying different approaches to continue to improve. The data show that we are generally successful in increasing our graduation rate and on track to meet state averages or better in the next few years.

We would ask the PED and PEC to look at what we have accomplished and temper any judgement based on the report card grading element; a grading element that does not fully account for the special nature of our high school student body makeup. And note that we are making progress, perhaps not always linearly, but it is still significant progress.

**Specific Charter School Goals.** The charter goals were fixed at the beginning of the current contract. SODA, among other charters, later asked that amendments be allowed. Excerpts from emails concerning those amendments are included in Figure 4. The gist is that a range of dates was scheduled for addressing these changes, it was cancelled and rescheduled without specifying precisely when, and then nothing else happened. We clearly admit some responsibility in not pushing this further after we had heard no word on the topic for some time. We had overestimated and even misworded some of our goals. Our intentions were good, but we did not have enough research into all aspects of the goals to make them more realistic (unknown unknowns). This was our fault to begin with, but we were unable to get them corrected, even though the PEC was amenable. Since no corrective meetings were ever scheduled, and since there appeared to be no consequences, we decided to wait until the next renewal, wherein modifications could be made, and additional goals could be added regarding the addition of grade kindergarten through 5<sup>th</sup> grade (one grade added each year) that needed to be addressed.

FROM: toshiro [<mailto:toshiro@sodacharter.com>]  
SENT: Monday, October 26, 2015 2:46 PM  
TO: Amelia Garcia; Ogas, Mike; Poulos, Katie, PED  
SUBJECT: plea for charter performance indicators to be modified

Hi Katie

Thank you so much for your help today. I just was to reiterate the information you gave us to check for accuracy J

1. The messages we received Friday Oct. 23, 3:54 pm from the State that stated that the EPPS Web-monitoring items from the PEC annual monitoring items are due on October 30th were in response to last year's submissions and we do NOT need to upload or complete any additional information. Correct, we're working with the system administrator on why these messages were sent out.
2. The State does NOT require charter schools to create or comply with the LEA Plan of the EPPS, but rather holds us accountable for the indicators in our Charter School Performance Framework. Correct, charter schools are instead held accountable through the CSD annual monitoring tool created in WebEPSS.
3. Our school did not receive an invitation to amend our Performance Framework indicators, so unless we are granted a special dispensation, our performance indicators will stay the same for 2014-2015. Correct. I will bring this up to the Commissioners at the November meeting.

(Figure 4 Continued Next Page)

----- Original Message -----  
Subject: ACTION REQUIRED: Renegotiation of Academic Performance Framework Goals  
Date: Nov 13 2015 5:42 PM  
From: "Poulos, Katie, PED" <[Katie.Poulos@state.nm.us](mailto:Katie.Poulos@state.nm.us)>  
To: "Dean, Jodie" <[jmdean@connectionseducation.com](mailto:jmdean@connectionseducation.com)>, "McConnell, Susan" <[smcconnell@nvanm.org](mailto:smcconnell@nvanm.org)>, "Sosa, Gavin" <[gavin@dreamdine.org](mailto:gavin@dreamdine.org)>, "Ogas, Mike" <[mogas@sodacharter.com](mailto:mogas@sodacharter.com)>, "Hotchkiss, Christopher" <[chotchkiss@cepinm.org](mailto:chotchkiss@cepinm.org)>, "Torres, Nadine" <[ntorres@senahigh.com](mailto:ntorres@senahigh.com)>, "Arness, Tani" <[tarness@cesarchavezcharter.net](mailto:tarness@cesarchavezcharter.net)>, "Rodríguez, Michael A." <[mrodriguez@cienuaguas.org](mailto:mrodriguez@cienuaguas.org)>, "Carter, Cynthia" <[ccarter@hawest.net](mailto:ccarter@hawest.net)>, "Octavio Casillas" <[ocasillas@academianm.org](mailto:ocasillas@academianm.org)>, "Montoya, Justina" <[j\\_montoya1129@yahoo.com](mailto:j_montoya1129@yahoo.com)>, "Mathis, LaTricia" <[lmathis@newamericaschoolnm.org](mailto:lmathis@newamericaschoolnm.org)>

Charter Leader,

At its meeting in August, the Public Education Commission voted to move forward with the same academic goals for your school's 2015-2016 Academic Performance Framework that were found in your school's 2014-2015 Academic Performance Framework.

However, since that time several schools have indicated a desire to renegotiate their Academic Performance Framework goals.

Please let me know NO LATER THAN 5:00 P.M. ON NOVEMBER 20TH whether or not your school would like to renegotiate some or all of the academic goals for the school's 2015-2016 Academic Performance Framework.

If you choose to engage in this renegotiation, please all the dates in December when you would be available to engage in the renegotiation session. CSD will provide materials and timelines to ensure you are prepared for the renegotiation sessions.

If you do not identify a desire to engage in the renegotiation session, CSD will provide instructions for finalizing your 2015-2016 Performance Framework.

I look forward to your response,

----- Original Message -----  
Subject: Canceled: Performance Framework Renegotiation Sessions  
Date: Feb 29 2016 7:29 AM  
From: "Poulos, Katie, PED" <[Katie.Poulos@state.nm.us](mailto:Katie.Poulos@state.nm.us)>  
To: "Voigt, Glenna" <[gvoigt@nmmediaarts.org](mailto:gvoigt@nmmediaarts.org)>, "Hotchkiss, Christopher" <[chotchkiss@cepinm.org](mailto:chotchkiss@cepinm.org)>, "Ogas, Mike" <[mogas@sodacharter.com](mailto:mogas@sodacharter.com)>, "Mathis, LaTricia" <[lmathis@newamericaschoolnm.org](mailto:lmathis@newamericaschoolnm.org)>, "Arness, Tani" <[tarness@cesarchavezcharter.net](mailto:tarness@cesarchavezcharter.net)>, "Carter, Cynthia" <[ccarter@hawest.net](mailto:ccarter@hawest.net)>  
Cc: "Woodd, Edward, PED" <[Edward.Woodd@state.nm.us](mailto:Edward.Woodd@state.nm.us)>, "Morris, Tina, PED" <[Tina.Morris2@state.nm.us](mailto:Tina.Morris2@state.nm.us)>

Charter school leaders,

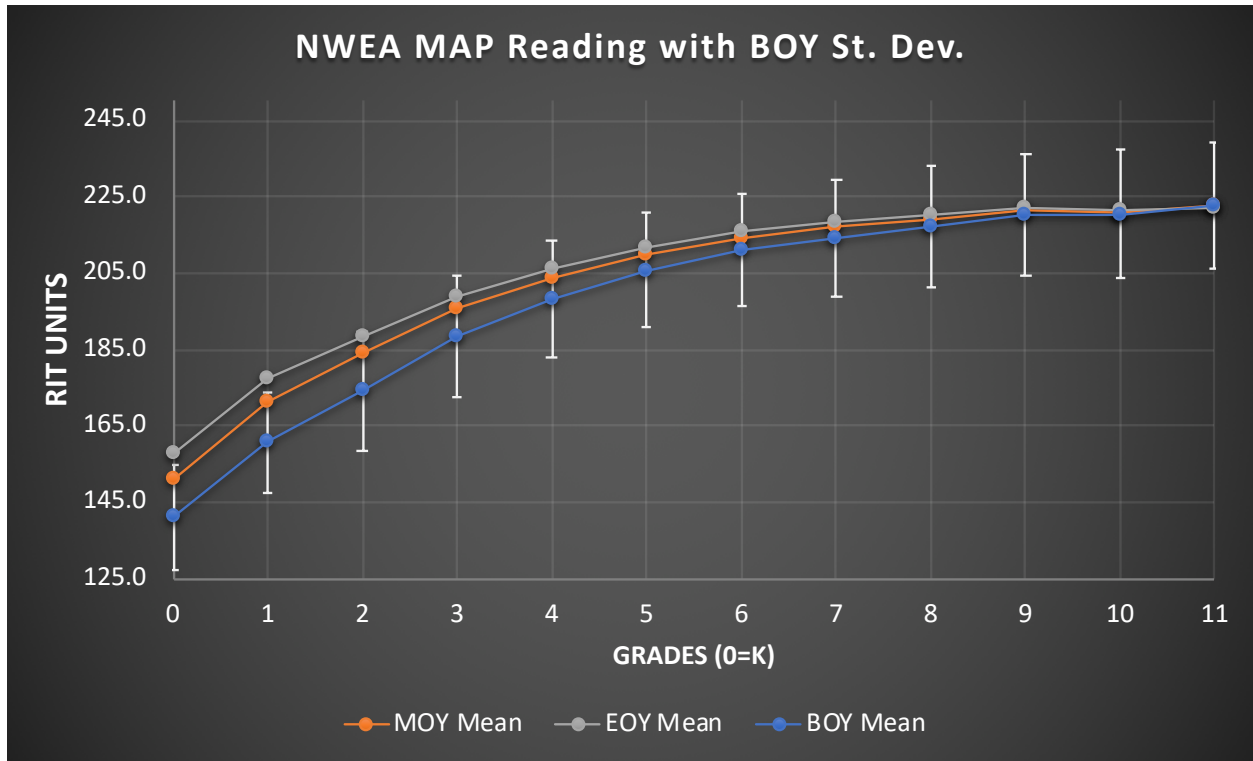
The Public Education Commission has requested that we cancel the performance framework renegotiation sessions scheduled for March 8th and 9th. These renegotiation sessions will be rescheduled at a later date. We will be in touch when we have more information.

Thank you,

**Figure 4. This email string shows that SODA, among other charters, wished to make changes to the performance goals, were scheduled, canceled, and then promised to be rescheduled at a later date which never occurred. Had the amending occurred, SODA would have almost certainly have performed much better using the revised, more reasonable goals except for the NWEA MAPs goal, to be addressed, below. We should have pushed harder for these amendments.**

SODA proposed one performance framework goal associated with all students showing an annual growth rate equivalent to the NWEA's manual requirements. Performance for this goal has never been met. There are two problems with this: the NWEA has not published anything that tells us what the growth should be by grade as is calculated on their website, and the NWEA data clearly show that its use in higher grades (above about the 5<sup>th</sup> to 6<sup>th</sup> grade) is not appropriate for summative data. An example of this problem is shown in Figure 5. Note that the NWEA MAPs website does provide projected improvement levels by grade for some tests for some of the higher grades. These are not shown in their normalizing tables. Our current goal includes all high school grades, which was caused by a misunderstanding of this reality when the initial goals were set. There are not even normalized scores for the MAPs tests past the 10<sup>th</sup> and 11<sup>th</sup> grade,

depending on the MAP subject, even though we promised to test through the 12<sup>th</sup> grade being unaware of this. That is, we could not have met the goals, regardless of how well we did, since there were not even NWEA scoring goals for all the higher grades and tests. (We must note that many teachers think that the NWEA MAPs tests in higher grades are very good to use as formative data for individual student’s performance to guide individual instruction.)



**Figure 5. NWEA MAP Reading average scores for beginning, middle, and end of year tests with the standard deviation shown for the beginning of year test (other tests are similar).**

Reiterating the short discussion from our renewal application, there is one document that shows what the mean MAP scores are for each grade based on a 2015 baseline. The results of these scores (figure 5) show the problems with meeting the NWEA web site goals compared to the actual performance of the 2015 test group. Figure 5 shows this graphically (instead of tabularly) and provides the standard deviation of the mean results for each grade. Note that this is for one topic, only, but it clearly demonstrates that as the grade level increases, the ability to differentiate from one grade to the next becomes extremely limited. In fact, in the ELA MAP 10<sup>th</sup> grade test, the RIT score mean decreases from the previous year. The MAP test would seem to be fine for summative scores in the earlier grades, but it simply does not work in a summative fashion for the upper grades. If we followed these data as goals, we would have to say that a student going from the 9<sup>th</sup> to the 10<sup>th</sup> grade should decrease his or her score to meet NWEA expectations. This is obviously nonsensical. Yet we mistakenly signed up to show yearly improvement based on individual student predictions rather than mean predictions, which is what the NWEA appears to use on the web site. This goal must be changed for all the reasons stated above and others, should anyone wish to discuss this.

**Financial Compliance—2a.** This was rated as “failing to demonstrate progress.” The School of Dreams Academy has taken action during this 2018- 2019 school year to hire an in-house Business Manager to work alongside the previous Licensed Business Manager. This is to ensure that all purchase requests are created, purchase order are done before the invoice are paid. Coding is being double checked and process time is being kept at a minimum. Each year the school has submitted corrective action plans to address audit findings and will continue to work at addressing any outstanding issues. Below are the CAP’s submitted to PED over the past 4 years. Corrective action plans submitted over the past four years are on file with the Public Education Department and in our business office.

