

## APPENDIX C

**AFFIDAVIT FOR PROVISION OF INSURANCE COVERAGE  
FOR A PUBLIC CHARTER SCHOOL**

STATE OF NEVADA )  
 ) ss.  
County of \_\_\_\_\_ )

COMES NOW \_\_\_\_\_, a provider of insurance, being first duly sworn states under penalty of perjury as follows:

1. I or the insurance provider I represent am/is authorized by the Nevada Division of Insurance to operate in Nevada.
2. The attached insurance proposal I have prepared for \_\_\_\_\_, a public charter school, meets the stipulations of NRS 386.550(1)(l) and the requirements listed in NAC 386.215, as stated below. The charter school herein named has obtained from me the types and amounts of insurance required by

NAC 386.215. The coverage is in effect from \_\_\_\_\_ to \_\_\_\_\_ (dates of coverage).

**NAC 386.215 Provision and maintenance of insurance coverage. ([NRS 386.540](#))**

1. Except as otherwise provided in subsection 4 of [NAC 386.140](#), a committee to form a charter school shall obtain insurance from an authorized insurer as follows:
  - (a) Industrial insurance coverage in accordance with the applicable provisions of the Nevada Industrial Insurance Act, [chapters 616A](#) to [616D](#), inclusive, of NRS.
  - (b) Except as otherwise provided in subsection 2, general liability insurance with a minimum coverage of \$1,000,000. The general liability insurance policy must include coverage for molestation and sexual abuse, and have a broad form policy, with the named insureds as follows:
    - (1) The sponsor of the charter school;
    - (2) All employees of the charter school, including, without limitation, former, present and future employees;
    - (3) Volunteers at the charter school; and
    - (4) Directors of the charter school, including, without limitation, executive directors.
  - (c) Umbrella liability insurance with a minimum coverage of \$3,000,000.
  - (d) Educators' legal liability insurance with a minimum coverage of \$1,000,000.
  - (e) Employment practices liability insurance with a minimum coverage of \$1,000,000.
  - (f) Employment benefits liability insurance with a minimum coverage of \$1,000,000.
  - (g) Insurance covering errors and omissions of the sponsor and governing body of the charter school with a minimum coverage of \$1,000,000.
  - (h) If applicable, motor vehicle liability insurance with a minimum coverage of \$1,000,000.
  - (i) If applicable, liability insurance for sports and athletic participation with a minimum coverage of \$1,000,000.

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**Affidavit**

**I certify, (declare) under penalty of perjury that the forgoing is true and correct:**

Executed this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ In the city of \_\_\_\_\_

In the state of \_\_\_\_\_.

\_\_\_\_\_  
Insurer's Signature

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**Notarized Statement**

Subscribed and sworn to before me at \_\_\_\_\_

on this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_.

\_\_\_\_\_  
Signature

Notary Public Seal

## APPENDIX D

## CHARTER SCHOOL RESOURCES

Black Alliance for Education Options	<a href="http://www.baeo.org/">http://www.baeo.org/</a>
Center for Education Reform	<a href="http://www.edreform.com/">http://www.edreform.com/</a>
Charter Friends National Network	<a href="http://www.charterfriends.org/">http://www.charterfriends.org/</a>
Education Commission of the States	<a href="http://www.ecs.org/">http://www.ecs.org/</a>
Goldwater Institute	<a href="http://www.goldwaterinstitute.org/">http://www.goldwaterinstitute.org/</a>
Mackinac Center for Public Policy	<a href="http://www.mackinac.org/">http://www.mackinac.org/</a>
National Alliance for Public Charter Schools	<a href="http://www.publiccharters.org/">http://www.publiccharters.org/</a>
National Association of Charter School Authorizers	<a href="http://www.charterauthorizers.org/">http://www.charterauthorizers.org/</a>
National Association of State Directors of Special Education	<a href="http://www.nasdse.org/">http://www.nasdse.org/</a>
National Education Association	<a href="http://www.nea.org/home/16332.htm">http://www.nea.org/home/16332.htm</a>
Nevada Attorney General/Open Meeting Law Manual	<a href="http://www.ag.state.nv.us/">http://www.ag.state.nv.us/</a>
Nevada Department of Education:	<a href="http://www.doe.nv.gov/">http://www.doe.nv.gov/</a>
Charter School Forms, Model Policies, Model Bylaws	<a href="http://nde.doe.nv.gov/SD_CharterSchools_Forms.htm">http://nde.doe.nv.gov/SD_CharterSchools_Forms.htm</a>
Charter School Directory	<a href="http://nde.doe.nv.gov/SD_CharterSchools.htm#CSD">http://nde.doe.nv.gov/SD_CharterSchools.htm#CSD</a>
Nevada Public Charter Schools	<a href="http://nvpubliccharterschools.org/">http://nvpubliccharterschools.org/</a>
Thomas B. Fordham Foundation	<a href="http://www.edexcellence.net/">http://www.edexcellence.net/</a>
U.S. Charter School Website	<a href="http://www.uscharterschools.org/">http://www.uscharterschools.org/</a>
U.S. Department of Education	<a href="http://www.ed.gov/">http://www.ed.gov/</a>

## APPENDIX E



# **Matters of Concern to Nevada Charter School Governing Body Members**

Revised July 26, 2007

## **Charter Schools are Public Schools**

A charter school is a public school, supported by public funds, and is subject to most of the terms and conditions applicable to other publicly funded entities, including traditional public schools. A charter school's freedom from regulation is the freedom to use educational methods that are allowable by law, but not available in the school district in which the pupil resides.

The goal of all public schools, including charter schools, is to enable pupils to achieve the academic content standards identified by the state. State and federally mandated testing is the ultimate measure of whether schools have achieved this goal. Just as poorly performing traditional schools may be restructured, or even closed, by authorities outside the school, so may charter schools be restructured or closed. Additionally, charter schools:

- “Belong” to the public, the sponsor, and the governing body of the school. Charter schools do not belong to the “founder” of the school, or to any individual, group, foundation, educational management organization or other entity that was instrumental in the formation of the school; they do not belong to the school's administrator. Charter schools do not belong to individuals or other entities that donate funds to the school, regardless of the size of the donation.
- Must be non-religious in their programs, admission policies, governance, employment practices, and all other operations. The curriculum must be secular, and charter schools may not provide religious instruction.
- Must inform students in the community of the school's existence, and give all pupils an equal opportunity to attend the school. They may not discriminate on the basis of race, color, national origin, gender or disability. They may not “screen out,” “counsel out,” otherwise exclude, or inappropriately withdraw academically low-performing pupils. Except where specifically stated in law or regulation, they are subject to the same open-enrollment requirements as traditional public schools. Enrollment lotteries may be used only if the school is over-subscribed, and may not be manipulated to exclude low-performing pupils.
- May not require pupils and/or their parents or guardians to sign “contracts,” “commitments,” or other documents that can result in the removal, withdrawal, suspension or expulsion of the pupil from the school for reasons other than the reasons for suspension or expulsion stated in NRS 392.466. Those reasons are battery on an employee of the school, possession of a firearm or dangerous weapon, sale or distribution of a controlled substance, or status as a habitual disciplinary problem as defined by NRS 392.4655. Removal of a pupil from a charter school, except for suspension or expulsion pursuant to NRS 392.466, is solely the decision of the parent or guardian of the pupil.

Any removal of a pupil from a charter school against the wishes of the parent or guardian must comply with NRS 392.467.

- Must provide special education services to pupils who qualify for such services.

