

# **New Mexico Public Education Commission**



## **Peer Review Preliminary Analysis**

### **Explore Academy Rio Rancho 2022 New Charter School Application**

**June 17, 2022**

## Evaluation Rubric for Part C: Application

**Rating:** Along with each prompt, the application identifies the elements that must be present for a response to be evaluated as “Meets the Criteria.” The following rubrics govern general rating practices. *Please be sure that each response also completely addresses the bulleted points in the rubrics for each individual prompt.*

<b>Meets the Criteria</b>	<ul style="list-style-type: none"> <li>● All required elements present</li> <li>● Sufficient detail present, enabling the proposal to be implemented without requiring further proposal development</li> <li>● The proposal is reasonable and realistic</li> <li>● Fully consistent with other sections, including budget and mission</li> <li>● Fully consistent with all requirements of law</li> <li>● Coherent and easily understood</li> </ul>
<b>Approaches the Criteria</b>	<ul style="list-style-type: none"> <li>● The majority of required elements are present, but not all</li> <li>● Insufficient detail; further proposal development will be required before the applicant can begin to implement the concept</li> <li>● Minor inconsistencies with other sections of the application</li> <li>● May raise questions about legal compliance, but does not demonstrate non-compliance</li> <li>● May raise questions about reasonableness or viability of the proposal</li> </ul>
<b>Does Not Meet the Criteria</b>	<ul style="list-style-type: none"> <li>● None or less than a majority of the required elements are present</li> <li>● Contradicts or is substantially inconsistent with other sections</li> <li>● Insufficient detail to understand the proposal, which includes:             <ul style="list-style-type: none"> <li>○ Copying responses from a prior applicant’s application</li> <li>○ Copying statutory, regulatory, or policy/guidance language</li> <li>○ Plagiarizing information from other publicly available material</li> </ul> </li> <li>● Includes statements that violate or conflict with the requirements of law</li> <li>● Incoherent or confusing</li> <li>● The proposal is patently unreasonable or unrealistic</li> </ul>

## Academic Framework Peer Analysis

The founding team of the proposed Explore Academy - Rio Rancho has presented a well-written academic framework that begins with clear mission and vision statements. They have made a strong argument for the proposed school's K-12 academic uniqueness and innovation. It is their intent to adopt the already established and already in-use Explore Learning Model/Curriculum Framework that has proven its efficacy at Explore Academy – Albuquerque by earning recognition as a high performing school. The mission is: “. . . to provide all students, regardless of background, with a personalized educational experience through the power of student choice, allowing each student to create a personalized and engaging educational pathway in preparation for college and career.” The mission is accomplished through a theme-based seminar structure referred to as seminar “flavors”. The curriculum is standards-based. The proposed school will open with K-2 and 6th grade levels. Descriptions and details of the curriculum framework presented in this application are heavily focused on the secondary level; relatively little discussion is focused on elementary level. More is needed. The narrative would be greatly enhanced with the addition of some examples of the classroom components such as exit exams that are created specifically to reflect the many different flavors through which the standards are taught. The application is weak in the narrative provided for implementation of the Bilingual Multicultural Education Act, Indian Education Act, Hispanic Education Act, and the Black Education Act with a rating of Approaches the Criteria. In addition, the review team identified questions about details presented in the calendar section of the application which is also rated as Approaches the Criteria. Overall, however, the Academic Framework section is strong and is rated as “Meets the Criteria”.

# I. Academic Framework

## A. Mission and Vision

<b>A. (1)</b>	<b><u>MISSION</u></b>
<b>Rating</b>	<b>Meets</b>

<b>A.(2)</b>	<b><u>VISION STATEMENT</u></b>
<b>Rating</b>	<b>Complete</b>

<b>A. (3)</b>	<b><u>UNIQUENESS AND INNOVATION</u></b>
<b>Rating</b>	<b>Meets</b>

## B. Mission-Specific Goals

<b>B.</b>	<b><u>Mission-Specific goals</u></b>
<b>Rating</b>	<b>Meets</b>

## C. Curriculum, Educational Program, Student Performance Standards

<b>C.</b>	<b><u>Curriculum, Educational Program, Student Performance Standards.</u></b>
<b>Rating</b>	<b>Meets</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** The founding team's response substantially Meets the Criteria. Although the applicant does not provide any specific research to support this curriculum model, it uses the documented academic success of the Explore Academy in Albuquerque available on the NM Vistas website to demonstrate its successful outcome. The proposed school intends to adopt the already established and already in-use Explore Learning Model/curriculum Framework for this proposed school in Rio Rancho. The applicant sufficiently describes in detail the overall framework of the Explore Learning Model within which the detailed curriculum is designed.