**Contractual, Organizational, and Governance 3b).** Earlier in this narrative we talked about issues concerning the performance contract and some confusion with respect to its implementation. In 2015 we sent email requests to the charter schools division asking to renegotiate the contract goals. As shown in figure 4, were told that a scheduled meeting would be rescheduled. This never happened. During that time there was considerable dialogue regarding the importance of the school grading system. That was the primary focus of the PED including the Charter Schools Division. As a result, we focused solely on increasing our school’s grade, knowing that a new performance contract structure was being developed that would tie all of this together eventually. Over the past four years we have striven to increase academic achievement and opportunities for our students to move beyond high school and either into the workforce or post-secondary endeavors. The failing to demonstrate progress rating is specific to the goals in the contract, that we attempted to get changed, and are not truly indicative of the successes in progress we have made as a school. During this period of time we have become a successful early college high school and have graduated many students who have achieved successes both in their college, vocational, and military endeavors including a Gates millennial scholar, five Daniels fund scholars, and 13 students who graduated high school with one and sometimes two associate degrees. Most recently the valedictorian at UNM Valencia’s 2018 commencement ceremony was a high school student from our school who was also graduating with three associate degrees.

We are also successfully implementing and building out an elementary school with a strong 3Y / 4Y program through 4<sup>th</sup> grade. Our plan is to add 5<sup>th</sup> and 6<sup>th</sup> grades systematically and eventually have all grades under a one umbrella school system.

**Contractual, Organizational, and Governance 3b) for the Record—McKinney-Vento Dispute Resolution Policy.** Prior to the CSD visit in October we adopted the McKinney Vento dispute resolution policy and showed evidence of that to the CSD team when they came to monitor us. This policy and supporting documents are on file in our administrative office. The development of these policies and procedures where the result of the conversations by our administrative team and Mrs. Dana Malone, New Mexico’s designated homeless liaison. Her office has and continues to provide technical assistance in our implementation of the McKinney Vento act. To date we have identified 32 students who meet the “homeless” criteria and we are continually working with local nonprofits and agencies to get services for these students and their families.



**English Language Learners.** Please see the Attachment beginning page 10, which is the response from the SODA multicultural program coordinator.

**Contractual, Organizational, and Governance 3b)—Evaluation of the Head Administrator.**

The SODA Governing Council takes evaluations very seriously and have filled an evaluation for the School of Dreams Academy Head Administrator, every year since the school's inception. Although there is not a set template for evaluation, we use one that includes generally established administrative competencies for New Mexico. Evaluations are in Mr. Ogas' file and Evaluations are reflected in the SODA Governing Council agendas and minutes. Apparently, they were overlooked during the CSD team visit. We will be happy to provide them once again.

**Contractual, Organizational, and Governance 3b)—Staff Files and Proper Licensure.**

After the PED visit where all personnel files were audited, our HR department conducted an extensive review of each employee file. The file missing a PED license was for one of our employees who said she had brought it in last school year. The day we notified her she was able to bring in her license. All employees who did not have official transcripts were immediately notified of the discrepancy and have requested their official transcripts be sent to us.

**Contractual, Organizational, and Governance 3b)—Background Checks.**

All teachers and staff have been required to update their background checks if they were three years or older. ALL ARE NOW UP TO DATE. This process will be kept up at the beginning of each school year to stay in compliance.

**Contractual, Organizational, and Governance 3b)—Health and Safety.** At the time of the onsite visit, these staff members (3) were new hires and in process of completing the child abuse and neglect detection training. These were completed by the end of October 2018. We now have them on file.

**Financial Reporting.** School of Dreams Academy is aware there have been findings with our audits and each year we have written and implemented corrective action plans to address them. Each year we have trained staff on internal controls, most particularly in how to request purchase orders and handling of funds. These are areas that we are confident that we will see improvements. This year we hired our own "in house" business manager who is transitioning with our current business manager. Already we have seen a marked difference in issues related to purchasing and handling of money. We are committed to making the necessary corrections to come into compliance.



## **ATTACHMENT—ELL Performance**

### **English Language Learners—2018-2019**

The School of Dreams Academy has not been able to implement a formal Bilingual Program under the Multicultural Education Bureau because of our inability to find a sufficient number of licensed teachers with Bilingual or TESOL endorsements. Out of 28 teachers, there are 2 high school teachers that have a TESOL endorsement and 2 elementary school teachers with TESOL endorsement. There is one teacher in both high school and elementary school with both Bilingual and TESOL endorsements. The teachers who have these endorsements are regular classroom teachers, or the District Test Coordinator (DTC) for the school. However, SODA does provide a sound ELL program wherein the ELL population follows the New Mexico Language Usage Survey. The program uses the Tools for Identifying Potential English Learners and the New Mexico Public Education Department Guidance Handbook. We have not let the lack of qualified teachers stop us from implementing a very strong, internal program model that has shown exceptional results. (See the excerpt from the New Mexico Charter School News dated August 2018 showing SODA ranking as the second highest state charter English Learner Proficiency rates for Spring, 2018 at the end of this narrative.)

A number of related documents were provided to the PED during the visits conducted by the PED (Ms. Karen Woerner) for the 2017-2018 and 2018-2019 school years. A sampling of the documents examples includes: copies of letters given to parents with scores; Language Usage Survey (LUS) updates; Student Assessment Data scores from WIDA yearly scores (reviewed by

the PED in October); and sticky labels with scores that were included in the student's CUMM folders. Not only were these documents provided to the PED, but many of the resources we use were also emailed, such as letters that need to be sent to parents with Student Assessment Data, the documents provided by the manuals, and training that the PED Bilingual and Multicultural Bureau has provided.

Every year the ACCESS for ELLs English Language Proficiency Tests are provided for all the ELL populations. All the Student Assessments Data for English Proficiency can be found on the WIDA platform. All the reports are provided to the School of Dreams Academy by the WIDA Consortium. To assure all students are properly identified, the school uses the STARS platform to determine the proper student identification codes for Power School and the ELL Students Snapshots review. We also make calls to the Bureau on specific students for whom their former schools did not provide records.

The School of Dreams Academy believes in empowering students to be co-constructors in learning. The ELL population is acquiring English Proficiency, and students navigate a personal quest involving self-directed, interest based educational opportunities. One of the top priority instructional focuses for these students is student engagement. As our school-wide model dictates, we instruct academic language skills. Our ELA teachers and teachers with TESOL endorsements collaborate in creating academic language lessons, activities, and accommodations for the ELL population students. ELL population students are not pulled out of the regular ELA classroom, but are instructed on an inclusion model according to their proficiency levels. The SODA overall instruction program for the ELL population is an academic language-based model that has proven to be successful among socioeconomically disadvantaged population.

The previously mentioned excerpt, below, of the New Mexico Charter School News dated August 2018 shows how well the School of Dreams Academy is doing with ELL students. We are proud of this program and only lack additional qualified teachers to formalize it with the PED and Bureau.

**Best Practice Tips for Governing Board Members**

Nothing is more important to the health and sustainability of your organization than getting highly qualified and enthusiastic people to serve on your board. It can be a struggle to identify the right leaders. Check out six tips on board recruitment from [BoardSource](#).

**More Best Practices!**

Now is a great time to review your Bylaws! If your board hasn't read its [Bylaws](#) in a while, consider a review to ensure they still meet your school's needs.

**KUDOS!**

Of the six Districts/Charter Schools demonstrating the highest English learner Proficiency (ELP) rates this past spring, three were State Chartered Charter Schools. Congratulations to:

Albuquerque School of Excellence (11.3%)  
School of Dreams (10%), and  
Turquoise Trail (9.4%)

**New from the PEC**

Additional Notification Requests were approved by the PEC during their July meeting. These are:

- Change in Site Specific Enrollment Capacity
- Performance Framework Academic Goal
- Non-Discretionary or Discretionary Waiver

As part of New Mexico's state plan for Every Student Succeeds Act (ESSA), all of New Mexico's schools will implement and improvement system that increases student achievement through a focus on levers of school and district instructional leadership.

Read the full memo about NM DASH [here!](#)

**On the PED Website**

Rules adopted into [administrative code](#) (rule) by the Public Education Department.

**Don't Forget!**

As you work on registering your students this year, remember to:

- Obtain the [Language Usage survey](#) and/or properly administering it to either Kindergartens or new students to NM
- Verifying NM residency
- Ensure that immunization records are complete and up-to-date
- Secure IEP and/504 documentation for transfer students

**“**

*One child, one teacher, one book, one pen can change the world.*

MALALA YOUSAFZAI



**STATE OF NEW MEXICO**  
**PUBLIC EDUCATION DEPARTMENT**  
**300 DON GASPAR**  
**SANTA FE, NEW MEXICO 87501-2786**  
**Telephone (505) 827-5800**  
[www.ped.state.nm.us](http://www.ped.state.nm.us)

CHRISTOPHER N. RUSZKOWSKI  
SECRETARY OF EDUCATION

SUSANA MARTINEZ  
GOVERNOR

### 2019 CSD Preliminary Analysis of Renewal Application and Site Visit

**School Name:** School of Dreams Academy

**School Address:** 1800 Main St NE Ste 250 Los Lunas, NM 87031

**Head Administrator:** Mike Ogas

**Business Manager:** Geri Bennett

**Authorized Grade Levels:** 7-12

**Authorized Enrollment:** 525

**Contract Term:** July 1, 2014 – June 30, 2019

**Mission:** *“The Mission of the School of Dreams Academy is to graduate students of the Rio Grande Valley who embrace an education that emphasizes Science, Technology, Engineering, Arts and Mathematics (STEAM) while focusing on developing well-rounded individuals with good character ready for post-secondary success.” (Contract, p. 35)*

#### Part B (Progress Report) Evaluation *based on the rubric contained in the application*

Chart 1, below, summarizes CSD’s ratings of the school’s renewal application and site visit:

<b>Chart 1. Renewal Application Ratings by Indicator</b>		
<b>Section</b>	<b>Indicator</b>	<b>Final Rating</b>
<b>ACADEMIC PERFORMANCE</b>		
1.a	Department’s Standards of Excellence— A-F Letter Grades	<i>Failing to Demonstrate Substantial Progress</i>
1.b	Specific Charter Goals	<i>Failing to Demonstrate Substantial Progress</i>
<b>FINANCIAL COMPLIANCE</b>		
2.a	Audit	<i>Failing to Demonstrate Substantial Progress</i>
2.b	Board of Finance	<i>Meets the Standard</i>
<b>CONTRACTUAL, ORGANIZATIONAL, AND GOVERNANCE</b>		
3.a	Material Terms	<i>Demonstrates Substantial Progress</i>
3.b	Organizational Performance Framework	<i>Failing to Demonstrate Substantial Progress</i>
3.c	Governance Responsibilities	<i>Demonstrates Substantial Progress</i>

## CSD Review of Part B (Progress Report) and Renewal Site Visit in October

The PED team reviewed the Part B (Progress Report) submitted by the school and conducted a renewal site visit on October 10, 2018. The following sections provide additional analyses supporting the ratings summarized in Chart 1, above.

### **Academic Performance**

**1a)** School of Dreams Academy has earned D, C, B, and C consecutively on the Overall School Grade during the current contract term, as well as Ds on the graduation indicator and an F on the Q1 indicator on the A-F school grade report card. The CSD team has rated this indicator as **“failing to demonstrate progress”** because the school has implemented most improvement actions only during the current year (2018-2019) and no evidence of success has been demonstrated. The school did provide the following details regarding improvement actions, which were verified at the site visit:

- 2014-2015 Overall Report Card Rating (D)
  - Created essential learning standards
  - Hired outside analytical help
  - Provided NWEA Training
  - Implemented Summer School
- 2016-2017 graduation and 2017-2018 graduation indicator (D)
  - Hired a full-time school counselor for the secondary school
  - Hired a full-time school counselor for the elementary side.
  - Held senior meetings at the beginning of the school year to make sure that all the information a student needs to graduate is available to them and their parents
  - Hosted a senior information session evening meeting for seniors and their parents with important information about graduation and scheduling senior meetings
  - Provided a monitored computer lab where students are assigned to complete Edgenuity credit recovery courses
  - Implemented a block schedule that increased the amount of course offerings per school year from six to eight to help ensure that students get all the credits they need to graduate on time and also allowed teachers to expand their course offerings to include intervention classes for the lowest performing students in math and reading.
  - Renewed the contract with Edgenuity in the 2017-2018 school year and key staff attended an Edgenuity re-training.
  - Purchased iStation licenses and placed students with the lowest reading scores into iStation intervention courses to build their reading skills (in addition to their regular grade-level English classes)
  - One staff member has been assigned to work on transition IEP plans part-time to help students with IEPs make and keep plans for graduating on time
  - Hired a full-time test coordinator to ensure that testing was performed appropriately and audited for feedback to teachers and students
- 2017-2018 Performance of Lowest Performing Students F
  - Implemented a block schedule which allowed for 8 classes per year, instead of 6
  - Adopted programs designed to provide targeted, individualized instructional interventions in areas identified by standardized testing and or classroom performance including iStation, MobyMax, Khann Academy, and Edgenuity Supplemental
  - Hired two Special Education teachers (one for elementary and one for secondary)

**1b)** Schools that meet or exceed their specific charter school goals each year of the contract term are rated as “meets the standard”. Since the school has not met one of the goals in any year of the contract

term, the CSD has rated this indicator as **“failing to demonstrate progress”**. The first goal was to make one year’s worth of growth on NWEA and the school has not been met this goal during the current contract term. The school questions the validity of using NWEA assessments for secondary school students and indicated in their Progress Report that even though this goal is not being met, the school is improving PARCC and SBA scores. The second goal, College and Career Readiness (C&CR), was met/exceeded in 2016 and 2018. The third goal regarding Graduation Rate for Cohorts did improve in 2018 (“exceeded”) from 2017 (“falls far below”). The school also refers to hiring a consultant this year to develop a system to track data related to material terms but the effectiveness of this support cannot yet be evaluated.