### **Role of the Governing Body**

The governing body of a charter school governs the school, maintains overall control of the school, and is responsible for the operation of the school. The school's administrator and all other employees and contractors, including educational management organizations, serve under the governing body, and are subject to the rulings of the governing body. The governing body critically evaluates the performance of the school's administrator and any contractors with the school, and replaces the administrator or contractor if he is not performing duties or providing services in a satisfactory manner.

### **Personal Liability**

The Nevada Department of Education can only give general advice regarding personal liability for charter school governing body members; governing body members are advised to consult their legal counsel for specific legal advice.

In general, charter school governing body members receive the same protection from personal liability that school district boards of trustees members receive. These protections are stated in Chapter 41 of the Nevada Revised Statutes (NRS). Interested parties are referred to:

- NRS 41.307, which adds employees of charter schools to the definition of "employee" as used in Chapter 41 (as used in NRS 41.0305 – 41.039, the word "employee" includes employees of charter schools), and;
- NRS 41.032 and 41.0337. Charter school governing body members, like school board trustees, are protected by these statutes from personal liability and provided immunity if they are acting within the scope of their public duties as charter school governing body members.

### **Open Meeting Law**

Charter school governing bodies must comply with the provisions of Nevada's Open Meeting Law. A guide to the Open Meeting Law may be obtained from the Nevada Attorney General's website: [ag.state.nv.us](http://ag.state.nv.us)

## **Compliance with the Local Government Purchasing Act and Avoidance of Conflict of Interest**

A conflict of interest is defined as an actual or perceived interest in an action that results in, or has the appearance of resulting in, personal, organizational or professional gain. A conflict of interest occurs when a governing body member acts on a school matter that could benefit or harm him or his immediate family members personally. This means:

- No employees of the school or their spouse may serve on the governing body of the school;
- No contractors with the school or their spouse may serve on the governing body of the school;
- The school may not purchase anything from a governing body member, and may not lease a facility from a governing body member.

Furthermore:

- There may be no more than two persons representing any particular organization or business on the governing body of the school;
- No governing body may serve more than one charter school. There may be no more than one person who serves on the governing body of two or more charter schools.

## **Use of Advisory Committees**

A charter school may have an advisory committee that advises the governing body. For example, a Finance Advisory Committee could meet regularly and advise the governing body. Such a committee, appointed by the governing body and advising or making recommendations to the governing body, must abide by the Open Meeting Law. It is irrelevant whether all the persons on any *advisory* committee are affiliated with the same business or organization. There is nothing prohibiting any employee such as a classroom teacher from being on an advisory committee.

## **Miscellaneous**

- Governing body members may not receive stipends for their service on charter school governing bodies unless authorized by law that defines the amount of the stipend.
- Diverse segments of the local community should be included in the initial organization and operation of the charter school's governing body. A governing body on which a majority of members are parishioners of a particular church, for example, or are related, should be avoided.

## APPENDIX F



**NOTARIZED STATEMENT**

I, the undersigned, do consent and do solemnly swear (or affirm) that the information set forth in the forgoing application is true and complete to the best of my knowledge, and that failure to disclose pertinent information or the concealment of information or making false statements in the detailed application for operation of a charter school shall constitute valid grounds for refusal or revocation of permission to operate said school. The undersigned also affirms that the charter school herein named is obligated to enter into an agreement concerning the methods and procedures for the sponsor to monitor the progress of the charter school herein named. The undersigned affirms that the Department of Education and the sponsor are entitled to access to financial and other records relating to the operation of the charter school.

_____	_____
Signature of Certifying Charter School Official	Name Printed
_____	_____
Title	Date

Subscribed and sworn to before me

This \_\_\_\_\_ day of \_\_\_\_\_  
date month year

(Notary Public Seal)

MAIL/DELIVER TO:  
  
Nevada Department of Education  
ATTN: Charter School Consultant  
1749 Moody Street, Suite 40  
Carson City, NV 89706-2543  
Telephone: 775-687-9149

**NO FAXED APPLICATIONS WILL BE ACCEPTED**

## APPENDIX G

CHARTER SCHOOL AGREEMENT

**Nevada State Board of Education**

**And**

\_\_\_\_\_ **Charter School**

THIS AGREEMENT is made and entered by and between the Nevada State Board of Education ("State Board") and the \_\_\_\_\_ Charter School ("Charter School"), a public school.

RECITALS

WHEREAS, in 1997, the Nevada Legislature authorized the formation of Charter Schools; and

WHEREAS, on or about \_\_\_\_\_, a charter school application was received by the Nevada Department of Education ("Department") from the Committee to Form the \_\_\_\_\_ Charter School pursuant to NRS 386.520(2); and

WHEREAS, the Nevada Department of Education reviewed and approved the application for completeness pursuant to NRS 386.525(1) on or about \_\_\_\_\_; and

WHEREAS, by decision on \_\_\_\_\_, the State Board approved the application under NRS 386.527(5); and

WHEREAS, pursuant to NAC 386.050 the Written Charter includes both the application to form a charter school approved by the sponsor and a written agreement signed by the sponsor and the charter school;

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual understandings, releases, covenants and payments herein described, the parties agree as follows:

AGREEMENT

1. Compliance with Nevada Law. The statutes and regulations which establish charter schools in Nevada, the Non Regulatory Guidance adopted by the Nevada Department of Education, and the Charter School application approved by the State Board are hereby incorporated by reference as a part of this Agreement. The Charter School agrees to comply with all Non Regulatory Guidance, and statutes and regulations regarding the creation and operation of charter schools in Nevada, including specifically NRS 386.550.

2. Term. It is the intent of the State Board that the Charter, including this Agreement, is to be effective for a period of six (6) years, to begin on \_\_\_\_\_, and to terminate on \_\_\_\_\_.

3. Charter School Independence. Pursuant to NRS 386.565, the State Board shall not assign any pupil who is enrolled in a public school or any employee who is employed in a public school to the Charter School, or interfere with the operation and management of the Charter School

except as authorized by written charter, NRS 386.500 to 386.610, inclusive, and any other statute or regulation applicable to the Charter School or its officers or employees. The State Board and the Department, or its designees, may physically inspect the school and its records, including employee and financial records, at any time.

4. Student Achievement. The Charter School agrees to report to the State Board on a regular basis the academic progress of the Charter School in meeting standards of achievement set forth in the Application, as required by NRS 386.605 and NRS 386.610. In addition to any goals and description of how achievement of those goals will be measured that were approved in the Charter School application, all provisions of NRS 385.3455 through NRS 385.391 (Statewide System of Accountability) apply to the Charter School. Nothing in the application approved by the State Board, this Agreement, or the Written Charter is to be construed as replacing, overriding, or taking precedence over NRS 385.3455 through NRS 385.391.

5. Employment Matters. The Charter School agrees to comply with the provisions of NRS 386.595 regarding employment status. The Charter School will establish and implement its own dispute resolution process for employment matters.

6. Costs of Operations. The Charter School shall be responsible for all costs associated with its school operations, including the cost of contracting for goods and services.

a. The Charter School shall clearly indicate to vendors and other entities and individuals with which or with whom the Charter School enters into an agreement or contract for goods or services that the obligations of the Charter School under such agreement or contract are solely the responsibility of the Charter School and are not the responsibility of the State of Nevada, the State Board, or the Department. Prior to signing a contract with an Educational Management Organization (“EMO,” defined by NAC 386.033), the Charter School shall submit a copy of the proposed contract to the sponsor. The sponsor has the authority to review and approve/reject all or portions of the EMO contract prior to signing. No clause in any contract between the Charter School and an EMO shall require more than a simple majority of the Charter School’s Governing Body to terminate the contract. No clause in any contract between the Charter School and an EMO shall require the EMO’s agreement before the contract may be terminated by the Charter School.

b. The Charter School agrees that it will not extend the faith and credit of the State Board, the State of Nevada, or the Department to any third person or entity. The Charter School acknowledges and agrees that it has no authority to enter into a contract that would bind the State Board.

