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## 2021 Charter School Renewal Recommendation – The GREAT Academy

### PED RECOMMENDATION

The PED recommends **non-renewal of the contract** because the school has failed to meet and has not demonstrated substantial progress toward the department's minimum educational standards and has not met the standards outlined in the performance framework of the charter contract. In addition, the school has failed to meet generally accepted standards of fiscal management.

The school earned 40 points in 2018-2019, the most recent school year with state assessment data, placing in the lowest 25% of New Mexico public schools. (The cutoff for Spotlight School designations for high schools was 56 and the lowest 25% of high schools were at or below 42 points.) Both reading and math proficiency rates have been below the local district and statewide averages throughout the contract term. The school's graduation rates have been in the 20 – 38% range for 4, 5, and 6 year graduation cohorts, well below the district and state rates which are in the 70 – 78% range. The school has had inconsistent results in regards to meeting the charter mission goals, earning a Meets Standard, Exceeds Standard, and Falls Far Below Standard on the three (3) goals respectively in 2018-2019.

During the remote learning this year, due to the pandemic, the school maintained their 1-hour Period schedule four (4) days per week using the Edgenuity platform with additional opportunities on Wednesdays. The EL students receive one hour of ELD on either Mon and Tues OR Thurs and Friday. The school day is 8 am – 5 pm for grades 6-9 and 10 am to 6 pm for grades 10-12. The school's remote learning schedule indicates a one-hour block, two days a week, for "SpEd Resources", pre grade level, that appear to be tutoring sessions and resetting tests or assignments within Edgenuity.

In addition to the **academic concerns** noted above, for 2019-2020, the school's performance on the organizational framework indicates recurring compliance concerns over the life of the current contract. Most recently, the school met standards in nine (9) of 18 indicators, working to meet the standard in seven (7) indicators, and falls far below standard in two (2) indicators (financial-related).

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The areas of concern include, but are not limited to:

- **Repeat non-compliance in protecting the rights of students with special needs including lack of direct services (using accommodations or modifications available in Edgenuity and tutoring support in lieu of direct services), services not being provided as described in Individualized Education Plan (IEP) files, inconsistent or incorrect calculations when determining levels of service (by hours) and appropriate setting designations, and no direct service logs generated**
- **Financial concerns being reviewed by School Budget Bureau (primarily lease concerns reported in audits) and by the NM Attorney General (regarding alleged issues with double-billing and school-owned vehicles) – see complaint documentation provided by the school**
- **Repeat concerns regarding recurrent student enrollment (66.36% and 71.54% for the last two years) and staff turnover rates (50% and 33% in last two years); in addition student withdrawal *within* the school year was 37% and 40%**
- **Repeat non-compliance with fully implementing Next Step Plans for students**
- **Noncompliance in 2019-2020 regarding requirements to have accurate reporting of contract personnel FTEs and salaries in STARS**
- **Other concerns in 2019-2020 include lack of timely McKinney Vento training and lacking three officers on the Governing Board**
- Noncompliance in 2019-2020 regarding requirements to have background checks, involving two personnel, which were due to a glitch in the Gemalto system (See email evidence provided)

The school's most recently published financial audit report indicates seven (7) findings including two (2) that are repeats, three (3) material weaknesses, and one (1) significant deficiency. Issues with the lease are included in one material weakness finding and in a separate significant deficiency finding.

The school's funded membership has decreased from 223 to 158 (FY16-17 to FY19-20) and the school's 40-Day enrollment in FY20-21 was 115. According to the first reporting period of this fiscal year, the school's membership is approximately 75% of budget despite the schools stated efforts to recruit new students.

The school spent an average of 43.25% of its annual operating budget on instructional costs (categories 1100, 2100, and 2200) over the last four (4) years, over 20% less than the 68% recommended per 2020 NM HB002. The percentage of operating budget spent on administrative support has averaged 35.25%, with funded enrollment averaging 183 students per year. Throughout the contract years, the school is amongst the lowest in dollar per dollar spending in instructional supports and highest in administrative supports.

The school has the support of a non-profit foundation, The GREAT Academy Foundation, Inc. As the school noted in its response, two material weakness findings and two findings of other matters in the most recently published audit were attributable to the foundation, which is listed a component unit of the school in the audit reports.

There is a potentially substantial concern regarding conflict of interest and an appearance of impropriety as the foundation board members include the Head Administrator (who is also listed as the Registered Agent for the corporation), the Secretary of the school's governing board, and a staff member (who serves as President of the Foundation).