## **Financial Compliance**

**2a)** A “meets the standard” rating is provided to schools who have received no material weakness, significant deficiency, or repeat audit findings in each of the annual audits during the term of the contract. The CSD team has rated this indicator as **“failing to demonstrate progress”** because School of Dreams Academy has continued to receive audit findings each year, with a dramatic increase in the number of findings received in FY17. In FY15, there were four (4) findings, one of which was a repeat. In FY16, there were two (2) findings. In FY17, there were 10 audit findings, including two (2) repeat and one (1) material weakness.

**2b)** The CSD team has rated this indicator as **“meets the standard”** because the school has maintained all Board of Finance authority during the entire term of the contract.

## **Contractual, Organizational, and Governance**

**3a)** The CSD team has rated this indicator as **“demonstrates substantial progress”** because the school has 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 school did not provide academic evidence it is implementing the material terms of its contract [NMSA § 22-8B-9.1] resulting in a “falls far below” rating in 2016-2017, which the school raised to “meets standard” in 2017-2018.

**3b)** The CSD team has rated this indicator as **“failing to demonstrate progress”** because the school received 11 “falls far below” ratings in 2016-2017 and nine (9) “falls far below” and two (2) “working to meet” ratings in 2017-2018. The school did not respond in the 30-day window following the release of the annual site visit reports each year and, in several instances, only began addressing the concerns during the current (2018-2019) school year.

The concerns identified that have been resolved include:

- Students with Disabilities: The school did not provide evidence of compliance with the Corrective Action Plan instituted by the Special Education Bureau. However, the matter was resolved and a formal letter was received on October 16, 2017. The details of the Corrective Action Plan and the school’s response are described by the school in Part B.
- A compliant mentorship program for novice teachers [6.60.10.8 NMAC] has now been implemented. The PED team observed a formal mentorship process and handbook that appeared to align with statute, in which expectations and monthly objectives were clear for both the mentor and mentee.
- RtI/SAT Process: The school did not provide evidence of implementation of an RtI/SAT process for its students [6.29.1.9 NMAC]. The school has responded with a new secondary SAT chair, training for staff, and monthly staff meetings this academic year (2018-2019).

The concerns identified that have not been resolved include:

- McKinney-Vento Dispute Resolution Policy: The school did not provide evidence of a dispute resolution policy, approved by the governing board [6.10.3.9(D)(2) NMAC]. At the time of application, this policy had still not been adopted.
- English Language Learners: The school did not provide evidence of implementation of the Bilingual Multicultural Education Bureau annual progress report for the school's state-funded program. The school also did not provide evidence of the proper use of the Language Usage Survey [6.29.5.11 NMAC] and, despite identifying concerns at the 2017-2018 site visit, the CSD team discovered that the regulations for properly identifying and assessing English language learners were still not being followed at the renewal site visit in October 2018.
- Evaluation of head administrator: The school did not provide evidence that the governing council evaluated the head administrator annually [6.29.1.9.B.2 NMAC]. At the renewal site visit in October, the CSD team observed a partially-completed evaluation for 2016-2017 and none for 2017-2018.
- Staff Files: The school did not provide evidence that all instructors had proper licensure and endorsement(s) for course(s) taught [NMSA§ 22-10A-3]. At the renewal site visit in October, there was one (1) file that was missing the NMPED License Certificate and ten (10) that were missing official transcripts. In addition, a repeat concern was noted with one staff member being paid as a Level 2 on the salary schedule even though she only possesses a Level 1 NMPED License.
- Background checks: The school did not provide evidence of completed background checks for all licensed staff [NMSA § 22-10A-5]. At the renewal site visit, there was one (1) staff member who did not have a background check in the file.
- Health and safety: The school did not provide evidence of child abuse and neglect detection training for all licensed staff [NMSA § 22-10A-32; 6.29.1.9(D)(3)(f) NMAC]. At the renewal site visit, there were four (4) staff members who had no evidence of completing the mandatory child abuse reporting training.
- Financial reporting: The school did not provide evidence of implementation of remedies that resulted in compliance or sufficient movement toward compliance for the school's internal control audit findings.

**3c)** The CSD team has rated this indicator as “**demonstrates substantial progress**” because the Governing Council has maintained a minimum membership of five (5) throughout the contract term, with the current board members having served two or more years. However, two Governing board member did not complete the required training in 2017-2018. In 2016-2017, five members completed the training and in 2015-2016, no training was reported by the school. The school and Governing Board are aware of the mandatory training requirements and the school indicated that *“Both are dedicated governing council members and have committed to resolving this issue within this next school year.”*

### Stakeholder Interviews

As part of the school's renewal site visit, stakeholder interviews were conducted on October 10, 2018 at School of Dreams Academy. The participants included two (2) Governing Council members, eleven (11) students, eight (8) parents, and seven (7) staff members. The following provides some additional context regarding the school from various perspectives.

The Governing Board members expressed that the school caters to those students who do not always fit into the same box and is really invested in the kids. Regarding academic performance, the response was *“If you get a base score from when these kids come in, you see improvement.”* In response to a question



about the school's decision to hire a consultant to collect data related to the material terms as an improvement action, the Governing Board members said that the school *"has had lapses in getting data together"* and that the Head Administrator *"has hired Kim Johnson to set up the system."* It was unclear what data would be collected, how it would be used, and how this would help improve the school. Finally, the board members were questioned about completing the required trainings and it was confirmed that the Board President received the email notifications. The board members expressed concerns about having to travel long distances to attend trainings, asked if those who have been in education or serving on a Governing Board for a while could have a reduced number of required hours, and wanted to know why they are not getting credit for financial trainings provided by NMASBO.

The students primarily stressed that they attend the school because the traditional public schools did not offer what they wanted. The small school size, dual credit program, dance/arts, and STEAM were specifically mentioned.

The parents also listed small class sizes, welcoming environment, and challenges in traditional public schools as reasons for choosing this school for the students. Several mentioned that their children have improved or excelled at this school.

The staff are most pleased with the sense of community and the comradery that exists among the employees. Other highlights include structure that allows students to have options, parent-teacher collaboration, hard-working colleagues, support from fellow teachers, and focus on the students as individuals. When asked about struggling students, the teachers described the intervention program, iStation, and using NWEA MAP data, along with Khan Academy as added supports.

[Please see sections of the renewal application package for additional details, as follows:](#)

Part A: Data Report and Current Charter Contract Performance

SECTION 1. ACADEMIC PERFORMANCES

SECTION 2. FINANCIAL COMPLIANCE

SECTION 3. CONTRACTUAL, ORGANIZATIONAL, AND GOVERNANCE RESPONSIBILITIES

Part B: Progress Report

Part C: Financial Statement

Part D: Petitions of Support

Part E: Description of Charter School Facilities and Assurances

Part F: Amendments and Amendment Requests

Appendices of additional documentation from the school, if any

## SECTION 1. ACADEMIC PERFORMANCE

School Grading is part of state and federal statute that mandates accountability for all public schools. In 2011, New Mexico lawmakers enacted requirements that schools demonstrate progress through a grading system similar to that applied to students, A-B-C-D-F (§22-2-1, §22-2-2, and §22-2E-1 to §22-2E-4) (6.19.8.1 NMAC – N, 12-15-11). The statute requires the governing body of a charter school rated D or F to prioritize its resources toward proven programs and methods linked to improved student achievement until the public school earns a grade of C or better for two consecutive years (§22-2E-4 [E] NMSA 1978).

In 2011, New Mexico lawmakers also enacted requirements that each charter school authorizer develop a performance framework to set forth academic performance expectations. The statute requires each charter authorizer to collect, analyze and report all data from state assessment tests in accordance with the performance framework (§22-8B-9.1 NMSA 1978).

Each school in New Mexico is included in one of two School Grading systems either for elementary/middle schools or high schools. Although total possible points for either scheme add up to 100 in which points earned determine a school's letter grade, the two grading systems have different points allocation and components. The elementary/middle school grading system emphasizes *“more competency-based, while the emphasis in high school is on successful completion of high school and preparation for college or career. Charter schools are held to the same standards and calculations as regular public schools.”*<sup>1</sup> In addition, schools may earn up to five additional or *bonus* points for reducing truancy, promoting extracurricular activities, engaging families, and using technology. The School Grading Report Card also provides school leaders with information comparing their school to schools with similar student demographic characteristics.

The following information provides a snapshot of the school's academic performance over the last four (4) years. The analysis in this section will discuss the school's performance over time in each component of the letter grade report.<sup>2</sup>

### 1a. Department's Standards of Excellence—A-F Letter Grades

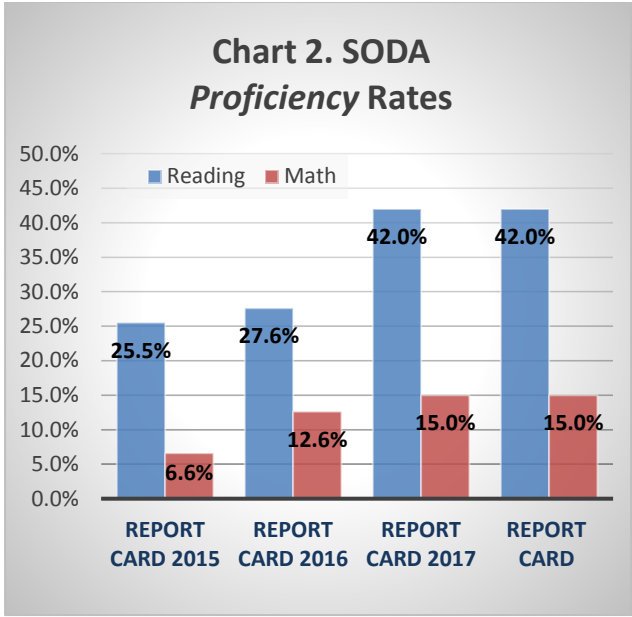
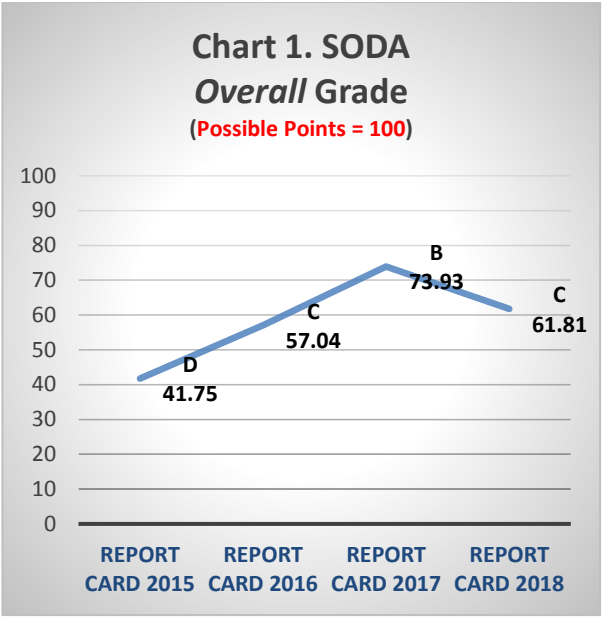
This section includes analysis of academic performance of the school towards meeting the Department's Standards of Excellence –A-F School Grading System through the 2017-2018 school year.