7. Legal Liabilities/Indemnification. As required by NRS 386.550, the Charter School agrees that the State Board is not liable for the acts or omissions of the Charter School, its officers, agents, or employees. Subject to NRS Chapter 41, the Charter School agrees to defend, indemnify, and hold the State Board, its agents and employees harmless from all liability, claims and demands on account of contract, injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage or any other losses of any kind whatsoever which arise out of or are in any manner connected with the Charter School's operations.

8. Insurance. The Charter School agrees that it will maintain all appropriate insurance coverages, including coverages for general liability and worker's compensation, as required to protect itself, the State Board and the Department, and specifically as required by NRS 386.550 and NAC 386.215.

9. Special Education. The Charter School agrees to be responsible for the provision of special education services to students with disabilities who attend the Charter School in accordance with the requirements of state and federal law including Section 504 of the Rehabilitation Act of 1973 and the Individuals with Disabilities Improved Education Act of 2004. The Charter School is responsible, both financially and programmatically, for the response and resolution of any Due Process complaints filed against it.

10. Student Withdrawal. The withdrawal of any student from the Charter School shall be reported to the Department. Reports shall be submitted on an ongoing basis, and must include each student's name, ID number, and contact information. In the event a student is expelled, the charter school will provide equivalent services to the student. If the expelled student returns to a local school district, the charter school will reimburse the district on a pro rata basis. The Charter School may not require pupils or their parent or guardian to sign "contracts," "commitments," or other documents that can result in the removal, withdrawal, suspension or expulsion of the pupil from the school for reasons other than the reasons for suspension or expulsion stated in NRS 392.466. The Charter School may suspend or expel pupils only for the reasons stated in NRS 392.466. Those reasons are battery on an employee of the school, possession of a firearm or dangerous weapon, sale or distribution of a controlled substance, or status as a habitual disciplinary problem as defined by NRS 392.4655. Removal of a pupil from a charter school, except for suspension or expulsion pursuant to NRS 392.466, is solely the decision of the parent or guardian of the pupil. Any removal of a pupil from a charter school against the wishes of the parent or guardian must comply with NRS 392.467.

11. Gifts/Donations/Grants. The Charter School shall inform the State Board of any gifts, donations, grants, etc. received for the school.

12. Miscellaneous Provisions.

a. Entire Agreement. This Agreement contains all terms, conditions and provisions hereof and the entire understandings and all representations of understandings and discussions of the parties relating thereto, and all prior representations, understandings and discussions are merged herein and superseded and canceled by this Agreement.

b. Amendment. This Agreement may only be modified or amended by further written agreement executed by the parties hereto, provided that such amendment will grant the Charter School a greater ability to achieve its educational goals and objectives. An amendment may not authorize an extension of the duration of the term of the written charter.

c. Notice. Any notice required, or permitted, under this Agreement, shall be in writing and shall be effective upon personal delivery (subject to verification of service or acknowledgment of receipt) or three (3) days after mailing when sent by certified mail, postage prepaid, to the office of the Charter School's governing body, in the case of notice being sent to the Charter School, or to the Office of the President of the State Board for notice to the State Board.

d. No Waiver. The parties agree that no assent, express or implied, to any breach by either of them of any one or more of the covenants and agreements expressed herein shall be deemed or be taken to constitute a waiver of any succeeding or other breach.

e. Dispute Resolution. In the event a dispute arises between the Charter School and the Department or the State Board concerning the Written Charter, the Charter School shall submit, in writing, a statement outlining their complaint and proposed resolution to the Department's Deputy Superintendent of Administrative and Fiscal Services, or his designee, for review. The Department will respond to the complaint and proposed resolution, in writing, within 30 calendar days outlining whether or not it agrees with the complaint and whether it accepts the proposed resolution or offers an alternative resolution to the complaint. If the Charter School is not satisfied with the response from the Deputy Superintendent of Administrative and Fiscal Services, it may request, in writing, a review by the Superintendent of Public Instruction. The Superintendent will respond, in writing, within 15 calendar days stating whether or not he/she agrees with the complaint and if so, which resolution is proposed, or proposing an alternative resolution to the Charter School. In the event these representatives are unable to resolve the dispute informally pursuant to this procedure, the complaint and proposed resolution(s) will be submitted to the State Board of Education at the next available meeting for its consideration. The State Board of Education will decide whether or not it agrees with the complaint and whether or not it agrees with any proposed resolution or offers its own resolution. Any decision by the State Board of Education is final.

f. Applicable Law. The parties intend that where this Agreement references federal or state law that they be bound by any amendment to such laws, upon the effective date of such amendments.

g. Invalidity. If any provision of this Agreement is determined to be unenforceable or invalid for any reason, the remainder of the Agreement shall remain in effect, unless otherwise terminated by one or both of the parties in accordance with the terms contained herein.

13. Home School Prohibition. Pupils attending the Charter School will be disallowed for Distributive School Account (DSA) apportionment if their names also appear on school district lists of home schooled pupils unless a hand-written statement from the parent/guardian has been submitted to the Department. The statement must clarify that the parent/guardian has withdrawn the pupil from home schooling, and that the parent acknowledges he/she is enrolling the pupil in a public charter school.

14. Adherence to NRS (Nevada Revised Statute) and NAC (Nevada Administrative Code). Nothing in the Written Charter, the application approved by the sponsor, or this Agreement is to be construed as replacing, taking precedence over, or overriding any applicable NRS, NAC, federal law, or Nevada Department of Education Non Regulatory Guidance.

15. If Applicable, Distance Education Program. The distance education program shall operate only as described in the distance education application specifically approved by the Department. The distance education program is subject to all provisions of NRS 388.820 through NRS 388.874, including the NRS 388.866(1) requirement for weekly communication between the teacher of each course offered through the program and the pupil. The distance education program is subject to all provisions of NAC 388.800 through NAC 388.860.

16. If Applicable, Distance Education Program. Pursuant to NAC 387.171, the Master Register of Attendance shall include:

- The name of the pupil;
- The date of birth of the pupil;
- The school in which the pupil is enrolled;
- The grade or ungraded category of educational service to which the pupil is admitted;
- The dates, if applicable, of enrollment and reenrollment;
- The date of withdrawal, if applicable, and the reason for the withdrawal as described in NAC 387.215;
- The pupils' record of daily attendance;
- If the pupil is enrolled in a program of distance education, the information required by subsection 2 of NAC 387.193; and
- The ethnic group or race to which the pupil belongs.

The Distance Education Class Record Book shall include the following information from the school's software platform:

- Pupil's name;
- Pupil's time on task in his computer for each class per day;
- Date; and
- Teacher.

The Pupil's Schedule of Distance Education Classes shall include the following information from the pupil's computer from the school's software platform:

- Name;
- Date; and
- Schedule of classes/with time on task from each class per day.

17. Grades Served: The Charter School shall serve grades \_\_\_\_\_ only, unless the Written Charter is amended by Charter School Governing Body action and State Board action.

IN WITNESS WHEREOF, the parties have executed this Agreement.

\_\_\_\_\_  
President, \_\_\_\_\_ Charter School Governing Body

Please print the name: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
President, Nevada State Board of Education

Date: \_\_\_\_\_

## APPENDIX H

**Subsection 7 Charter Agreement**  
**Between the Nevada State Board of Education**  
**and**  
\_\_\_\_\_ **Charter School**

References: NRS 386.527(7)  
NAC 386.240

Definitions: Subsection 7 Charter: A charter issued pursuant to NRS 386.527(7).  
Full Charter: A charter issued pursuant to NRS 386.527(5), under which a charter school may commence operation and receive state funding.