**D. Bilingual Multicultural Education, Indian Education, Hispanic Education and Black Education**

<b>D(1).</b>	<b>Bilingual Multicultural, Indian, Hispanic and Black Education Acts</b>
<b>Rating</b>	<b>Approaches</b>
<p>INDEPENDENT REVIEW TEAM COMMENTS: The charter proposal mentions professional development to address inclusive practices, cultural awareness, diverse curriculum practices, and other strategies that assist teachers in the development of curriculum and school practices that promote and support New Mexico’s Black, Hispanic, Bilingual, multicultural, Native American, and linguistically diverse students in addition to helping all students flourish in language and cultural education and appreciation. However, they gave no examples of seminars or other trainings that would address these items. As mentioned frequently in their application, they are modeling this school on their successes with Explore Academy - Albuquerque. They might have included professional development examples from that school that have been successful.</p> <p>The narrative does not address the following criteria: ensuring equitable and culturally relevant learning environments and culturally relevant instructional materials for American Indian students; encouraging and fostering parental involvement in the education of their children (Indian Education Act and Hispanic Education Act); closing the achievement gap and increasing graduation rates (Indian Education Act and Hispanic Education Act); ensuring the development of discipline policies that include the requirements of HB43 (Black Education Act).</p> <p>Although the criterion doesn't mention the Equity Council, the prompt states: "Provide a description of how the proposed school’s curriculum will ensure equal education opportunities for students through cognitive and affective development of the students by: (d) discussing how the Equity Council will assist in the development and support of a culturally and linguistically relevant curriculum." This is not specifically addressed in the narrative. ]</p>	

<b>D(2).</b>	<b>Equity Plan</b> Proposed school will create an effective and equitable system of supports for all students focused on root-cause analysis, equity-focused leadership and continuous improvement, and culturally and linguistically responsive curriculum and pedagogy
<b>Rating</b>	<b>Meets</b>

**E. Graduation Requirements**

<b>E.</b>	<b><u>Graduation Requirements.</u></b>
<b>Rating</b>	<b>Meets</b>

## **F. Instruction**

<b>F.(1) Instruction</b>	<b><u>Teaching and Instructional Philosophy</u></b>
<b>Rating</b>	<b>Meets</b>

<b>F.(2) Instruction</b>	<b><u>Yearly Calendar and Daily Schedule</u></b>
<b>Rating</b>	<b>Approaches</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** The charter proposal states: "Please note that separate calendars are provided for elementary (K-2) and secondary (grade 6) in Appendix I - School Calendars." There was an elementary calendar and a secondary calendar attached, but no distinction between a K-2 and a grade 6 calendar. It also states: "The calendars, along with the daily schedules provided below, exceed all minimum hour (total instructional time) requirements", but the elementary school has no noted lunch period for Friday and no noted lunch period on the secondary schedule.

The Calendar does not include school-wide assessment periods. The charter proposal states: "Because it is currently unknown as to when the statewide assessment calendar will be approved, there is no predicted state testing window from which to plan, however, the school's projected calendar allots extra days in the last terms in order to allow for state testing." The writers could have calendared in tentative dates for assessments to assure that this was accounted for. However, as assessment days are not subtracted from instructional days, this does not impact the overall instructional days.

Submitted calendars show 5 days of ELTP program for the primary grades and 5 days of ELTP program for the secondary grades. Per PED, 10 days of ELTP must be for all grade levels. Additionally, there is no description of the ELTP Programs, just a note they are hoping to implement it in year 1.