**Overall Standing.** Chart 1 illustrates SODA's overall school grade in each of the last 4 years (2015-2018). The school earned 2 “C's,” 1 “B,” and 1 “C.” SODA earned over half of the possible points in 3 of 4 years with a high of 73.93 in 2017 and a low of 41.75 in 2015. In addition, the school earned bonus points, which if excluded, would not have resulted in a change of grade during any year. Note that beginning in 2018-2019 bonus points will be eliminated as part of the state's federally approved Every Student Succeeds Act (ESSA) Plan. SODA has

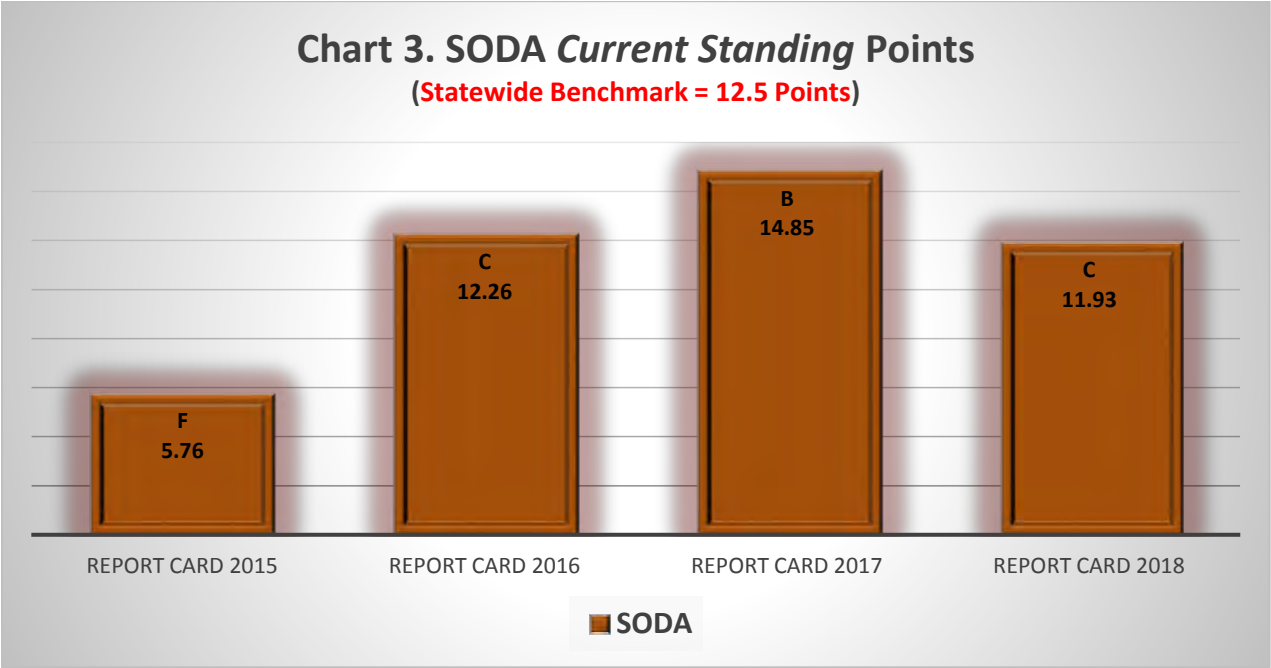
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<sup>1</sup> The “A-F School Grading: Frequently Asked Questions [FAQ]” by the New Mexico Public Education Department may be obtained at: <https://aae.ped.state.nm.us/SchoolGradingLinks/1516/TECHNICAL%20ASSISTANCE%20FOR%20EDUCATORS/School%20Grading%20FAQs.pdf>.

<sup>2</sup> Final Part A excludes similar schools comparison because such information was not available at the time this report was completed.

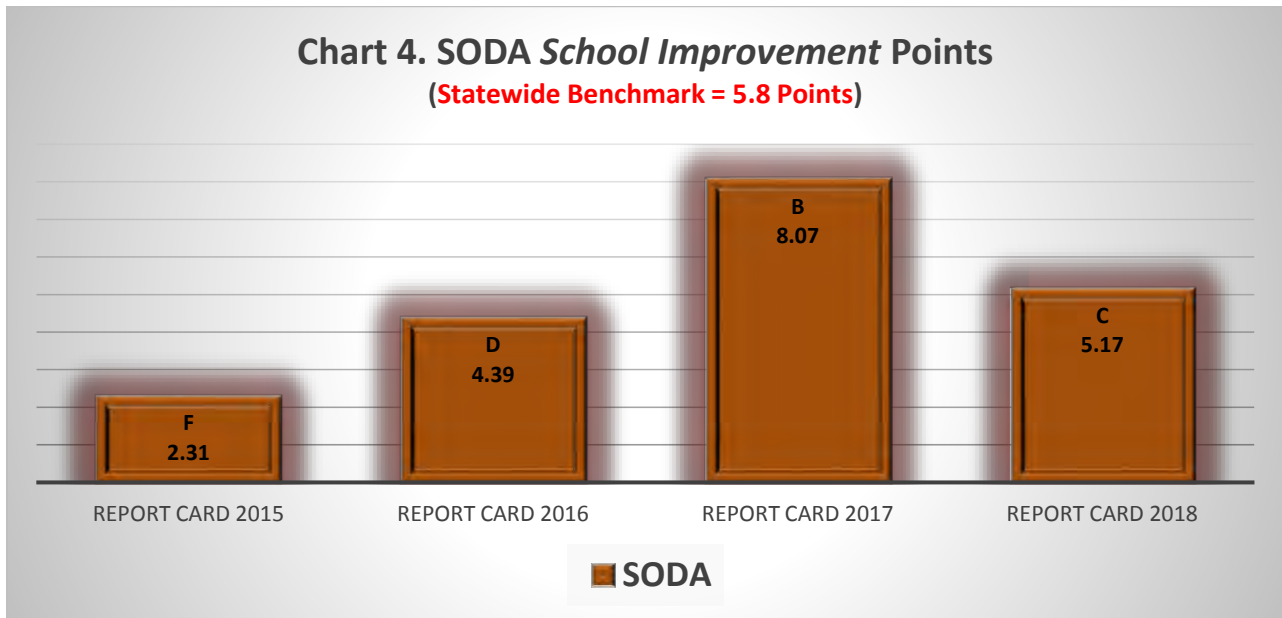


**Current Standing.** Current standing measures both grade level proficiency and student performance in comparison to expected performance based on statewide peer performance; statewide peers are identified based on prior achievement and student mobility. In 2018 (Chart 3), the school earned 11.93 points out of 30 possible points in this category, which was below the statewide benchmark (established in 2012) of 12.5 points. The school earned letter grades ranging from “F” to “B” in the category.



**School Improvement.** The school improvement performance (formerly known as School Growth) on the School Grading Report compares overall student performance from year to year was examined as well as compared to similar schools. Growth can be positive or negative. When it is positive, school performance

is better than expected when compared to others schools with the same size, mobility, and prior student performance. In Chart 4, the school earned between 2.31 – 8.07 points during the past 4 years earning letter grades ranging from “F” to “B” in the category. One (1) of 4 years was above the statewide benchmark of 5.8 points.



Under the *school improvement* section of the School Grading Report growth indices for both reading and math are presented. A growth index of zero (0) indicates the expected score for each area when compared to other schools with the same size, mobility and prior student performance. A positive index indicates that the school performed better than was expected while a negative index indicates that the school did not perform as expected when compared to similar schools and students.

Expected growth was met in 2 of 2 years in reading and 1 of 2 years in math.

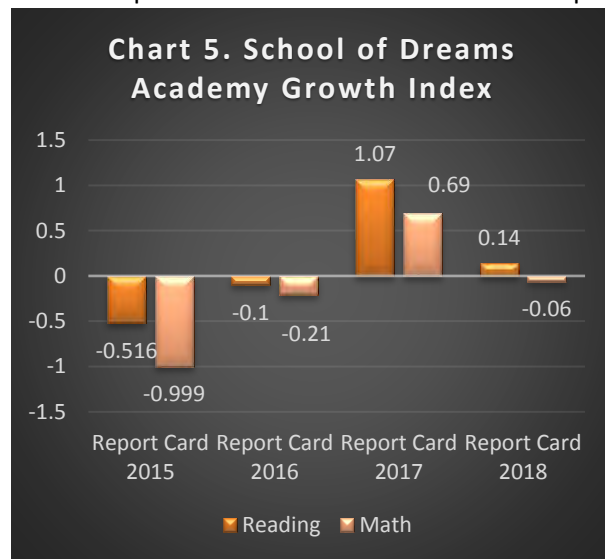
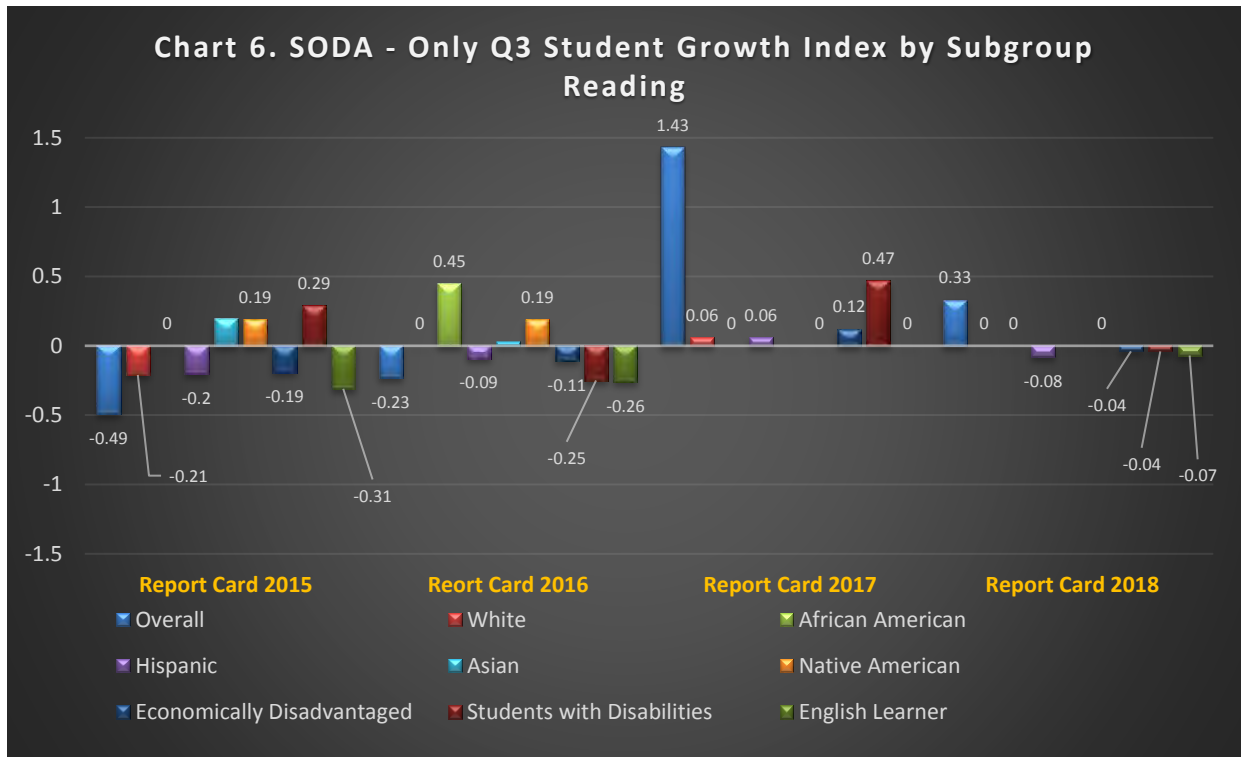
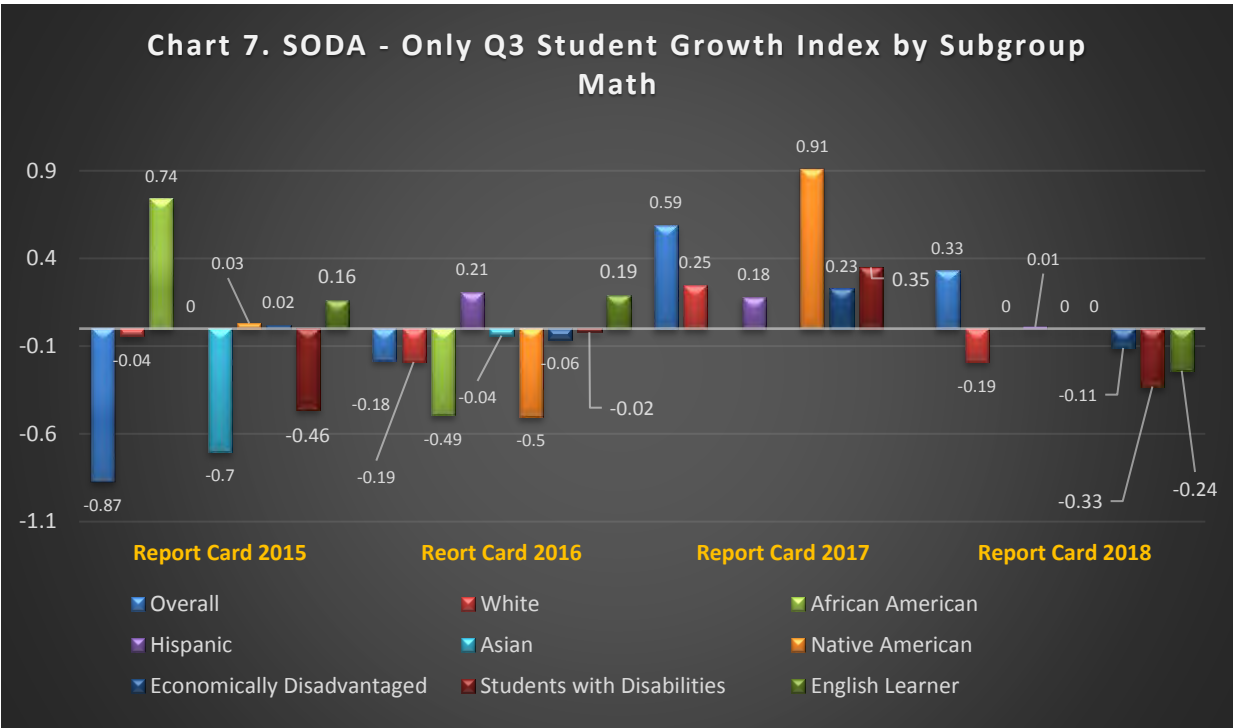


Figure 1. Points earned in School Improvement section (10 total points possible).