### EVALUATION SUMMARY

Section	Indicator	Rating
<b>ACADEMIC PERFORMANCE</b>		
1.a	Department’s Standards of Excellence	<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>Demonstrates Substantial Progress</i>
2.b	Board of Finance	<i>Meets the Standard</i>
2.c	Financial Performance	<i>Significant Concerns</i>
<b>CONTRACTUAL, ORGANIZATIONAL, AND GOVERNANCE</b>		
3.a	Material Terms	<i>Meets the Standard</i>
3.b	Organizational Performance Framework	<i>Failing to Demonstrate Substantial Progress</i>
	<b>Complaints during contract term:</b> <ul style="list-style-type: none"> <li>• <b>A formal Special Education Complaint</b> resolved.</li> <li>• <b>A matter still under review by the NM Attorney General</b>, regarding two allegations: (1) double-billing for services by a high-level staff member and (2) inappropriate use of school vehicles for personal use.</li> </ul>	
3.c	Governance Responsibilities	<i>Meets the Standard</i>

### NMPED Accountability Data 2018-2019

	Overall	Reading Proficiency	Math Proficiency	Science Proficiency	English Learner Progress
<b>The GREAT Academy</b>	40	21	8	22	<=20
Local District	49	31	21	38	29
Statewide	-	34	21	40	29

2018-2019 (2017-2018 graduates)	Grad Rates 4 year	Grad Rates 5 year	Grad Rates 6 year	% change In 4 year rate from previous years
<b>The GREAT Academy</b>	33	38	27	5
Local District	70	73	76	2
Statewide	74	76	78	1

### Public Education Commission (PEC) Performance Framework

The GREAT Academy	2016-2017	2017-2018	2018-2019	2019-2020
<b>Category I. Academic Performance Framework</b>				
IA.00 NM A-F School Grading System	Meets (or Exceeds) Standard	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard	
IA.01 Required Academic Performance Indicators	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard	
IA.02 Optional Supplemental Indicators (school specific items in charter)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Category II. Financial Performance Framework</b>				
II.A.00-06 Operating Budget/Audits/Periodic Reports/Expenditures/Reimbursements/Audit Reviews/Meals	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
<b>Category III. Organizational Performance Framework</b>				
III.A.00 Educational Plan: material terms of the approved charter application	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
III.A.01 Education Plan: applicable education requirements	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard	Working to Meet Standard	Meets (or Exceeds) Standard
III.A.02 Education Plan: protecting the rights of all students	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Working to Meet Standard
III.A.03 Educational Plan: protecting the rights of students with special needs (IDEA, 504, gifted)	Working to Meet Standard	Meets (or Exceeds) Standard	Working to Meet Standard	Working to Meet Standard
III.A.04 Educational Plan: protecting the rights of English Language Learners (Title III)	Working to Meet Standard	Working to Meet Standard	Working to Meet Standard	Meets (or Exceeds) Standard
III.A.05 Educational Plan: complying with the compulsory attendance laws	Working to Meet Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
III.A.06 Educational Plan: meet their recurrent enrollment goals	Working to Meet Standard	Working to Meet Standard	Working to Meet Standard	Working to Meet Standard
IV.A.00 Business Management & Oversight: meeting financial reporting and compliance requirements	Falls Far Below (or Does Not Meet) Standard	Working to Meet Standard	Falls Far Below (or Does Not Meet) Standard	Falls Far Below (or Does Not Meet) Standard
IV.A.01 Business Management & Oversight: following generally accepted accounting principles	Meets (or Exceeds) Standard	Working to Meet Standard	Working to Meet Standard	Falls Far Below (or Does Not Meet) Standard
V.A.00 Governance and Reporting: complying with governance requirements	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Working to Meet Standard
V.A.01 Governance and Reporting: holding management accountable	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
VI.A.00 Employees: meeting teacher and other staff credentialing requirements	Falls Far Below (or Does Not Meet) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
VI.A.01 Employees: respecting employee rights	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Working to Meet Standard	Working to Meet Standard
VI.A.02 Employees: completing required background checks	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Working to Meet Standard
VII.A.00 School Environment: complying with facilities requirements	Meets (or Exceeds) Standard	Falls Far Below (or Does Not Meet) Standard	Working to Meet Standard	Meets (or Exceeds) Standard
VII.A.01 School Environment: complying with health and safety requirements	Working to Meet Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard
VII.A.02 School Environment: handling information appropriately	Meets (or Exceeds) Standard	Meets (or Exceeds) Standard	Working to Meet Standard	Working to Meet Standard
<b>Category: Organizational Performance Framework</b>				
School Specific Terms: data on any terms specified in the school's Performance Framework	Not Applicable	No Current Compliance Concern	Not Applicable	Not Applicable