<b>F.(3) Instruction</b>	<b><u>How Instruction will be effective for the student population.</u></b>
<b>Rating</b>	<b>Meets</b>

## **G. Special Populations**

<b>G.(1a)</b>	<b><u>Instructional Services and Supports for Students with IEPs</u></b>
<b>Rating</b>	<b>Meets</b>

<b>G. (1b)</b>	<b><u>Monitoring and Evaluation of Special Education Students</u></b>
<b>Rating</b>	<b>Meets</b>

<b>G.(2a)</b>	<b><u>Required Curriculum and Instructional Supports for English Learners</u></b>
<b>Rating</b>	<b>Meets</b>

<b>G.(2b)</b>	<b><u>Monitoring and Evaluation of English Learners</u></b>
<b>Rating</b>	<b>Meets</b>

<b>G.(3)</b>	<b><u>Plan to adhere to ESSA and State Statutes</u></b>
<b>Rating</b>	<b>Meets</b>

**H. Assessment and Accountability**

<b>H.(1)</b>	<b><u>Assessment Plan</u></b>
<b>Rating</b>	<b>Meets</b>

<b>H.(2)</b>	<b><u>Plan for Data Assessment Analysis</u></b>
<b>Rating</b>	<b>Meets</b>

<b>H.(3)</b>	<b><u>Plan for Student Progress/Achievement &amp; Communication Plan</u></b>
<b>Rating</b>	<b>Meets</b>

The Organizational Framework narrative is well-written, comprehensive, addresses all subsections of Part C II. The Governing Board recruitment, training, oversight, community involvement in governance and student outreach are among the sub-sections of the Organizational Framework that are fully developed and have earned a “Meets the Criteria” rating. The proposed school intends to contract with Explore Learning Systems, LLC to provide a scope of services to support the school’s board, leadership team, teachers, and other staff members. Some concerns emerge in the Organization Framework that are primarily driven by the relative inadequacy of documents provided as appendices. Some inconsistencies are also noted between the documents provided, the budget, and the Organizational Framework narrative.

## II. Organizational Framework

### A. Governing Body Creation/Capacity

A charter application shall include a description of the governing body and operation of the charter school, including: (1) how the governing body will be selected; (2) qualification and terms of members, how vacancies on the governing body will be filled and procedures for changing governing body membership; and (3) the nature and extent of parental, professional educator and community involvement in the governance and operation of the school (NMSA 22-8B-8(I)).

A.(1)	<u>Key Components of Governance Structure</u>
Rating	Approaches
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> The governing body bylaws are missing essential pieces:</p> <ol style="list-style-type: none"> <li>1. By statute, vacancies must be filled within 45 days. If not filled, the secretary of the board must appoint a person to fill the vacancy.</li> <li>2. Omitted is the nepotism requirement. It is mentioned in the staff handbook, but not in the bylaws.</li> <li>3. In the charter document, regarding the audit committee, it is stated that a "business office representative" will be a member of the audit committee. Statute requires that the business manager be on the committee. This is an important distinction as a "business office representative" could be a support-level person, rather than a licensed business manager. It also states that the community member "preferably with accounting or finance experience" will be on the committee. Statute REQUIRES that the community member HAVE said experience.</li> </ol> <p>In addition, no term limits are given for membership on the financial or audit committee and there is no process for member discipline as required in the rating criteria.</p>	

A.(2)	<u>Governing Body Qualifications</u>
Rating	Approaches
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> The application narrative states on page 95: "The Explore Academy - Rio Rancho Governing Council is in the formative stages." and "We will seek individuals with experience and skills in the areas of accounting or finance, law, education, governance, senior management, strategic planning, community engagement, fundraising, charter school management and facilities and property management."</p> <p>Although stated in the narrative that some of the initial Governing Council members have financial experience through business ownership, this is not listed as a skillset in any of the bios. Business ownership does not always translate to financial knowledge.</p>	

The narrative does not effectively address the prompt: "Select and oversee a qualified and highly effective school leader." There are two sentences in this section addressing hiring the school leader: "In ensuring student success, the Governing Council will devote significant energy to selecting and mentoring the school's head administrator, thus setting the school in the best possible position to succeed from its inception." (Page 95) and " One of the primary responsibilities of the Governing Council is to hire, evaluate, and oversee the Head Administrator. . ."(page 96). This does not adequately address how the governing body will have the skills.

In addition, the narrative does not sufficiently describe how the governing body will support the applicant team in moving from an application to a fully operational school.