	Points Earned in Reading	Points Earned in Math	TOTAL <i>*Possible 10 points</i>
2015	1.51	.79	2.3
2016	2.31	2.08	4.39
2017	4.29	3.78	8.07
2018	2.79	2.38	5.17

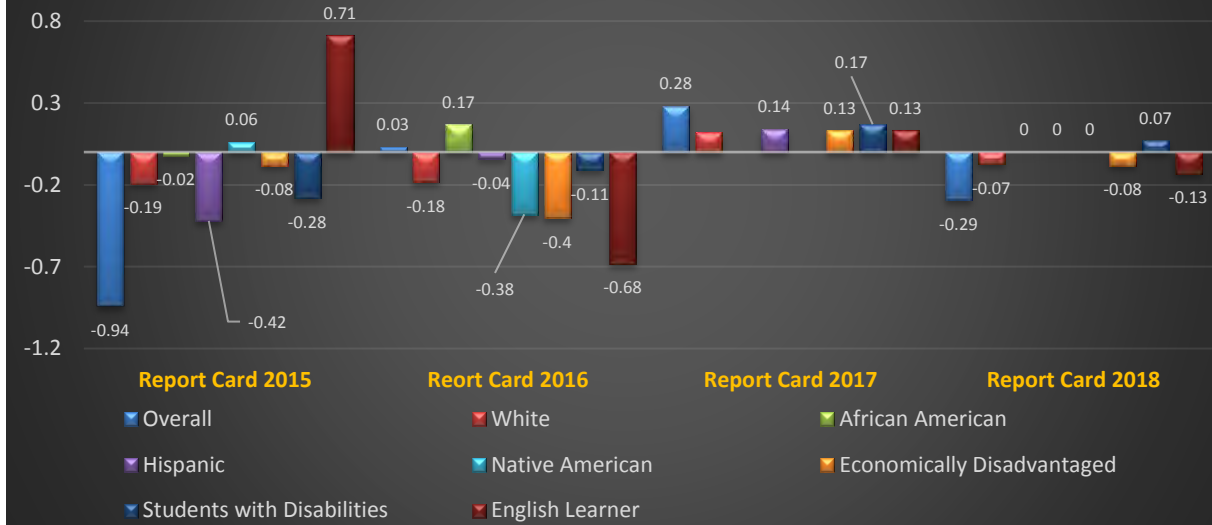
**Subgroups within Higher-Performing Students (Q3).** In Q3 student growth, the indicator evaluates changes in comparative performance for the school’s higher-performing students (top 75%). Most subgroups (excluding masked data) met expected growth in reading in at least 1 of 4 years with overall student growth met in 2 of 4 years. In math, most subgroups met expected growth in at least 1 of 4 years with overall student growth met in 2 of 4 years.



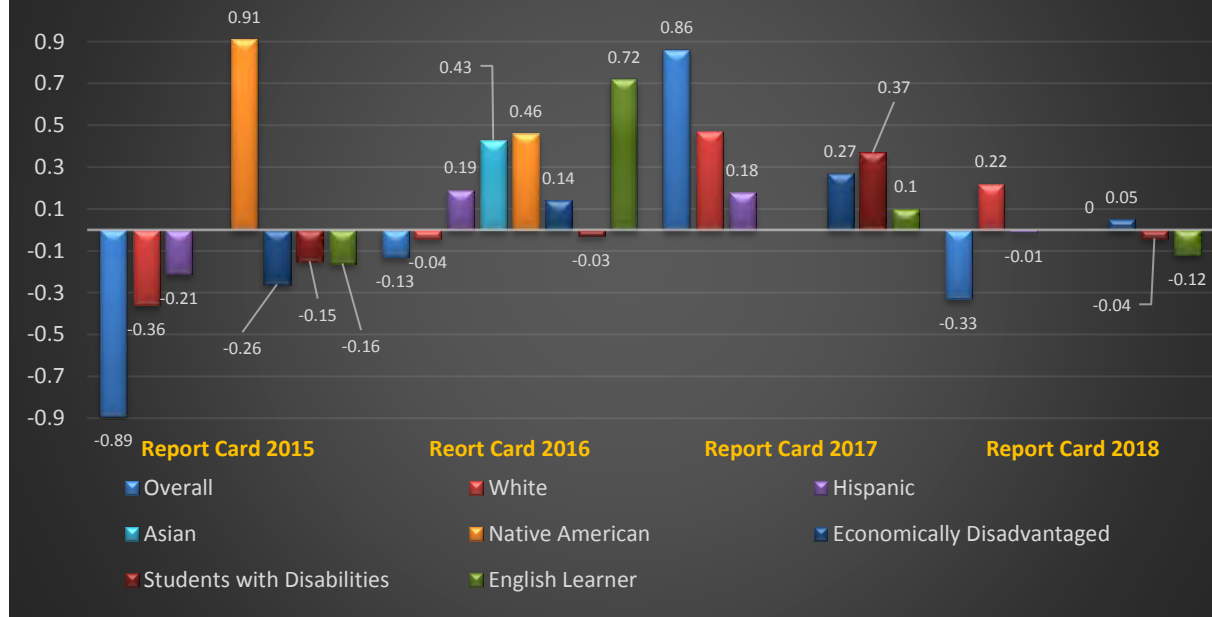


**Subgroups within Lowest-Performing Students (Q1).** In Q1 student growth, the indicator evaluates changes in comparative performance for the school’s lowest-performing students (top 25%). All subgroups (excluding masked data) met expected growth in reading in at least 1 of 4 years with overall student growth met in 2 of 4 years. In math, all subgroups met expected growth in at least 1 of 4 years with overall student growth met in 1 of 4 years.

**Chart 8. SODA - Only Q1 Student Growth Index by Subgroup Reading**

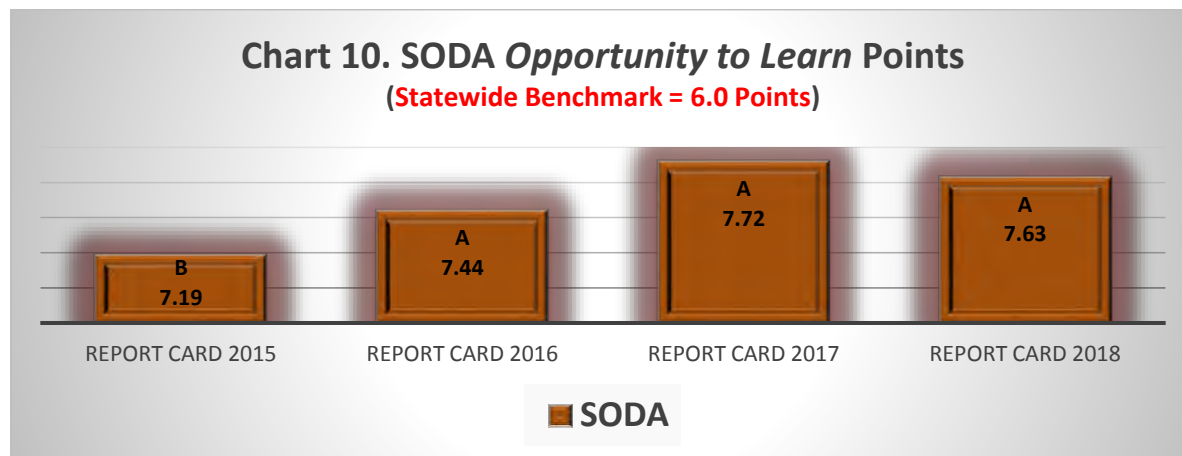


**Chart 9. SODA - Only Q1 Student Growth Index by Subgroup Math**

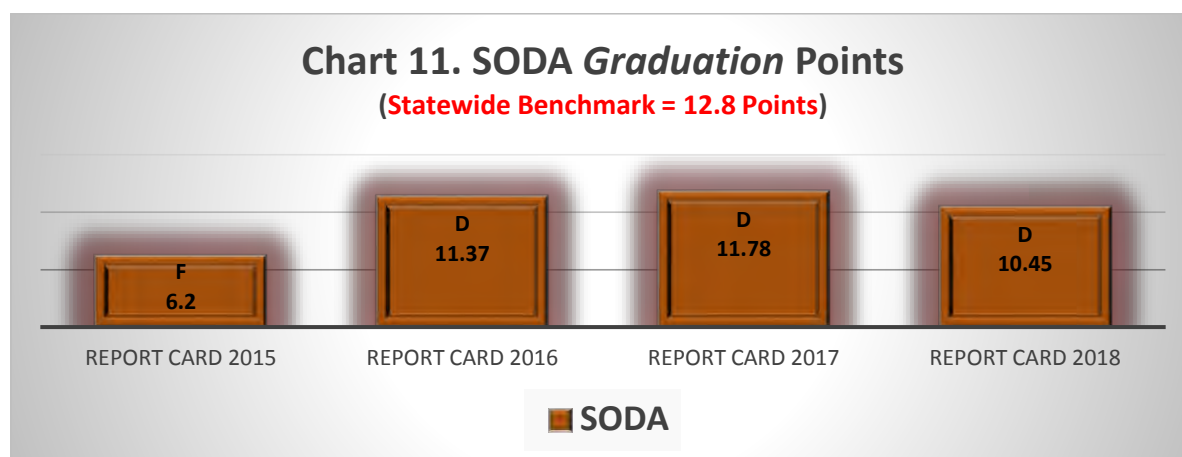


**Opportunity to Learn (OTL).** Opportunity to learn represents the quality of learning environment schools provide). This indicator is based on attendance and a classroom survey administered to students (or parents in grades K-2). High schools can earn 8 total points (3 for attendance, 5 for the survey). The target for attendance is 95%. SODA has performed well since 2015 and exceeded the statewide benchmark during the past 4 years earning the majority of points as well as earning 3 “A’s” and 1 “B” in the category.

In 2018, the school had an attendance rate of 94% which along with survey results earned the school 7.63 points and a letter grade of “A” for the category.



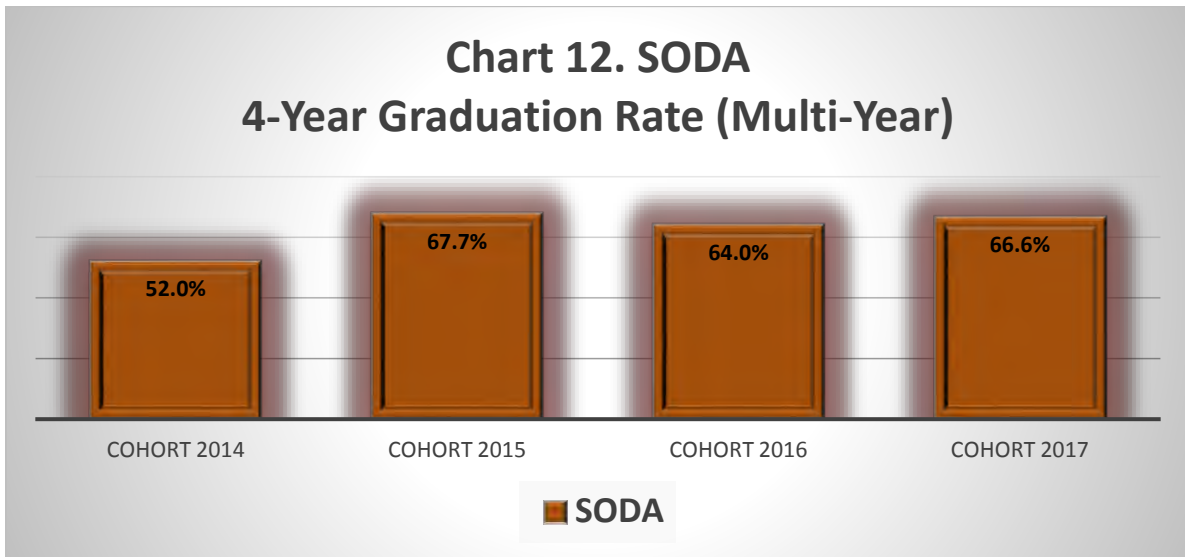
**High School Graduation.** This indicator is calculated based on 4-year, 5-year, and 6-year rates and the annual increase in the 4-year graduation rate and is based on three years of data (Ibid). Calculation of 4-year, 5-year, and 6-year cohort graduation rates uses the Shared Accountability method. Schools are proportionally accountable for student graduation for all students in a graduation cohort who were enrolled in their school for any reporting date. The model includes 4-year, 5-year, and 6-year rates, which produce a maximum of 8, 3, 2, and 4 points respectively. The extended-year rates include only members of the prior 4-year cohort and do not allow new entrants in subsequent years. The school qualifies for the Supplemental Accountability Measure (SAM) in which “*non-cohort graduation rate augments the 4-year cohort rate to arrive a compiled SAM graduation rate.*”<sup>3</sup> This approach provides schools feedback on their success in graduating “*returning dropouts and adults whose cohort is no longer part of the accountability system*” (Ibid). During the term of its contract, the school did not meet the statewide benchmark in terms of points earned receiving 3 “D”s and 1 “F” in the category. Its graduation has remained steady over the past 3 years.