1. This Subsection 7 Charter expires June 30 of the second fiscal year after the fiscal year in which the subsection 7 charter was approved. Date of issuance:\_\_\_\_\_ Date of expiration:\_\_\_\_\_
2. This Subsection 7 Charter may be renewed by the sponsor with cause for no more than one additional fiscal year.
3. Reasons why the charter school is not prepared to commence operation.
  - A. The school has not yet obtained a facility.
  - B. The school has not yet established a governing body.
4. The conditions the governing body must satisfy in order to convert the Subsection 7 Charter to a full charter.
  - A. The school must obtain a facility and satisfy NAC 386.140(2)(a-g), and 386.170(3) and (4). See 7, 8, 9, 10 and 11, below.
  - B. The school must establish a governing body and identify a chairperson at a public meeting that complies with Nevada's Open Meeting Law. An agenda and minutes for the meeting must be submitted to the school's sponsor.
5. The tasks that must be accomplished by the governing body before it may submit a supplemental application to convert the Subsection 7 Charter to a full charter.
  - A. See 4. A, above.
  - B. See 4. B, above.
6. The dates by which the tasks identified in 5, above, must be accomplished: **See 12, below.**

7. The governing body understands that:

- 1) To receive apportionments from the State Distributive School Account, the charter school must comply with NAC 386.355;
- 2) The governing body shall not authorize the attendance of pupils at the charter school unless the charter school has obtained a full charter; and
- 3) The governing body must obtain the insurance required by NAC 386.215 and submit the Affidavit for Provision of Insurance Coverage for a Public Charter School before commencing operation as a charter school.

8. The governing body understands that, if the lack of an inspected and approved facility is one of the reasons why the charter school is not prepared to commence operation, this charter issued pursuant to subsection 7 of NRS 386.527 may not be converted to a charter issued pursuant to subsection 5 of NRS 386.527 before a copy of the certificate of occupancy for the facility the school will use is submitted to the sponsor (NAC 386.205).

9. The governing body understands that, if the lack of an inspected and approved facility is one of the reasons why the charter school is not prepared to commence operation, this charter issued pursuant to subsection 7 of NRS 386.527 may not be converted to a charter issued pursuant to subsection 5 of NRS 386.527 before the following are submitted to the sponsor (NAC 386.140(2)):

- 1) The address of the charter school;
- 2) The type of facility that the charter school will occupy;
- 3) A floor plan of the facility that the charter school will occupy, including a notation of the size of the facility which is set forth in square feet;
- 4) The name and address of the owner of the facility that the charter school will occupy;
- 5) If the facility that the charter school will occupy will be leased or rented, a copy of the proposed lease or rental agreement.

10. The governing body understands that, if the lack of an inspected and approved facility is one of the reasons why the charter school is not prepared to commence operation, this charter issued pursuant to subsection 7 of NRS 386.527 may not be converted to a charter issued pursuant to subsection 5 of NRS 386.527 before the following is submitted to the sponsor (NAC 386.140(2)(g)):

Documentation which demonstrates that the committee has obtained the insurance required by NAC 386.215 and that the proposed sponsor of the charter school is satisfied with the type and amount of insurance or other means that will be used to indemnify the sponsor against financial loss pursuant to paragraph (l) of subsection 1 of NRS 386.550.

11. The governing body understands that, if the lack of an inspected and approved facility is one of the reasons why the charter school is not prepared to commence operation, this charter issued pursuant to subsection 7 of NRS 386.527 may not be converted to a charter issued pursuant to subsection 5 of NRS 386.527 before the following is submitted to the sponsor (NAC 386.170 (3, 4, 5)):

1) Documents which indicate to the satisfaction of the sponsor that the facility which the charter school will occupy has been inspected and meets the requirements of any applicable building codes, codes for the prevention of fire, and codes pertaining to safety, health and sanitation.

2) Evidence which demonstrates to the satisfaction of the sponsor that the committee has communicated with the Division of Industrial Relations of the Department of Business and Industry regarding compliance with the federal Occupational Safety and Health Act of 1970, as amended; and

3) A description of the procedures that will be used to provide drills for the pupils in the charter school to instruct those pupils in the appropriate procedures to be followed in the event of a fire or other emergency, if that description was not included with the charter school application and approved by the sponsor.

12. The governing body understands that, before the expiration of this charter issued pursuant to subsection 7 of NRS 386.527, the governing body may submit a supplemental application to the sponsor requesting that the sponsor determine whether the charter school is eligible for a written charter issued pursuant to subsection 5 of NRS 386.527. The supplemental application must be submitted not less than 30 days before the expiration of this written charter issued pursuant to subsection 7 of NRS 386.527, and not less than 15 working days before the meeting of the sponsor at which conversion to a full charter would be considered.

13. Signature and date of signature of the chair of the charter school governing body:

Chair, \_\_\_\_\_ Charter School Governing Body: \_\_\_\_\_

Please print Chair's name: \_\_\_\_\_

Date: \_\_\_\_\_

14. Signature and date of signature of the representative of the sponsor:

President, Nevada State Board of Education: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX I

**GENERAL CHARTER SCHOOL PUPIL ENROLLMENT AND HOLD  
HARMLESS CONSIDERATIONS**

**SUBJECT:** Non-Regulatory Guidance (NRG) – NRS 387.1233 Hold Harmless Provision and Its Application to Charter Schools; NRS 386.580 Requiring Charter Schools to Maintain Levels of Enrollment as Established in Their Charter; NRS 387.123 Count of Pupils

**SUMMARY:** **Covers Department policies and procedures relating to the application of “hold harmless” provisions to charter schools where the enrollment of pupils falls below that level stated in its charter.**

**GOVERNING DIRECTIVES:** NRS 386.580; NRS 387.123; NRS 387.1233; NRS 387.124

Nevada Revised Statutes (NRS) 387.1233(2), effective through June 30, 2008, provides for hold harmless payments for school districts and charter schools with declining enrollments as follows:

“If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is less than the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for either or both of the immediately preceding 2 school years, the largest number must be used from among the 3 years for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.”

Beginning July 1, 2008, NRS 387.1233(2) is changed to continue a two-year hold harmless provision for a 5% or greater reduction in enrollment from the immediately preceding school year as follows:

“If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the largest number from among the immediately preceding 2 school years must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.”

A new subsection 3 has been added to NRS 387.1233 which requires a one-year hold harmless provision for an enrollment reduction from the immediately preceding school year of less than 5% as follows:

“If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is more than 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the larger enrollment number from the current year or the immediately preceding school year must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.”

**POLICY:** 1. Actions of Charter Schools. The Department intends to closely monitor those instances in which a charter school’s enrollment shows a marked decline when, by contrast, the enrollment of the school district in which the charter school is located is either stable or increasing.

2. Charter Implications. The Department’s will review any changes to a charter school’s organizational structure that limits or otherwise restricts its enrollment. Examples of such enrollment limitations or restrictions include, without limitation, the elimination of certain grades or restrictions in class sizes and/or the number of classes. Such changes will be reviewed by the Department to determine if the organizational change was the cause for the enrollment decline. If it is determined the change of organizational structure is the cause, appropriate action will be taken by the Department to limit the eligibility of the school for the statutory hold harmless provisions.

3. Charter Projected Enrollments. Charter schools are required to accept enrollment up to the level of enrollment written into their charter. Pursuant to NRS 386.580(1), the Department of Education expects charter schools to accept enrollment from any eligible pupil at any time during the school year up to its authorized or projected enrollment level.