<b>A.(3)</b>	<b><u>Selection of Governing Body Members</u></b>
<b>Rating</b>	<b>Meets</b>

### **B. Governing Body Training and Evaluation**

<b>B.(1)</b>	<b><u>Governing Body Training Plan</u></b>
<b>Rating</b>	<b>Meets</b>

<b>B.(2)</b>	<b><u>Governing Body Self-Evaluation Plan</u></b>
<b>Rating</b>	<b>Meets</b>

### **C. Leadership and Management**

<b>C.(1)</b>	<b><u>Governing Body Plan for Monitoring Outcomes</u></b>
<b>Rating</b>	<b>Meets</b>

<b>C.(2)</b>	<b><u>Plan for Hiring Head Administrator</u></b>
<b>Rating</b>	<b>Meets</b>

<b>C.(3)</b>	<b><u>Distinguished Roles &amp; Responsibilities</u></b>
<b>Rating</b>	<b>Meets</b>

<b>C.(4)</b>	<b><u>Head Administrator Evaluation Plan</u></b>
<b>Rating</b>	<b>Meets</b>

### **D. Organizational Structure of the Proposed School**

<b>D.(1)</b>	<b><u>Organizational Chart</u></b>
<b>Rating</b>	<b>Approaches</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** The founding team's response is rated as Approaches the Criteria for the following reasons:

1. The criteria requires an organizational chart for each year as part of the rollout with grade additions. The applicant group chose to provide an organizational chart reflecting full enrollment and full staffing only.
2. The position of Principal K-5 shown in the organizational chart is not recognized or included in the narrative that describes the structures and relationships represented in the organizational chart.
3. On the organizational chart, it appears that the governing council oversees the service providers. They should only oversee the school leader. The governing council can/should approve contracts for ancillary service providers (especially those contracts driven by the RFP process), but they do not oversee and direct their work. That is a part of management, and the governing council is not tasked with management duties.
4. It also appears that the Equity Council oversees the governing council.

The narrative does not adequately convey the delegation of management duties and the organizational chart is confusing.

<b>D.(2)</b>	<b><u>Job Descriptions for Certified/Licensed Staff</u></b>
<b>Rating</b>	<b>Approaches</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** The founding team's response is rated as Approaches for the following inconsistencies and/or omissions found in Appendix C:

1. No job description is included for position noted on organizational chart as Principal K-5.

2. The job descriptions should include the number of work days per year, the number of hours per workday, and credentials required for the position.
3. Several position titles on job descriptions in Appendix C do not match titles found in the application narratives.
4. Most job descriptions included in Appendix C do not identify reporting lines that align to the organizational chart. (Note: Reporting lines are identified, however, on most abbreviated job descriptions included in the narrative.)
5. The job description for the business manager should expand report submissions to include more than the PED Quarterly Reports, such as RFRs, BARs, Federal and State reports, etc.
6. All job descriptions fail to mention how the responsibilities relate to the school's mission, goals and educational philosophy.
7. Job descriptions missing for these positions mentioned in the narrative: Nurse, Health Assistant, and Registrar.
8. Positions not mentioned in the narrative, but have job descriptions: ELL Coordinator, Business Manager.
9. Position not in the organizational chart: ELL Coordinator.
10. There are ancillary and other positions on the organizational chart that have no job descriptions, nor are they mentioned in the narrative.

<b>D.(3)</b>	<b><u>Staffing Needs and Plan</u></b>
<b>Rating</b>	<b>Meets</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** On pages 125 and 126 of the charter document, there is a staffing plan that states the number of staff members for each position. In several cases, the number of staff noted in the staffing plan does not align to the number of FTE's in the budget: Year 1 teachers 21 budget, 22 staffing plan; Year 2 teachers 31 budget, 32 staffing plan; Year 5 SPED Teachers 5 budget, 6 staffing plan; Security year 5 2 budget, 1 staffing plan; Years 2-5 Registrar 1 budget each year 2 staffing plan each year.

<b>D.(4)</b>	<b><u>Professional Development Plan</u></b>
<b>Rating</b>	<b>Meets</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** Teacher professional development should be budgeted under function 1000, not 2400 as referenced in the budget narrative.

## **E. Employees**

<b>E.</b>	<b><u>Employer/Employee Terms</u></b>
<b>Rating</b>	<b>Meets</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** On page 137, the charter document states: “a part-time employee who works more than twenty-five (25) hours per week, will be eligible to receive all of the benefits outlined below”. However, NMPSIA rules state that an employee working 20 hour per week, or more is eligible to participate in NMPSIA benefits. An employee working 15 hours per week, or more is eligible for employer paid life insurance.

Also on page 137, the charter document states: “Governing Council and staff will decide on participation; it is understood that “opt-out” is a one-time decision”. Rules governing the section 218 agreement state that the board makes certain decisions regarding employee participation. "Opt-out" is a one-time decision and is a choice based upon several options the board has. This section is confusing and unclear if you don't understand the section 218 rule.