<sup>3</sup> See the “*New Mexico School Grading Technical Guide: Calculation and Business Rules*” document which can be obtained at: <https://aae.ped.state.nm.us/SchoolGradingLinks/1617/Technical%20Assistance%20for%20Educators/Technical%20Guide%202017.pdf>



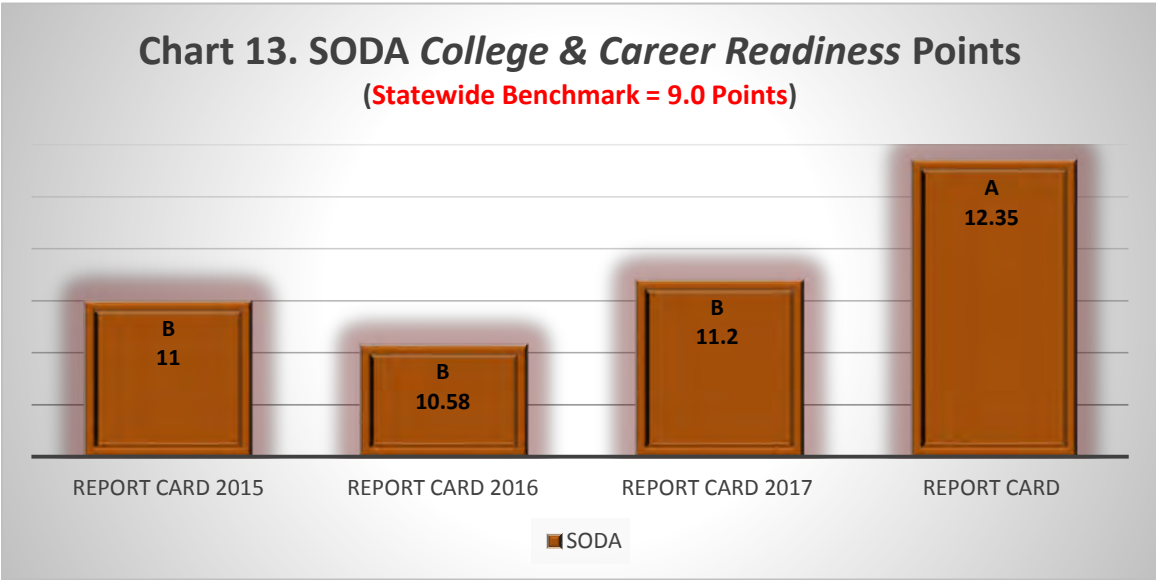
**Chart 12. SODA  
4-Year Graduation Rate (Multi-Year)**



**College & Career Readiness (CCR).** This indicator evaluates the percent of cohort members (high school students’ 4th year) who show evidence of college or career preparation, along with the proportion of those students meeting a success benchmark<sup>4</sup>. Schools receive credit when students participate in college entrance exams and coursework leading to dual credit and vocational certification. The school receives additional credit when students meet success goals. College and Career Readiness is composed of *Participation* (5 points) and *Success* (10 points) yielding a total 15 points in the high school’s overall grade. The statewide benchmark for points earned is 9.

The chart below illustrates the total *College and Career Readiness* (CCR) points earned during the past four (4) years. SODA met the statewide benchmark in all years earning letter grades of 3 “B’s” and 1 “A” in the category. In 2018, the school report card data indicated that 61% of students at the school participated in *College and Career Readiness* opportunities (such as PSAT, dual credit, PLAN, which resulted in the school earning 3.05 points out of 5 for this portion of the category. Out of the 61% of SODA students who participated in *College and Career Readiness* opportunities in 2018, 93% were successful resulting in an additional 9.3 points earned (10 possible) for this portion of the category.

<sup>4</sup> See the “*New Mexico School Grading Technical Guide: Calculation and Business Rules*” document which can be obtained at: <https://aae.ped.state.nm.us/SchoolGradingLinks/1617/Technical%20Assistance%20for%20Educators/Technical%20Guide%202017.pdf>



### 1b. Specific Charter Goals

This section includes analysis of SODA’s progress towards meeting its Specific Charter Goals or Mission-Specific Indicators through 2017-2018. The school met 2 of 3 goals in the most recent year, none in 2016-2017 which was due primarily to lack of verifiable evidence supporting purported progress towards goals, and a mix of “Meets Standard” and “Does Not Meet Standard” during the first 2 years of the school’s contract.

### Charter Specific Goals

**2.a. Mission Specific Indicator - ACADEMIC:** *As a means of measuring the academic rigor set forth in the STEAM element of our Mission, students in 9-12 grade who have already attended School of Dreams Academy (SODA) for one academic year (July 1 of the previous academic year – June 30) will demonstrate at least one year’s growth in their short cycle assessment scores. (Note: “One year’s growth” will be defined by NWEA’s MAP assessment in their technical manual).*

**2.b. College Readiness Mission Specific Indicator:** *Graduates of SODA who have been at the school since at least the beginning of their sophomore year (these students define the cohort referred to below) will demonstrate College and/or Career Readiness as defined by;*

- a.) *Measures of college readiness established by academic scores earned on any of the following assessments: PSAT®, SAT®, ACT®, ASVAB, KUDER, and COMPASS® and*
- b.) *Successful completion of dual enrollment, concurrent enrollment or honors courses earned throughout high school (NOTE: Exceptions for students with special instructions recorded in their IEP), and*
- c.) *Successful completion of a Next Step Plan (as documented in the ILP) or an IEP Transition Plan and as such are “ready for post-secondary success.”*

**2.c. GRADUATION:**  
*Track and improve graduation rates for two distinct cohorts.*

- Cohort 1: Seniors on the 40th day who begin their 9th grade year enrolled at the School and remain for the entirety of their high school career.*
- Cohort 2: Seniors on the 40th day who enrolled for less than their full high school career but are defined as part of a graduation cohort established by their enrollment into 9th grade.”*

Figure 2. Progress towards Charter Specific Goals.<sup>5</sup>

Goal	Description	2015 <sup>6</sup>				2016				2017			
		Exceeds	Met	Did Not Meet	Falls Far Below	Exceeds	Met	Did Not Meet	Falls Far Below	Exceeds	Met	Did Not Meet	Falls Far Below
2a	STEAM NWEA			X				X					X
2b	Demonstrate College & Career Readiness			X		X							X
2c	Graduation for Cohort 1 and Cohort 2	X				-	-	-	-				X

Goal	Description	2018			
		Exceeds	Met	Did Not Meet	Falls Far Below
2a	STEAM NWEA			X	
2b	Demonstrate College & Career Readiness		X		
2c	Graduation for Cohort 1 and Cohort 2	X			

## Student Attendance and Enrollment

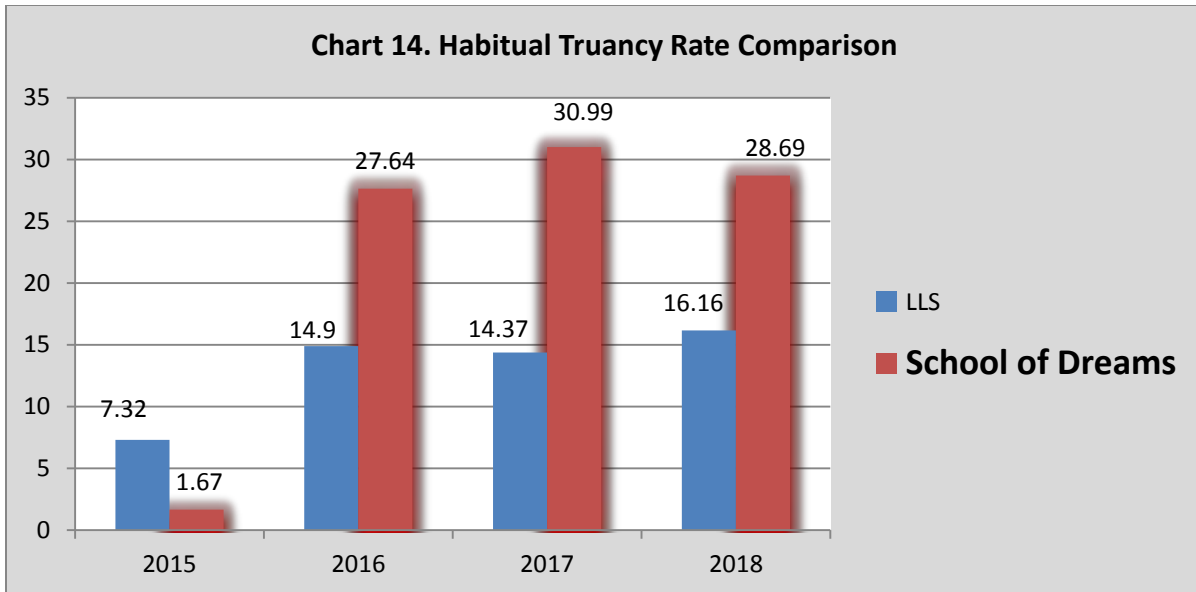
The following information provides a picture of the school’s attendance and truancy, current student membership (enrollment), and enrollment trends over the term of the contract.

### Habitual Truancy

The chart (next page) reflects the school’s habitual truancy rate compared to the local district, Los Lunas Schools (LLS). School of Dream Academy’s (SODA) habitual truancy rate is higher than the surrounding district since 2016 by up to 10 percentage points. However, caution should be used when interpreting this data as some schools inadvertently included all absences rather than unexcused absences alone.

<sup>5</sup> Charter Specific Goals are referred to as “Mission-Specific Indicators” or “Optional Supplemental Indicators” in the school’s contract and performance framework.

<sup>6</sup> The Charter Schools Division annual report (see web-EPSS 2014-2015) indicated the following statement: “Data shows evidence of 100% of students in these cohorts graduated.”

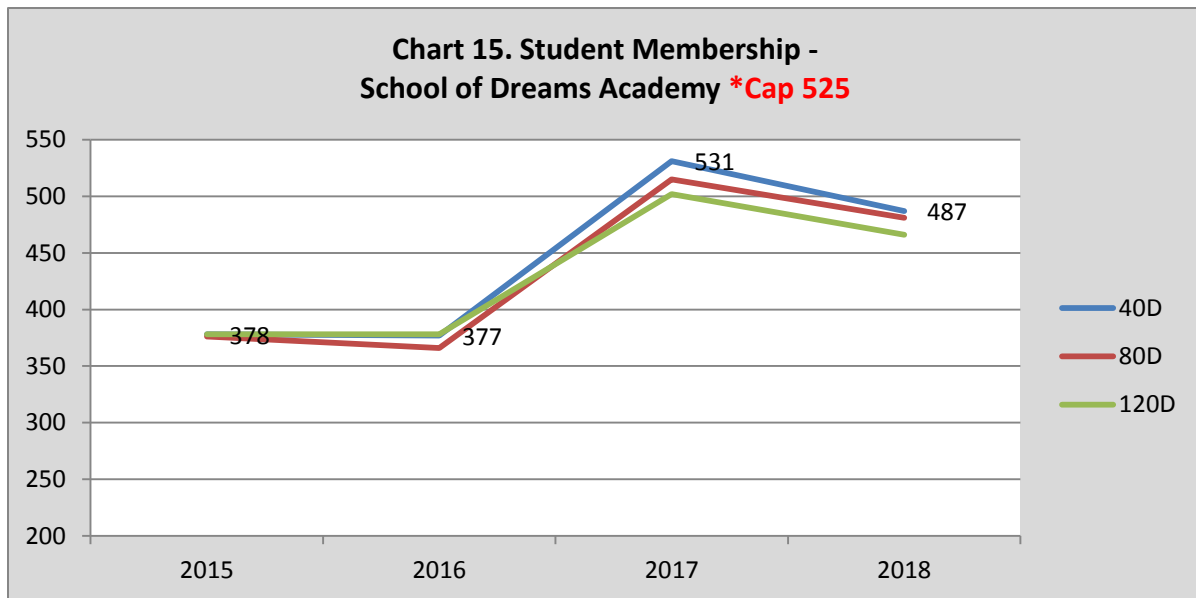


Source: STARS → District and Location Reports → Mobility and Truancy → Habitual Truant Student Totals by District and School

### **Student Membership (Enrollment)**

The chart below demonstrates the school’s student membership for each of the years in operation during the current contract term. All reporting periods have remained on the same path, maintaining that enrollment during the year annually. A decline of 44 students (8%) from 2016-2017 to 2017-2018 during the 40D reporting period was observed.