4. Enrollment Cutoff Dates. There will be no enrollment cutoff date or date after which pupils may no longer be allowed to enroll in a public school. Therefore, as a public school, charter schools must accept new pupils at any time to fill empty positions of pupils who have withdrawn during the school year, again up to the level of pupils specified in its charter. Exceptions to this policy will be addressed by the Department on a case-by-case basis.

Approved: **SIGNED**

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Keith W. Rheault  
Superintendent of Public Instruction

**DSA FUNDING POLICIES FOR CHARTER SCHOOLS UNDER REVOCATION PROCEEDINGS OR IN FINANCIAL DISTRESS**

**SUBJECT:** Non-Regulatory Guidance (NRG) – Distributive School Account (DSA) Funding Policies for Charter Schools under Revocation Proceedings or Instances of Special Attention

**SUMMARY:** Covers Department policies and procedures for placing a charter school on a monthly DSA payment basis.

**GOVERNING DIRECTIVES:** NRS 387.124; NRS 386.535

**DEFINITION:** “Under Revocation Proceedings” means that written notice of the charter school’s sponsor’s intention to revoke the school’s charter has been provided to the school pursuant to NRS 386.535(2).

NRS 387.124(7) states:

“If the State Controller finds that such an action is needed to maintain the balance in the State General Fund at a level sufficient to pay the other appropriations from it, he may pay out the apportionments monthly each approximately one-twelfth of the yearly apportionment less any amount set aside as a reserve. If such action is needed, the State Controller shall submit a report to the Department of Administration and the Fiscal Analysis division of the Legislative Counsel Bureau documenting reasons for the action.”

**POLICY:** 1. Monthly DSA Payments. The Department, whether or not the State Controller has determined if DSA apportionments will be made on a monthly or a quarterly basis as prescribed above, will disburse DSA apportionments on a monthly basis if a charter school is under revocation proceedings by its sponsor. DSA apportionments will be made on a monthly basis until such time as the revocation proceedings have been fully resolved.

2. Other Conditions Warranting Monthly DSA Payments. The Department intends to closely monitor any charter school where there have been instances of enrollment verification problems, lack of reporting accuracy, completeness, or timeliness, unresolved audit findings, or financial-related concerns (as indicated by a school’s low or negative ending general fund balance or documented situations in which the charter school has been unresponsive to documented payment requirements to its teachers or staff, its sponsor, other government agencies, vendors or other persons or entities with just claims against the school).

3. Duration of Actions. If such conditions warrant, the Department will review whether the charter school will receive monthly DSA payments until the charter school alleviates such concerns regarding any financial or enrollment irregularities.

Approved: **SIGNED**

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Keith W. Rheault  
Superintendent of Public Instruction

**DSA FUNDING POLICIES FOR SCHOOL DISTRICTS AND CHARTER SCHOOLS UNDER HOLD HARMLESS AND QUALIFYING FOR SUPPLEMENTAL DSA PAYMENTS BASED ON ENROLLMENT GROWTH**

SUBJECT: Non-Regulatory Guidance (NRG) – NRS 387.1233 Hold Harmless Provisions and Its Applicability to School Districts and Charter Schools When NRS 387.1243 Supplemental Distributive School Account (DSA) Payment for Enrollment Growth Also Applies

**SUMMARY: Covers Department policies and procedures in those cases where a school district or charter school is under the hold harmless provisions pursuant to NRS 387.1233 and also warrants supplemental DSA payments based on threshold levels of enrollment growth pursuant to NRS 387.1243.**

GOVERNING DIRECTIVES: NRS 387.1233; NRS 387.1243

Nevada Revised Statutes (NRS) 387.1233(2), effective through June 30, 2008, provides for hold harmless payments for school districts and charter schools with declining enrollments as follows:

“If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is less than the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for either or both of the immediately preceding 2 school years, the largest number must be used from among the 3 years for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.”

Beginning July 1, 2008, NRS 387.1233(2) is changed to continue a two-year hold harmless provision for a 5% or greater reduction in enrollment from the immediately preceding school year as follows:

“If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the largest number from among the immediately preceding 2 school years must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.”

A new subsection 3 has been added to NRS 387.1233 which requires a one-year hold harmless provision for an enrollment reduction from the immediately preceding school year of less than 5% as follows:

“If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is more than 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the larger enrollment number from the current year or the immediately preceding school year must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.”

NRS 387.1243(4) states that:

“A final adjustment for each school district and charter school must be computed as soon as practicable following the close of the school year, but not later than August 25. The final computation must be based upon the actual counts of pupils required to be made for the computation of basic support and the limits upon the support of special education programs, except that for any year when the total enrollment of pupils and children in a school district or a charter school located within the school district described in paragraphs (a), (b), (c) and (e) of subsection 1 of NRS 387.123 is greater on the last day of any school month of the school district after the second school month of the school district and the increase in enrollment shows at least:

- (a) A 3-percent gain, basic support as computed from first-month enrollment for the school district or charter school must be increased by 2 percent.
- (b) A 6-percent gain, basic support as computed from first-month enrollment for the school district or charter school must be increased by an additional 2 percent.”

**POLICY. Conditional Supplemental DSA Payments.** Under conditions in which a charter school requests supplemental DSA payments based on enrollment growth and when that charter school is also under hold harmless conditions, then pursuant to NAC 387.345(6) the following applies:

“For the final basic support adjustments for a school district or charter school per NRS 387.1243(3), if the school district or charter school is to receive the growth adjustment benefits of a final count of pupils per NRS 387.1243(4) then that calculation will be based upon its maximum allowed enrollment as prescribed in NRS 387.1233(2).”

Approved: **SIGNED**

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Keith W. Rheault  
Superintendent of Public Instruction

**MULTI-DISTRICT CHARTER SCHOOL ENROLLMENT AND  
HOLD HARMLESS CONSIDERATIONS**

**SUBJECT:** Non-Regulatory Guidance (NRG) – NRS 387.1233 Hold Harmless Provision and Its Application to Multi-District Charter Schools

**SUMMARY:** Covers Department policies and procedures relating to the calculation of “hold harmless” enrollment DSA payments under certain conditions applicable to the operation of multi-district charter schools.

**GOVERNING DIRECTIVES:** NRS 386.580; NRS 387.1233; NRS 387.124

**DEFINITION:** A “multi-district” charter school is defined as a charter school having pupils resident in more than one school district.

Nevada Revised Statutes (NRS) 386.580(1) states, in part, that:

“An application for enrollment in a charter school may be submitted to the governing body of the charter school by the parent or legal guardian of any child who resides in this State.”

Therefore, a charter school, unlike a school district, may solicit its enrollment from any school district in the State and not just the district in which it is located.

NRS 387.1233(2), effective through June 30, 2008, provides for hold harmless payments for school districts and charter schools with declining enrollments as follows:

“If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is less than the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for either or both of the immediately preceding 2 school years, the largest number must be used from among the 3 years for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.”

Beginning July 1, 2008, NRS 387.1233(2) is changed to continue a two-year hold harmless provision for a 5% or greater reduction in enrollment from the immediately preceding school year as follows:

“If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the

largest number from among the immediately preceding 2 school years must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.”

A new subsection 3 has been added to NRS 387.1233 which requires a one-year hold harmless provision for an enrollment reduction from the immediately preceding school year of less than 5% as follows:

“If the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is more than 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the larger enrollment number from the current year or the immediately preceding school year must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.”