## **F. Community/Parent/Employee Involvement in Governance**

<b>F.(1)</b>	<b><u>Parental, Professional Educator, and Community Involvement in Governance Plan</u></b>
<b>Rating</b>	<b>Meets</b>

<b>F.(2)</b>	<b><u>Plan for Processing Concerns and Complaints</u></b>
<b>Rating</b>	<b>Meets</b>

## **G. Student Recruitment and Enrollment**

<b>G.(1)</b>	<b><u>Outreach &amp; Recruitment Plan</u></b>
<b>Rating</b>	<b>Meets</b>

<b>G.(2)</b>	<b><u>Lottery Admission Process</u></b>
<b>Rating</b>	<b>Meets</b>

**H. Legal Compliance**

<b>H.</b>	<b><u>Conflict of Interest Policy</u></b>
<b>Rating</b>	<b>Approaches</b>
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> The narrative indicates that the attached Conflict of Interest Policy contains a definition of an immediate family member. It does not. The head administrator of a charter school shall not initially employ or approve the initial employment in any capacity of a person who is the spouse, father, father-in-law, mother, mother-in-law, son, son-in-law, daughter, daughter-in-law, brother, brother-in-law, sister or sister-in-law of a member of the governing body or the head administrator. The governing body may waive the nepotism rule for family members of a head administrator. The charter document did not include spouse under the conflict-of-interest policy. It included instead, "significant other".</p> <p>The narrative indicates that the Nepotism Policy is included within the Governing Council By-Laws, found in Appendix A, however this was not included in the By-Laws submitted.</p> <p>No timelines were established when addressing a reported conflict of interest. There is no disclosure statement, as indicated within the Conflict-of-Interest Policy. Additionally, forms the governing body will or may be required to submit pursuant to the policy are not included in the response.</p>	

**I. Evidence of Partnership/Contractor relationship (if applicable)**

<b>I.(1)</b>	<b><u>Essential Third-Party Relationships</u></b>
<b>Rating</b>	<b>Does Not Meet</b>
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> Insufficient information is provided for this section of the application. Legal implications including legal benefits and responsibilities of each party are not addressed. Contact information for the third-party relationship (Explore Learning Systems) is not provided. Specific individuals in the organization that will be associated with the proposed school are not identified.</p> <p>Other than providing training on the curriculum, there is no description for why the relationship is essential or required, nor how they control essential elements of the school. Only a "menu" of services that can be performed for the school is provided.</p>	

<b>I.(2)</b>	<b><u>Appendix D Attachment Formal Agreement Documentation</u></b>
<b>Rating</b>	<b>Does Not Meet</b>
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> The founding team's response states that the MOU cannot be signed at this time as: "The school is not yet approved and the agreement will be between the service provider(s) and the Governing Council, at the discretion of the Council." (pg. 150)</p> <p>Overall, the MOU is vague and does not include any responsibilities, activities and/or costs associated with the agreement.</p>	

## **J. Transportation and Food**

<b>J.(1)</b>	<b><u>Transportation Plan</u></b>
<b>Rating</b>	<b>Approaches</b>
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> The charter document does not identify any specific entity or organization that would be a potential partner or vendor for transportation services.</p> <p>The charter document states that funds for transportation from the operating fund would only be required for year one, since transportation funds will not be available. However, the operating fund has budget for transportation for all 5 years, and the costs increase year over year. There is no estimated budget for transportation funds (Fund 13000) for years 2-5, although the charter document states they anticipate receiving transportation funds.</p>	

<b>J.(2)</b>	<b><u>Food Services Plan</u></b>
<b>Rating</b>	<b>Meets</b>
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> The charter document states: "school's lunch staff and custodian will work to ensure that the food service environment is more than compliant with state law in maintaining an environment conducive to safe food service and consumption". However, there is no budget for a custodian and there is no custodian listed in the staffing pattern.</p>	

## **K. Facilities/School Environment**

<b>K.(1)</b>	<b><u>Appendix E Attachment: Facilities Master Plan Ed/ Spec Checklist</u></b>
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<b>Rating</b>	<b>Meets</b>
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<b>K.(2)</b>	<b><u>Evidence of Researched Facilities/Properties</u></b>
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<b>Rating</b>	<b>Approaches</b>
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**INDEPENDENT REVIEW TEAM COMMENTS:** There is an inadequate amount budgeted in year one for facility lease payments in the operating fund.