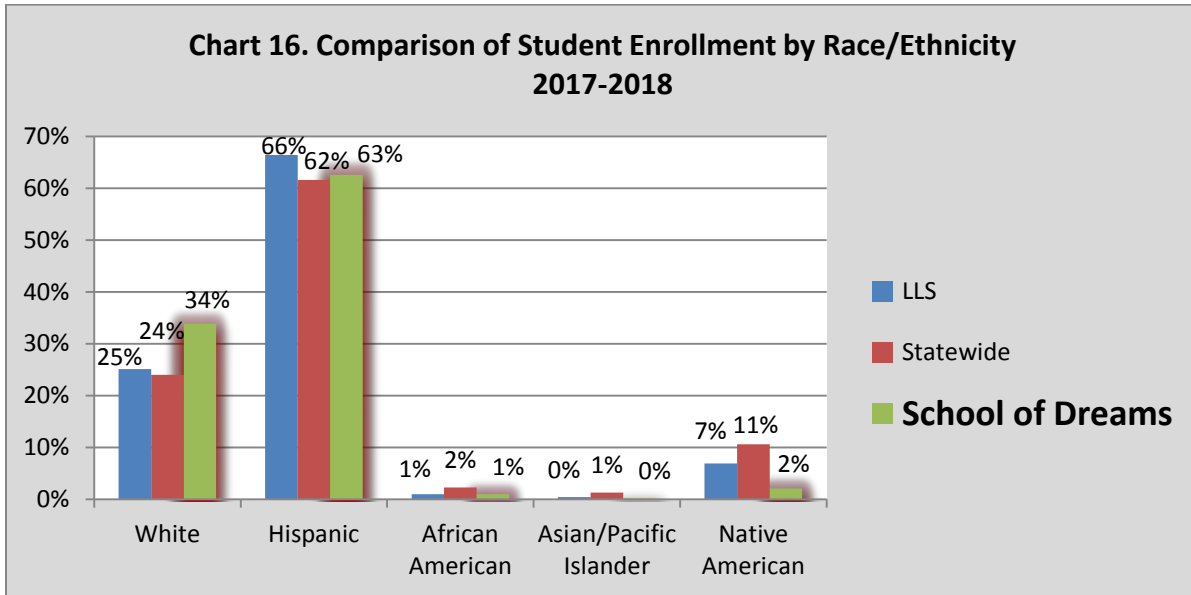
As of 2017-2018, the school had not reached its enrollment cap of 525.



Source: STARS → District and Location Reports → Membership Reports → Membership – District Detail Report

### **Enrollment by Race/Ethnicity.**

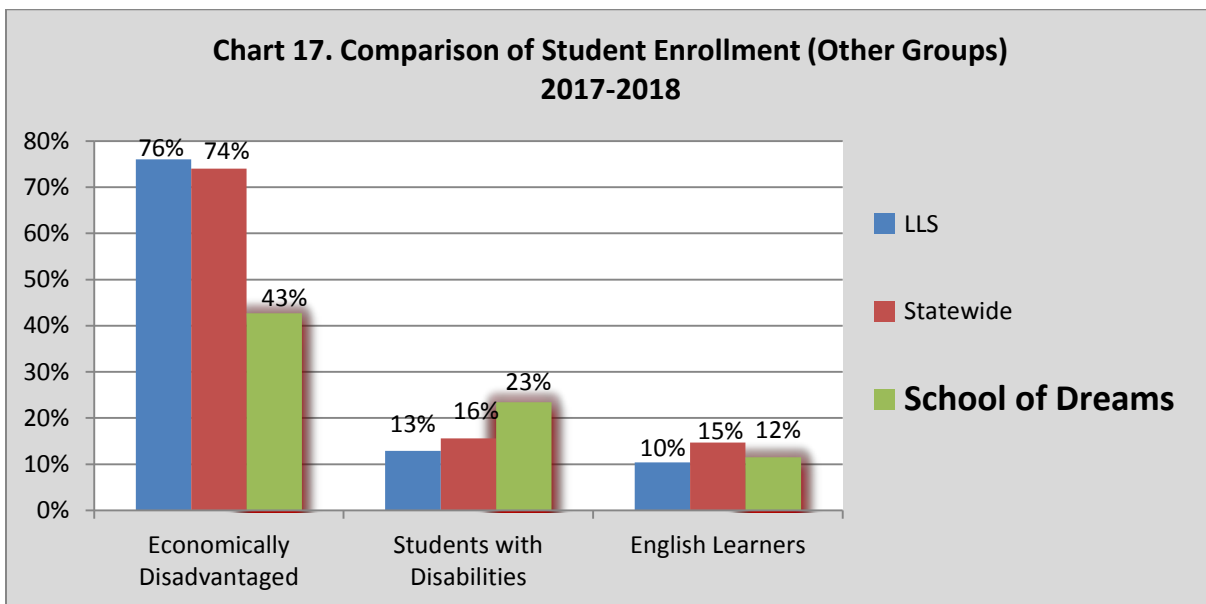
The school's student demographic data (next page) shows that it serves a *higher* White population and a *similar* Hispanic population when compared to the surrounding district and state. The discrepancies in enrollment in the other subgroups was smaller.



Source: STARS → District and Location Reports → General Reports → School Demographics with Charts

### Enrollment by Other Subgroups

The school has a lower population of economically disadvantaged students than both the local district and the state (33 percentage points fewer). The school serves a higher percentage of students with disabilities (23% vs 15%) and a similar number of English Learners (12% vs 10%) compared to Los Lunas Schools.



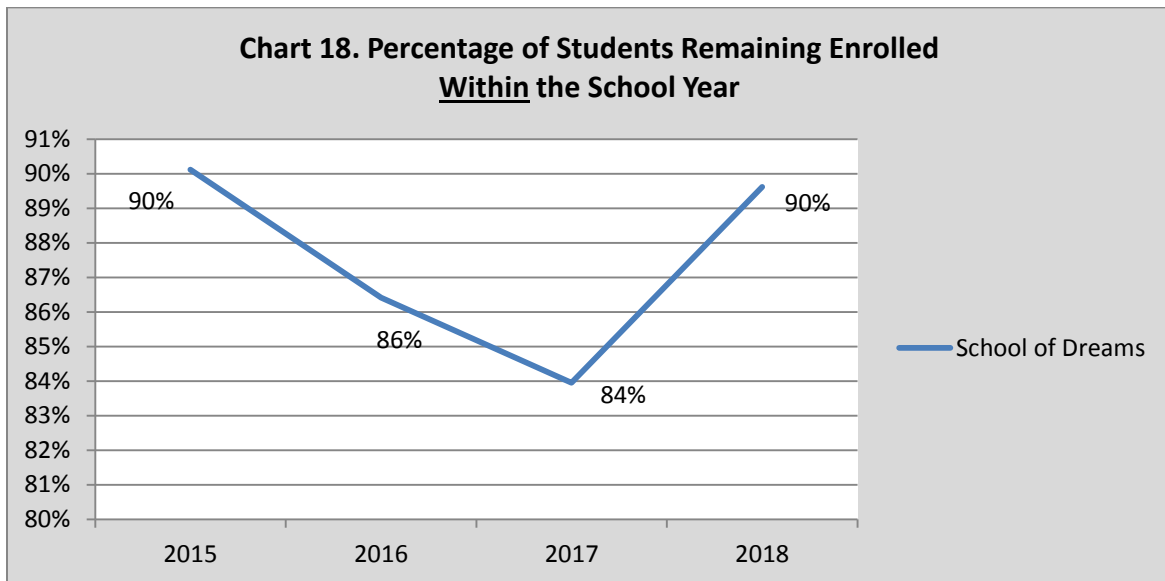
Source: STARS → District and Location Reports → General Reports → School Demographics with Charts

### **Retention and Recurring Enrollment**

In the school’s Performance Framework, the PEC has established student retention expectations. For this school, the PEC established a target of 85% recurrent enrollment between years.

Below, the PED has calculated within-year retention rates to evaluate the percentage of students who remain enrolled in the school from the time they enroll until the end of the school year. This data is calculated by identifying all students who enroll in the school at any time during the year and then evaluating if the students remain enrolled until the end of the school year. Students whose withdrawal codes indicate circumstances beyond their control are removed from the data set.

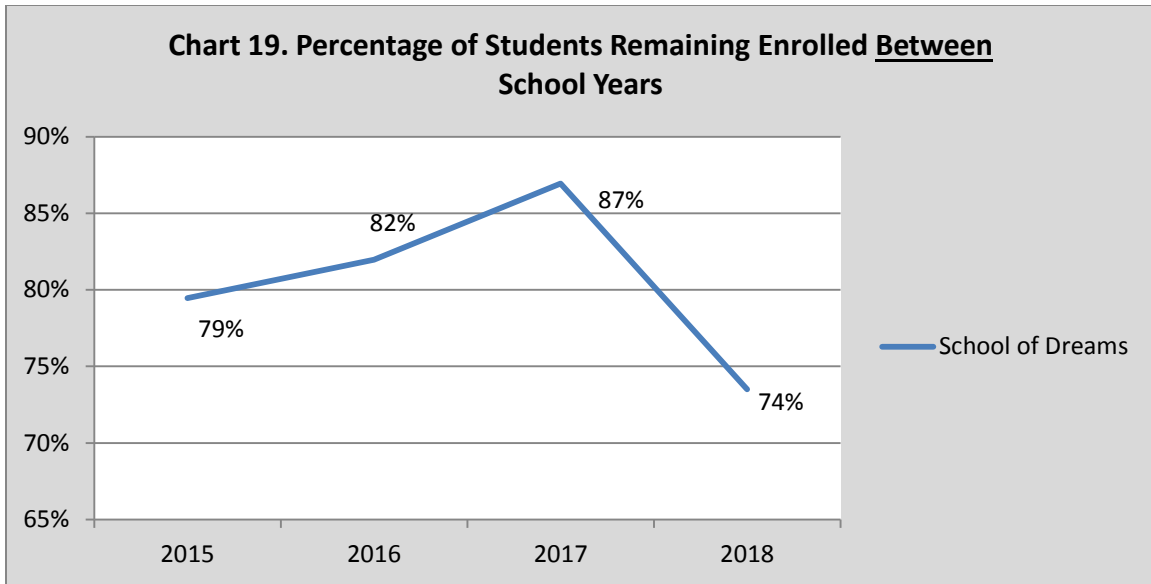
The student enrollment data (below) shows that over 84% of students enrolled during the school year remained enrolled through the end of the school year, with 90% of the students remaining throughout the year in 2017-2018.



Source: STARS → District and Location Reports → Options for Parents → Charter School Enrollment Report

To evaluate recurrent enrollment as required by the PEC, the PED has calculated this measure by identifying the students enrolled at the end of each year who are eligible to reenroll (not graduated), and then identifying the students who reenroll on or before the 10<sup>th</sup> day of the subsequent year. Students whose withdrawal codes indicate circumstances beyond the school’s control are removed from the data set.

The chart (next page) illustrates recurrent enrollment at the school. Student enrollment data indicates that 79% of the students that completed the school year in 2013-2014 returned to the school in 2015-2016. Seventy-four percent of students that completed the 2016-2017 school year returned to SODA in 2017-2018. The school met the goal of 85% recurrent enrollment in one of the last four years.

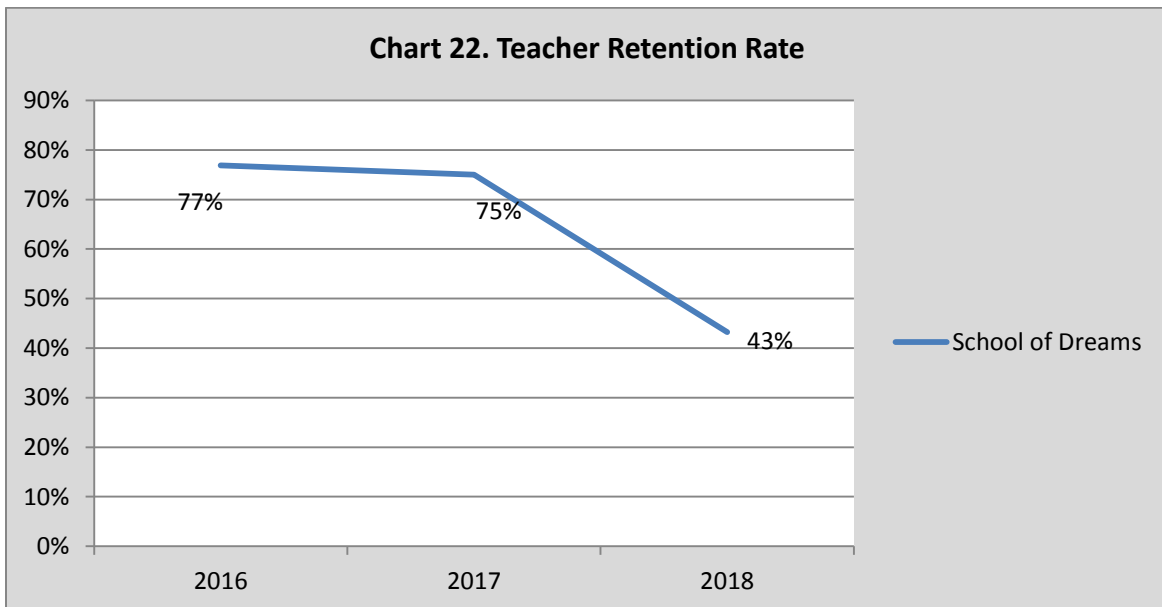


Source: STARS → District and Location Reports → Options for Parents → Charter School Enrollment Report

### **Teacher Retention Rate**

The chart (below) shows teacher retention over time. This data is calculated by comparing the license numbers for teachers from one year to the next. For example, all teacher license numbers reported for the 2014-15 school year were compared to teacher license numbers the following year for the same reporting period. The percentage of duplicate license numbers were compared in the second year and the retention rate was calculated based on the percentage of teachers who returned the following year.