**POLICY:** The Department interprets the hold harmless provisions, whether one-year or two-year, regarding charter schools with enrollments of pupils residing in more than one school district to apply to the charter school’s enrollment as a whole. Therefore, if the total enrollment of such a multi-district charter school is greater in the current year than in the immediately preceding school year, then the charter school is not entitled to hold harmless payments irrespective of its enrollment levels in its individual school districts. If, however, the total enrollment in the current year is less than the enrollment in the immediately preceding school year, then the charter school is entitled to hold harmless payments pursuant to NRS 387.1233(2) and (3) and these payments will be calculated proportionately based upon the school districts in which the charter school’s current pupils reside.

Approved: **SIGNED**

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Keith W. Rheault  
Superintendent of Public Instruction

**CHARTER SCHOOL ENROLLMENT ISSUES AND COUNT DAY  
ENROLLMENT DETERMINATION**

**SUBJECT:** Non-Regulatory Guidance (NRG) – Enrollment Issues and Closing Enrollment after Count Day

**SUMMARY:** Covers Department policies and procedures relating to closing enrollment after count day; substitution of withdrawn pupils by new pupils during the year; consideration of distance education exception; and case-by-case review by the Department.

**GOVERNING DIRECTIVES:** NRS 386.520; NRS 386.580; NAC 386.180; NAC 386.355; NAC 387.120; NAC 387.345; NRG 101

**DEFINITION:** “Count Day” is defined as the last day of the first school month of the school district for the school year. Pursuant to NAC 387.120, the school year contains 180 days and is divided into 10 school months, each containing 20 or fewer school days. The enrollment of pupils on count day is used to determine the Distributive School Account (DSA) payments for school districts and charter schools. Pursuant to NAC 386.355(1), charter schools shall adopt the count day of the school district in which they are located (see possible exception under NAC 387.345(2)).

**POLICIES:**

1. Background. The Department expects a charter school to continue the enrollment of pupils wishing to enroll after its count day, unless it has reached its enrollment as specified in their charter. Charter schools shall also replace, from an enrollment waiting list, pupils who leave the school after count day.

2. Maintenance of Enrollment. The charter school’s target or projected enrollment is stated in its charter pursuant to NRS 386.520(2)(c), and charter schools are expected to enroll pupils who wish to enroll up to that target enrollment level, regardless whether count day has passed. The only exception to this is if the school’s facility, by building officials’ determination, cannot accommodate the number of pupils identified in the charter. In this case, the charter should be amended, either temporarily or permanently, to be consistent with the facility’s occupancy limitations.

3. Waiting Lists. Pursuant to NRS 386.580(1), a charter school shall enroll eligible pupils in the order in which the applications are received. If more pupils than the school’s enrollment limit apply for enrollment, the school shall determine which applicants to enroll on the basis of a lottery system. A waiting list provides names for the lottery. The school’s lottery is described in its charter pursuant to NAC 386.180(1). Lottery guidance can be found in the Department’s Charter School Application and Operation Manual.

4. Replacement of Pupils. Charter schools that have reached the enrollment limit stated in their charters are expected to maintain, and have available for inspection, a waiting list of

pupils who wish to enroll should spaces become available. Given the popularity of charter schools, it is expected that most schools would have waiting lists. If a charter school loses pupils at any time during the school year, the school is expected to replace those pupils with pupils from the waiting list, using the lottery method described in the school's charter application. Under such a pupil replacement situation, no additional DSA or outside revenue payments will be warranted and the replacement pupils will not count towards supplemental DSA enrollment payments per NRS 387.1243(4) after count day.

5. Distance Education Exception. An exception to the requirement for a charter school to enroll pupils after count day will be considered for distance education charter schools which are required by their software licensing and/or contractual arrangements with their education software provider to pay for each pupil using their service. If the charter school would incur such extra costs for each additional pupil enrolling after count day, then that distance education charter school may, upon approval of the Department, deny enrollment to pupils after count day. However, if pupils withdraw from the school after count day and other pupils wish to enroll, the withdrawn pupils shall be replaced with new pupils at any time throughout the school year. Charter schools shall maintain relevant contracts and/or licensing agreements documenting additional fees for new students as well as the names of the pupils currently being served by such educational software programs. This documentation is subject to review by the Department and/or the charter school's sponsor.

6. Exception Policy. Any waivers to this policy may be granted on a case-by-case basis by the Department.

Approved: **SIGNED**

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Keith W. Rheault  
Superintendent of Public Instruction

**COUNT DAY CONSIDERATIONS, MULTI-DISTRICT CHARTER SCHOOLS  
AND ENROLLMENT CLAIMS**

**SUBJECT:** Non-Regulatory Guidance (NRG) – Count Day Application to Multi-District Charter Schools

**SUMMARY:** Covers the Department’s policies and procedures pertaining to the count of pupils for Distributive School Account (DSA) apportionment purposes between school districts and multi-district charter schools with different count days.

**GOVERNING DIRECTIVES:** NRS 387.123; NRS 387.1233; NAC 386.180; NAC 386.355; NAC 387.120; NAC 387.200; NAC 387.345

**DEFINITIONS:**

[1] “Count Day” is defined as the last day of the first school month of the school district for the school year. Pursuant to NAC 387.120, the school year contains 180 days and is divided into 10 school months, each containing 20 or fewer school days. The enrollment of pupils on count day is used to determine the Distributive School Account (DSA) payments for school districts and charter schools. Pursuant to NAC 386.355(1), charter schools shall adopt the count day of the school district in which they are located (see possible exception under NAC 387.345(2)).

[2] A “multi-district” charter school is defined as a charter school having pupils resident in more than one school district.

**POLICY:** 1. Multi-District Charter Schools and Conflicts in Count of Pupils. Pursuant to NRS 387.123(2)(c), the Department is prohibited from counting any pupil more than once for purposes of DSA apportionments. Further, pursuant to NAC 387.200, “...a pupil must not be entered as an enrolled pupil in the master register of enrollment and attendance of more than one public school on the same day.” Even so, based on the presence of multi-district charter schools, there exists a potential conflict in enrollment and the possibility of double counting based on two different count days for two different school districts.

2. Count Day Same as School District. Pursuant to NRS 387.123 and NAC 386.355, a charter school will have the same count day as the school district in which it is located, and, by extension, this will apply to all the charter school’s pupils irrespective of the school districts in which these pupils reside.

3. Precedence of Latter Count Day. In determining the appropriate count day and claim for enrollment, the Department will only accept the latter count day as the official one for enrollment purposes. Therefore, if the pupil is present on count day in one school district, but subsequently withdraws from a school district or charter school and enrolls in a public school in another district in the interim period between the two count days, then the charter school or school district with the latter count day will be given credit for enrollment and DSA funding purposes.

4. Existence of One Count Day for a Charter School. Pursuant to NRS 387.123 and the count of pupils there can exist only one count day for a charter school. No exceptions to this policy will be made for charter schools losing the enrollment of a pupil to a latter count day and then “back-filling” that pupil’s position after its own count day from a lottery of names of pupils eligible for enrollment.

Approved: **SIGNED**

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Keith W. Rheault  
Superintendent of Public Instruction

**FIRST-YEAR CHARTER SCHOOL ENROLLMENT VERIFICATION AND DSA  
SUPPLEMENTAL PAYMENT INFORMATION REQUIREMENTS**

**SUBJECT:** Non-Regulatory Guidance (NRG) – NRS 387.123 Count of Pupils for  
Distributive School Account (DSA) Apportionment

**SUMMARY:** Covers Department policies and procedures pertaining to enrollment  
verification, documentation and reporting for first-year charter schools; other  
instances requiring enrollment verification; and monthly enrollment reporting and  
verification requirements relating to supplemental DSA payments.