There was no mention if the founding team researched the availability of a public facility, or a facility owned by RRPS.

Two scenarios for funding the facility build-out mostly relied on the facility owner investing the build-out, or to have a non-profit entity (not a Foundation attached to the school) purchase and build out the facility.

There was no mention regarding how any of the identified facilities met the student population and transportation needs.

One building that was included in the charter document is currently occupied, and the building availability on the literature states it won't be available until December 2023. If the school intends to open on 7/1/2023, this site is not viable.

The Financial Framework section of the narrative addresses all of the subsections of Part C III. The narrative Meets the Criteria for four of the eight indicators and Approaches the Criteria for three of the eight indicators. One indicator is rated as Does Not Meet. The school size, budget narrative, budget adjustment, and governing board fiduciary oversight sections of the Financial Framework are strong and detailed. There are, however, a number of concerns and inconsistencies between the application narrative and the appendices that are noted in the 910B5, internal controls, and staffing responses. In particular, the Internal Controls in Attachment H only address purchasing and cash receipts. The charter narrative only addresses cash disbursements (both regular and payroll) and cash receipts. It does not address procedures to safeguard assets, segregate payroll, segregate cash and check disbursement duties, provide reliable financial information, promote operational efficiency, or ensure compliance with all applicable federal and state statues, regulations and rules.

### **III. Financial Framework**

#### **A. School Size**

<b>A.</b>	<b><u>Projected Enrollment</u></b>
<b>Rating</b>	<b>Meets</b>

## B. Budgets

<b>B.(1)</b>	<b><u>Attached Appendix F, 910B5 State Equalization Guarantee (SEG)</u></b>
<b>Rating</b>	<b>Approaches</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** RRPS special education student percentage at 10/21 is 17.4% Budgeted on 910B5: 23-24 =22.6% 24-25=28.9% 25-26=26% 26-27=22.6% 27-28=21.5%. There is no explanation as to why they budgeted much more, especially in years 2 and 3, or why there is a large variance year over year. Additionally, on page 162, the charter document states that the school estimates a 10% special education population, which is much lower than what is on the 910b-5.

The school used RRPS TCI for all 5 years. This is only allowed in year 1. The school should have either estimated their own for each year or used a 1.0 factor in years 2 - 5.

It is concerning that the FTE for ancillary services is mostly less than 1FTE for the large number of budgeted special education students

<b>B.(2)</b>	<b><u>Attached Appendix G: Proposed five-year Budget Plan</u></b>
<b>Rating</b>	<b>Approaches</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** In years 24-25 and 27-28, expenditures exceeded revenue.

The budgeted amount for teacher salaries on the budget worksheet does not agree to the narrative on page 162, and there is a running discrepancy on the number of teachers in years 1 and 2 between the narrative and the budget. However, on the budget worksheet, the amount of salary budgeted per FTE for teachers is \$63,000 which is noted in the narrative.

The charter applicant did not include benefits in years 2 and 3 for the data processing (tech) position. The charter applicant did not use the 43.32% benefits percentage for the head of school in year 5.

<b>B.(3)</b>	<b><u>Budget Narrative</u></b>
<b>Rating</b>	<b>Meets</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** The charter document states: "Included in the budget is professional development to account for the teacher mentoring program and the stipends for the

school's mentor teachers." The stipends for teacher mentors should be budgeted to function 1000, object code 51300 and the associated benefits, not to professional development.

The charter document states: "While it is expected that the school will receive state funding for instructional materials, the budget assumes no additional funding in this area outside of what is shown in the operational budget". There is no longer a separate fund for instructional materials. The funding for this is now embedded in the SEG. The applicant did not budget for instructional materials in function 1000, object code 56112.

The charter document states: "Function 2500 (Central Services): the annual fee of the school's student information system is included". This expenditure is to be budgeted under either 2100 or 2400 (no consensus from business managers or the PED as to which function to use).

As stated elsewhere in the review document, there is concern around the amount budgeted for ELS in function 2400, object code 55915 (object code should be 53414 as ELS is not an intergovernmental agency). For the host of services offered, the amount is quite low, even if the only service the school chooses is business management. Additionally, as the expected cost increases in later years, this service will have to be procured through the RFP process when the amount exceeds \$60,000.