The school's teacher turnover rate was 23% for the 2015-2016 school year, 25% for the 2016-2017 school year and 57% for the 2017-2018 school year. The percentage of teachers that remain at the school from one year to the next has decreased by over 30% from 2017 to 2018.



Source: STARS → State Reports → Staff Reports → Turnover Rates for Assignment Category (Teachers)

## SECTION 2. FINANCIAL COMPLIANCE

### 2a. Audit

Figure 3. Fiscal compliance over term of contract.

Audit Year	# of Findings	# of Repeat Findings	# of Material/Significant Findings
FY17	10	2	1
FY16	2	0	0
FY15	3	1	0

#### Summary of Fiscal Reports

In **FY17**, the school received **2 finding of other matter** issues related to (1) controls over cash disbursements and (2) expenditures exceed budget; **1 material weakness** regarding financial close and reporting; 7 non-compliance findings consisting of (1) PED cash report, (2) payroll and personnel files, (3) timely deposits, (4) ERB contributions, (5) travel and per diem, (6) journal entries, and (7) bank reconciliations.

- **2015-001 Controls Over Cash Disbursements Other Matter Repeated and Modified**

*Condition:* Through testing procedures performed, we noted the following:

- In a sample of 25 disbursements tested, we noted an incorrect GL coding for a total disbursement amount of \$570.85.
- In a sample of 3 administrator’s disbursements, we noted one receipt totaled \$115.09, however the school reimbursed \$126.71.
- In a sample of five credit card transactions we noted two instances in which SODA was not able to provide sufficient documentation supporting purchases totaling \$269.15.
- No progress has been made in the current year in regard to this finding.

- **2015-002 Expenditures Exceed Budget Other Matter Repeated and Modified**

*Condition:* The Charter has expenditure functions where actual expenditures exceeded budgetary authority:

- Title I IASA (24101) Support Services – Students \$(500)
- Early College High School Support Services Instruction \$ (13,038)

**Auditor’s Note:** No progress has been made in the current year in regards to this finding.

- **2017-001 Financial Close and Reporting Material Weakness**

*Condition:* During our testwork over the financial close and reporting process it was noted that the Charter has not implemented an effective financial close and reporting process for the year ended June 30, 2017. During our testwork over fund balance, we noted that prior year activity of approximately \$459,686 was incorrectly closed to accounts payable rather than fund balance.

- **2017-002 PED Cash Report Non-compliance and Other Matter**

*Condition:* During our testwork it was noted that current year activity and ending balances on the fourth quarter cash report does not agree to the trail balance.



- **2017-003 Payroll & Personnel Files Non-compliance**

*Condition:* During internal control testwork over a sample of 25 payroll transactions, we noted one instance in which the instructor's personnel file was missing a valid teaching certificate

- **2017-004 Timely Deposits Non-compliance**

*Condition:* During our cash receipts testing, we noted 3 out of 22 deposits tested were not deposited within 24 hours of receipt for a total of \$926.

- **2017-005 ERB Contributions Non-compliance**

*Condition:* We noted the School did not properly calculate and remit the correct amounts to ERB for employer and employee contributions. We noted one month's contribution in which the Charter underpaid contributions totaling \$79.92.

- **2017-006 Travel & Per Diem Non-compliance**

*Condition:* During our testwork of disbursements made to administrators, we noted one instance error which the Charter reimbursed an employee \$11.62 for meals without supporting documentation.

- **2017-007 Journal Entries Non-compliance and Other Matters**

*Condition:* During our testwork over journal entries we noted that journal entries totaling approximately \$206,144 are not being reviewed and approved by an individual other than the preparer of the journal entries.

- **2017-008 Bank Reconciliations Non-compliance and Other Matters**

*Condition:* We noted during our testing of cash that that two of the three cash reconciliations reviewed were not accurate. In one of the cash reconciliations, we identified a check totaling \$16,420 that was improperly excluded in the outstanding check listing. In the other reconciliation we noted a discrepancy in the actual bank balance per bank statement and the balance reported per the cash reconciliation (variance of \$957.38).

In **FY16**, the school received **2 findings of other matter** related to: (1) controls over cash disbursements and (2) expenditures exceed budget.

- **2015-001 CONTROLS OVER CASH DISBURSEMENTS Other Matter**

*Condition:* Through testing procedures performed, we noted the following: In a sample of 25 disbursements tested, we noted five instance where the invoice was dated prior to the purchase order for a total of \$7,557.

**Auditor's Note:** No progress has been made in the current year in regards to this finding.

- **2015-002 Expenditures Exceed Budget Other Matter**

*Condition:* The Charter has expenditure functions where actual expenditures exceeded budgetary authority: Fund Excess of Expenditures over Appropriations Operational (11000) Instruction \$ (4,506).

**Auditor's Note:** No progress has been made in the current year in regards to this finding.

In **FY15**, the school received **3 findings of other matter**, including (1) per diem and mileage act, (2) controls over cash reimbursements, and (3) expenditures exceed budget.

- **2014-001 Per Diem and Mileage Act Other Matter Repeated and Modified (not noted)**

*Condition:* Through testing procedures performed, we identified the following instance of noncompliance:

- In 3 of 10 travel and per-diem reimbursements tested, the employee was reimbursed at the maximum per-diem amount allowable (\$30 in-state, \$45 out-of-state, amounting to total reimbursements of \$285. The employee did not provide receipts for actual meal expenses for reimbursement.
- In 1 of 10 travel and per-diem was reimbursed at the maximum allowable out-of-state rate of \$45 per day, amounting to \$180; however the employee was traveling in- state, and therefore should only have been reimbursed up to \$30 per day. The employee did not provide receipts for actual meal expenses for reimbursement.

**Auditor’s Note: Management has demonstrated a lack of progress in implementing the prior year corrective action plan.**

- **2015-001 Controls over Cash Reimbursements Other Matter**

*Condition:* Through testing procedures performed, we noted the following:

- In a sample of 25 disbursements tested, we noted one instance where the invoice was dated prior to the purchase order.

- **2015-002 Expenditures Exceed Budget Other Matter**

*Condition:* The Charter has expenditure functions where actual expenditures exceeded budgetary authority:

Fund Excess of Expenditures over Appropriations/ Title I IASA (24101)  
Support Service – Students \$(500)

Early College High School  
Support Services – Instruction \$(13,038)

## **2b. Board of Finance**

The governing council of SODA’s Board of Finance has never been suspended during the term of its contract.

# **SECTION 3. CONTRACTUAL, ORGANIZATIONAL, AND GOVERNANCE RESPONSIBILITIES**

## **3a. Charter Material Terms**

The School’s mission statement is as follows:

*The Mission of the School of Dreams Academy is to graduate students of the Rio Grande Valley who embrace an education that emphasizes Science, Technology, Engineering, Arts and Mathematics (STEAM) while focusing on developing well-rounded individuals with good character ready for post-secondary success.*

The contract identifies the following educational program as a material term of the charter:

***Educational Program of the School.***

*SODA's foundation in curriculum is based on Science, Technology, Engineering, the Arts and Mathematics (STEAM). All students will participate in a STEAM program or course, including dual or concurrent enrollment, as credited during the academic year.*

***Student – Focused Term(s).***

*All students will have a daily advisory class in their grade level and receive 1/2 elective credit annually, a portion of this curriculum will be comprised of a service learning projects, either as a class, individual, or whole school format.*

*All SODA students will be provided and maintain an Individualized Learning Plan (ILP) that will act as his/her roadmap for success.*

*At a minimum the ILP will include:*

- Short cycle assessment scores;*
- Career inventory survey;*
- High School Four Year graduation (Next Step) plan for 9th – 12th graders;*
- Any PSAT®, ASVAB, KUDER, PLAN®, SAT® and/or ACT® results;*
- Summaries and reflections of service learning projects;*
- STEAM Portfolio: Competitions, Contests and Performances attained while at SODA*

*For our special populations, we will use an interventionist model as a full inclusion model of instruction with options for individual student support to comply with program requirements and/or IEP's.*

***Teacher – Focused Term(s).***

*SODA will provide ongoing professional development to accommodate the integration of Technology and Art programs across the curriculum. Continue professional development via school PLC that corresponds to the AdvancEd standards. Continue having staff trained and participate in AdvancEd Lead and Team Evaluators.*

**3b. Organizational Performance Framework**

*Note: Analysis of the school's organizational performance for the current year (2017-2018) will be updated after completion of the annual report by late summer.*

The organizational framework includes indicators, measures, and metrics related to compulsory attendance, governing body requirements, employee rights, student rights, and generally all responsibilities and duties of the charter school that are already required through state and federal laws. For each measure within the framework the school receives 1 of 3 ratings: "Meets Standard," "Working to Meet Standard," or "Falls Far Below Standard." During the 2016-2017 school year, School of Dreams Academy Charter School received the following ratings:

Figure 4. 2017-2018 Organizational Framework Ratings (17 indicators total).

Meets	Working to Meet	Falls Far Below
6	2	9

Figure 5. 2016-2017 Organizational Framework Ratings (17 indicators total).

Meets	Working to Meet	Falls Far Below
6	0	11

### Summary of “Falls Far Below” Ratings Over 2-Year Period

- **Material Terms.** The school did not provide academic evidence it is implementing the material terms of its contract [NMSA § 22-8B-9.1].
- **Instructional Hours.** The school did not provide evidence it ensures all students receive the statutorily and contractually required instructional hours [6.29.1.9(J)(6) NMAC].
- **McKinney-Vento Dispute Resolution Policy.** The school did not provide evidence of a dispute resolution policy, approved by the governing board [6.10.3.9(D)(2) NMAC].
- **Rtl/SAT Process.** The school did not provide evidence of implementation of an Rtl/SAT process for its students [6.29.1.9 NMAC].
- **Students with Disabilities.** The school did not provide evidence of compliance with the Corrective Action Plan instituted by the Special Education Bureau.
- **English Language Learners.** The school did not provide evidence of implementation of the Bilingual Multicultural Education Bureau annual progress report for the school’s state-funded program. The school also did not provide evidence of implementation for the proper use of the Language Usage Survey [6.29.5.11 NMAC].
- **Notice to Parent.** The school did not provide evidence of implementation of a 5-day unexcused attendance letter requesting the parent participation with attendance interventions [6.10.8.8 NMAC].
- **Financial reporting.** The school did not provide evidence of implementation of remedies instituted that resulted in compliance or sufficient movement toward compliance for the school’s internal control audit findings.
- **Evaluation of head administrator.** The school did not provide evidence that the governing council evaluated the head administrator during the 2016-2017 or in previous year [6.29.1.9.B.2 NMAC].
- **Teacher and Staff Credentials.** The school did not provide evidence that:

- a.) All instructors had proper licensure and endorsement(s) for course(s) taught [NMSA § 22-10A-3], and
- b.) Implementation of a compliant mentorship program for novice teachers [6.60.10.8 NMAC].

- **Background check.** The school did not provide evidence of completed background checks for all licensed staff [NMSA § 22-10A-5].
- **Health and safety.** The school did not provide evidence of child abuse and neglect detection training for all licensed staff [NMSA § 22-10A-32; 6.29.1.9(D)(3)(f) NMAC].

### 3c. Governing Body Performance

According to the last reporting from this school, School of Dreams Academy has five members serving on their Governing Body. Based on the information provided to the PED, the following members are currently serving on School of Dreams’ Governing Board:

Figure 6. Governing council composition.

Name	Role	Service Start Date	Membership Status	FY18 Training Requirements
Kathy Chavez	President	November 2, 2010	Continuing	Complete
Denise Romero	Vice-President	February 2, 2016	Continuing	Incomplete
David Schneider	Secretary	July 7, 2015	Continuing	Incomplete
Kenneth Griego	Member	October 31, 2009	Continuing	Complete
Catherine Smith	Member	June 7, 2016	Continuing	Complete

According to PED records, the school has not yet completed all training for FY18. Ms. Romero lacks 8 hours and Dr. Schneider lacks 5 hours (ethics, academic, OMA, organizational). The school had five members complete the required training in FY17. The school reported no training in FY16. The school had one member complete the required training in FY15.

Geri Bennett is the current business manager for School of Dreams Academy. The current CPO is Priscilla Cabral.