Part 1 – Reporting requirements for first-year charter schools to document their  
enrollment of pupils for DSA payment purposes per NRS 387.123(1) and NRS  
387.1233(1).

Part 2 – Other instances requiring additional enrollment verification beyond a charter  
school’s first year of operation.

Part 3 – Requirements for verifying the count of pupils for those school months after the  
first school month count of pupils (count day) when the charter school is requesting  
supplemental DSA payments per the growth rate provisions of NRS 387.1243(4).

**GOVERNING DIRECTIVES:** NRS 387.123; NRS 387.1233; NRS 387.124; NRS  
387.1243; NRS 388.846; NAC 386.355; NAC 387.171; NAC 387.175; NAC 387.193;  
NAC 387.345; NRG 203

NRS 387.123(1) states, in part:

“The count of pupils for apportionment purposes includes all pupils who are  
enrolled in programs of instruction of the school district, including, without  
limitation, a program of distance education provided by the school districts, or  
pupils who reside in the county in which the school district is located and are  
enrolled in any charter school, including, without limitation, a program of  
distance education provided by a charter school...”

NRS 387.124(5) states:

“The governing body of a charter school may submit a written request to the  
Superintendent of Public Instruction to receive, in the first year of operation of the  
charter school, an apportionment 30 days before the apportionment is required to  
be made pursuant to subsection 1. Upon receipt of such a request, the  
Superintendent of Public Instruction may make the apportionment 30 days before  
the apportionment is required to be made. A charter school may receive all four  
apportionments in advance in its first year of operation.”

NRS 387.1243(4) states:

“A final adjustment for each school district and charter school must be computed as soon as practicable following the close of the school year, but not later than August 25. The final computation must be based upon the actual counts of pupils required to be made for the computation of basic support and the limits upon the support of special education programs, except that for any year when the total enrollment of pupils and children in a school district or a charter school located within the school district described in paragraphs (a), (b), (c) and (e) of subsection 1 of NRS 387.123 is greater on the last day of any school month of the school district after the second school month of the school district and the increase in enrollment shows at least:

(a) A 3-percent gain, basic support as computed from first-month enrollment for the school district or charter school must be increased by 2 percent.

(b) A 6-percent gain, basic support as computed from first-month enrollment for the school district or charter school must be increased by an additional 2 percent.”

**POLICY:**

Part 1 – First Year Charter Schools and First-Year Charter Schools Requesting Early DSA Payment Pursuant to NRS 387.124(5)

1. Timing Considerations. Initial DSA payments must be made on August 1 of each year, but the official count day of pupils for that same school year does not occur until late in the following month (September). This presents difficulties to the Department in determining a reasonable and verifiable count of pupils for charter schools beginning their first year of operation. This issue is magnified if those first-year charter schools also request that their August 1 first DSA payment be made 30-days early (July 1) permitted pursuant to NRS 387.124(5).

2. Reporting Requirements. First-year charter schools, whether or not requesting early DSA payments, will provide certain minimum enrollment information and documentation to the DSA Administrator at least fifteen (15) working days prior to the date of the first anticipated payment (i.e., August 1 for the first regular DSA payment date or July 1 for the 30-day early payment date). The required enrollment reporting and documentation will include both a paper copy and an electronic file as listed below:

(a) Complete registration and enrollment forms including the pupil’s information signed by a parent or legal guardian (or by the pupil if 18 years or older) and by a school official accepting the pupil for enrollment in that school. An official school stamp will serve this purpose of the school attesting to enrollment acceptance. The Department reserves the right to only accept application and enrollment forms which have been signed by a parent or legal guardian within 90 calendar days of the start of the forth-coming school year. Information on these forms will include, without limitation:

- Pupil’s last name, first name and middle initial

- Complete home street address to include the county of residence
- Name of parent(s) or legal guardian(s)
- Home telephone number and other locator information
- Date of birth (DOB)
- SSN and unique student ID number, if available
- School grade pupil is entering

(b) Computer listing in Microsoft Excel spreadsheet format of identification information for each pupil organized in a database format of pupil records (rows) and fields (columns). The database fields will consist of the information listed in (a), above.

3. Enrollment Verification Process. Pupil verification for DSA payments will be based on a comparison of pupil records from the paper copy of enrollment applications submitted to the electronic file. Any pupil application not matched exactly to the corresponding record on the electronic file will be rejected, and any pupil record on the electronic file not exactly matched by a corresponding paper registration and enrollment form will also be rejected. Pupils will also be rejected for enrollment for any missing data (except SSN or unique school ID if they are not available), or if the paper copy submissions are incomplete.

4. Enrollment Verification with School Districts. Lists of pupils submitted by first-year charter schools will be compared and verified to pupil lists of all the school districts in which the charter school claims that its pupils reside to ensure pupils are not double counted per NRS 387.123(2)(c). This comparison and verification to avoid duplication will also be verified against the Department's and/or school district's list of home-school pupils.

5. Count Day Final Enrollment Verification. As soon after the official count day of its first school year as practicable, the charter school's pupil enrollments will be verified for DSA payment purposes against the count day lists of the school districts in which the charter school claims its pupils reside. In most cases, when a school district claims to have counted a pupil on count day which is also claimed by the charter school, the school district of residency will be given credit for that pupil. The exception to this is that the charter school may submit documentation, signed by a parent or legal guardian, to the effect that the pupil was, in fact, enrolled in the charter school on count day and intends to remain enrolled in that school for the school year; or in cases where the charter school uses a different count day than the school district of residence due either to an approved waiver or due to the charter being located in a different school district. Under conditions of different count days, then the public school with the later count day will be given credit for that pupil pursuant to NRG 203.

#### Part 2 – Other Instances Requiring Enrollment Verification

1. Conditions for Additional Reporting. The Department reserves the right to require enrollment verification documentation when a charter school has evidenced significant enrollment and attendance reporting errors, inconsistencies, late reporting and/or

revisions of ethnic count day or certified enrollment figures, or subsequent errors or revisions to its monthly enrollment and attendance reports, or subsequent relatively large audited enrollment adjustments.

2. Reporting Requirements. When such enrollment verifications are requested by the Department, the charter school will provide the same enrollment information as if it were a first-year charter school as covered under Part 1 of this NRG. This information will consist of both paper enrollment and registration forms signed by a parent or legal guardian (or by pupil if 18 years or older) and signed (or stamped) by a school official accepting the enrollment of this pupil, as well as an electronic file consisting of identical pupil information as described in Part 1.

Part 3 – For Charter Schools Requesting Supplemental DSA Payment for Enrollment Growth Pursuant to NRS 387.1243(4)

1. Claims for Supplementation DSA Payments and Required Reporting. In the case of charter schools requesting supplemental DSA payments of either 2% (for at least a 3% increase in pupil enrollment after the first school month) or 4% (for at least a 6% increase in pupil enrollment after the first school month) pursuant to NRS 387.1243(4a) and (4b), respectively, then further enrollment verification may be required from the school. The Department, at its discretion, may request complete enrollment verification for any school month for which supplemental growth funding is requested. This verification of pupil enrollment may consist of either an electronic listing of pupil identification and/or actual paper records of all pupils' enrollment and registration forms for the month(s) in which enrollment growth was claimed as well as the information contained in the school's master register of enrollment and attendance (NAC 387.171) and class record book (NAC 387.175).

2. Supplemental DSA Payments and Distance Education. In addition, for charter schools providing programs of distance education, then records of computer programs (both platform and curriculum learning systems) and the pupil's record of time actually spent on the computer may also be requested to document pupils actually being serviced by these programs. In such cases, records of teacher-pupil weekly contacts as prescribed by NAC 387.193(2) must be entered on the master register of enrollment and attendance. Verification of new enrollment by distance education charter schools will also include NRS 388.846(2) documentation by which the governing body of the charter school is required to provide for "each pupil who is enrolled...written notice to the board of trustees of the school district in which the pupil resides of the type of education services that will be provided...".