<b>B. (4)</b>	<b><u>Budget Adjustments</u></b>
<b>Rating</b>	<b>Meets</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** The charter document states: "This approval must take place prior to June 1 so as to allow the school's business manager to submit the budget to the state within an appropriate timeframe so as to meet guidelines set forth by the New Mexico Public Education Department." Although the budget can be submitted to the PED before GC approval, the school should keep in mind that budgets can be due to the PED as early as the end of April. If the school's Governing Council requires their approval before submission, then the Governing Council must be ready to make an adjustment to this timeline in any given year.

### **C. Financial Policies, Oversight, Compliance, and Sustainability**

<b>C.(1)</b>	<b><u>Internal Control Procedures</u></b>
<b>Rating</b>	<b>Does Not Meet</b>

**INDEPENDENT REVIEW TEAM COMMENTS:** The attached fiscal controls policies and the fiscal controls policies in the charter document narrative are inadequate. Attachment H, Internal Controls, only address purchasing and cash receipts. The charter narrative only addresses cash disbursements (both regular and payroll) and cash receipts. It does not address procedures to safeguard assets, segregate payroll, segregate cash and check disbursement duties, provide reliable financial information, promote operational efficiency, or ensure compliance with all applicable federal and state statutes, regulations and rules. There is brief mention of maintaining an asset schedule and a periodic review of the G/L.

<b>C.(2)</b>	<b><u>Staff for Financial Tasks</u></b>
<b>Rating</b>	<b>Approaches</b>
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> On page 173, the charter document narrative states: "The cost of using a contracted school business manager has been included in the Explore Learning Systems contracted service estimate. The school's business manager would be one component of the total umbrella of services available to the school through the ELS contract. Within the predicted services for this position, the school will receive the services of a business manager, an accountant, a payroll specialist, and an accounts payable specialist to meet the functional responsibilities outlined in the previous section." The amount budgeted for ELS Contract is inadequate to receive these services as well as other services mentioned in the MOU.</p> <p>The charter document narrative states: "the business manager will be responsible for establishing the qualifications and responsibilities for the staff member(s) that perform the functions necessary to support the school in its business management services." This is non-responsive to the prompt which asks for a description of the appropriate qualifications and responsibilities for each of the identified positions.</p>	

<b>C.(3)</b>	<b><u>Governing Body Legal &amp; Fiscal Oversight</u></b>
<b>Rating</b>	<b>Meets</b>
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> The charter document narrative states: "the Council members may elect for the entire Governing Council assembly to meet as a whole to represent the Finance Committee." The governing council needs to be aware that if they meet as a whole group, there will be a quorum and as such a meeting and agenda must be posted at least 72 hours before the meeting.</p> <p>The charter document narrative states: "Copies of the final audit report will be sent to the state and authorizer." This is completed by the audit firm as the school's audit is included in the larger NMPED Audit Committee."</p>	

The founding team members are current or former long-time residents of Rio Rancho. The team has reached out to the local community and leaders and plan to continue the outreach to non-governmental organizations, community-based activists, Chamber of Commerce-based local businesses, city and county charter schools as well as county faith-based organizations. Although some outreach activity began as early as the year 2000, the majority has occurred from March through May 2022. The founding team demonstrates community support gained through a market research analysis conducted by a consulting firm. Resulting data is included in the narrative. Community relationships are addressed with information gained from a number of recent listening events. Most outreach and community relationship activities have been conducted recently and plans for the future are described. However, most accountings of outreach and community relations are very general and lacking in detail. Names of specific people and organizations, dates of meetings, and information gained (evidence of support) are missing and would have strengthened this section.

## IV. Evidence of Support

### A. Outreach Activities

<b>A.</b>	<b><u>Outreach Program</u></b>
<b>Rating</b>	<b>Approaches</b>
<p><b>INDEPENDENT REVIEW TEAM COMMENTS:</b> The applicant group describes a number of outreach activities and outcomes of those activities; however, little specific evidence is included in the narrative. It is unclear if the activities have reached a broad audience that is representative of the whole community.</p>	

### B. Community Support

<b>B.</b>	<b><u>Evidence of Community Support</u></b>
<b>Rating</b>	<b>Meets</b>

### C. Community Relationships

<b>C.</b>	<b><u>Networking with Community</u></b>
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Rating	Approaches
	<p>INDEPENDENT REVIEW TEAM COMMENTS: The Founding Team indicates that they have spoken with local businesses and families, but the narrative does not identify specific strategic networking relationships with local community agencies beyond the Chamber of Commerce.</p>