3. Supplemental DSA Payments under Hold Harmless Conditions. Under conditions in which a charter school requests supplemental DSA payments based on enrollment growth and when that charter school is also under hold harmless conditions, then pursuant to NAC 387.345(6) the following applies:

“For the final basic support adjustments for a school district or charter school per NRS 387.1243(3), if the school district or charter school is to receive the growth adjustment benefits of a final count of pupils per NRS 387.1243(4) then that calculation will be based upon its maximum allowed enrollment as prescribed in NRS 387.1233(2).”

Approved: **SIGNED**

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Keith W. Rheault  
Superintendent of Public Instruction

**ALLOWABLE ACTIVITIES AND FEE DETERMINATION FOR EDUCATIONAL MANAGEMENT ORGANIZATIONS (EMOs) AND OTHER ENTITIES PROVIDING CONTRACTUAL SERVICES TO CHARTER SCHOOLS**

SUBJECT: Non-Regulatory Guidance (NRG) – Allowable Charter School Activities and Fees Paid to Service Contractors and Educational Management Organizations (EMOs)

SUMMARY: **Covers the Department’s policies and procedures for the review of contracts between charter schools and their service contractors and/or educational management organizations (EMOs).**

GOVERNING DIRECTIVES: NRS 386.500 through NAC 386.610, inclusive; NAC 386.010 through NAC 386.445, inclusive; NRS 350.007; NRS 350.087 through NRS 350.095, inclusive; NRS 354.474; NRG 204

DEFINITIONS: NRS 354.474(1)(a) defines “local government” as follows:

“Local government means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments, and includes, without limitations, counties, cities, towns, boards, school districts and other districts organized pursuant to chapters 244A, 309, 318 and 379 of NRS, NRS 450.550 to 450.750, inclusive, and chapters 474, 541, 543, and 555 of NRS and any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision.”

NRS 350.007 defines “Medium-term obligation” as follows:

“Medium-term obligation means an obligation to repay borrowed money evidenced by a note or bond which is authorized to be issued pursuant to NRS 350.087 to 350.095, inclusive, and which has a term of 10 years or less. The term does not include an obligation which has a term of less than 1 year and which is payable in full from money appropriated for the same fiscal year that the obligation is incurred.”

NAC 386.033 defines an Educational Management Organization, or EMO, as follows:

““Educational management organization” means a corporation, business, organization or other entity, whether or not conducted for profit, with whom a charter school contracts to operate, manage or oversee educational services and programs of the charter school. The term includes a corporation, business, organization or other entity that directly employs and provides the administrator or any of the educational personnel, or both, of a charter school.”

**POLICY:** 1. Local Governments. Based on the statutory definition of a local government and based on a charter school's right to receive ad valorem (property) taxes or other taxes in the form of the NRS 387.121 Nevada Plan guarantee, and also its obligation to prepare separate financial reports and budgets for submission to the Department of Education pursuant to NRS 386.600, the Department has determined that a charter school conforms with the definition in statute of "local government" for purposes of NRS 350.087 through NRS 350.095, inclusive.

2. Medium-Term Financing. The Department reserves the right, in addition to those rights and obligations provided to the Department of Taxation and the charter school's governing body per NRS 350.089, to review for appropriateness and need any and all debt which is classified as a "medium-term obligation" incurred by a charter school from any private or public entity.

3. EMO Services. An EMO or other type of contractor may provide a variety of services to a charter school, including management, educational, human resources, financial, and related contractual services. The contractor or EMO may be involved at the out-set in the initial application and formation of the charter school, or it may be retained by the charter school subsequent to the charter school's opening.

4. Review of EMO Services and Fees. Whether as part of the initial application or the result of the charter school entering into an agreement subsequent to its opening, the Department reserves the right to review each contract a charter school may propose to enter into and review any:

- fee structure and basis of determination;
- fee amount and its relation to the charter school's projected total funding;
- fees tied to financial activities (e.g., percent of revenues, percent of ending fund balances, etc.);
- methods of fee deferral (accrual, compounding, or deferral with forgiveness);
- Contractor/EMO provisions to appoint or hire charter school administrators or other key employees (e.g., finance officer);
- key personnel of the school hired but residing outside the State; and
- indirect cost allocation methods imposed upon the charter school for appropriateness.

5. Charter School Contracts. The Department or the charter school sponsor reserves the right to recommend denial of the charter school application or to recommend revocation of a charter school's charter based on the analysis of the contract. Inclusion of any of the following activities or contractual provisions may warrant special consideration from the Department's charter review committee and/or the sponsor of the charter school and require additional justification from the charter school:

(a) Any contract in which the contractor or EMO directly controls pupil educational services, makes financial decisions, appoints members of the governing body or controls

the hiring and dismissal of the principal/administrator and/or the financial officer (NAC 386.100; NAC 386.400; NAC 386.407).

(b) Any fees, loans, advances or other monetary charges incurred by contract and billed to the charter school for its costs. As a general rule, in the charter school's first year of operation, these contractual advances or loans made by a contractor or EMO should be limited to no more than 15% of the school's total expected annual DSA funding (thereby accounting for approximately two months of the school's operational costs prior to its first July 1 or August 1 DSA payment). All loans and advances must be fully "cleared" or paid in full with the final, fourth quarter DSA payment and not carried beyond the end of the current school year. Otherwise, the provisions of medium-term obligation per NRS 350.087 through NRS 350.095, inclusive, shall apply.

(c) Prepaid contractor or EMO fees.

(d) Payment of contractor or EMO fees prior to other obligations during any instance of financial distress.

(e) Any action or inaction on the part of the contractor or EMO of a charter school that prolongs repayment of any loan or advanced payment and thus increase the cost of servicing the loan extended to the charter school.

(f) Any contractor or EMO provisions requiring a minimum level of enrollment for its continued contractual involvement with a charter school.

(g) Borrowing funds or requesting advance funds from the State to pay the contractor or EMO if the contractor or EMO provides financial management to the charter school. No contract clause with a contractor or EMO may restrict the school from borrowing from an entity other than the contractor or EMO.

(h) Any form of indirect cost allocation from its contractor or EMO.


(i) Fees levied by a contractor or EMO not in some way directly attributable to actual services provided (e.g., a fee based on a percent of a charter school's ending fund balance, a fee based on total funding provided, or a fee levied on special purpose funds). The Department reserves the right to request a complete itemization and justification of all fees, charges, and costs of specific services provided.

(j) Banking arrangements established by the contractor or EMO. NRS 386.570(2) requires that "All money received by the charter school from this State or from the board of trustees of a school district must be deposited in a bank, credit union or other financial institution in this State..." The Department extends this definition to preclude State funds that are deposited into a Nevada financial institution from being routinely swept, as in a "sweep account", to out-of-state financial institutions whether or not controlled by the contractor or EMO.

(k) Any “incentive fees.” Such fees may include, without limitation:

- attaining acceptable standards and levels of pupil performance and achievement, e.g., AYP (adequate yearly progress);
- receiving approval ratings from all or a specified percentage of the pupils’ parents;
- attaining specified enrollment goals;
- having experienced positive year-over-year enrollment growth;
- maintaining a positive ending fund balance, etc.

(l) The governing body of a charter school shall provide, at the Department’s request, a copy of the written report required from the contractor or EMO pursuant to NAC 386.405(4).

Approved:   
Keith W. Rheault  
Superintendent of Public Instruction