B.3.1 Education Service Providers

a) Detailed explanation of how contracting with the ESP meets the needs of the target population

Education Service Provider: NAS-Phoenix plans to partner with the New America School (NAS), a 501(c)3 nonprofit education management organization headquartered in Denver, Colorado, to accomplish the mission and vision as described in the strategic plan and, ultimately, an approved charter; ensure that the highest quality of teaching and learning occurs; and to make certain that all financial and business operations of the school are conducted in compliance with applicable laws and, when approved, the charter. NAS will formalize its partnership by contracting with the NAS-Phoenix Governing Council to provide services to the school's GC, the school's principal and staff. Because the GC will at all times have the authority to terminate the contract pursuant to its terms, there will remain checks and balances between the GC and its contractor, NAS. The services provided will include assistance with oversight, experienced guidance on all matters of administration of a public school, training in areas of administration, curriculum, personnel and such other matters necessary for the principal to successfully implement the charter.

Although the Governing Council intends to contract for management services with NAS, the Governing Council will at all times have control over the governance of the school. NAS-Phoenix's Governing Council members will not be members or employees of NAS and Governing Council members will at all times remain independent from NAS so as to avoid all instances and appearances of a conflict of interest.

NAS employs a superintendent and a chief of business operations to oversee all five of the charter schools under the NAS umbrella and the NAS-Phoenix GC will, through the contract with NAS, have the benefit of this experienced oversight for NAS-Phoenix. The GC will also have the benefit of tapping into the experience and expertise of the other governing bodies of NAS schools in Colorado and New Mexico. However, the governance of any one school will have no direct authority over the other; rather, the idea is to offer an informal network of support among the governing bodies who oversee schools with similar issues from academic matters to personnel and student interests.

Evidence of meeting the needs of target population. NAS has oversight responsibilities for five schools in two states. Each of these five schools has a similar target population as the anticipated demographics of the NAS-Phoenix school, which will consist of new immigrants, English Language Learners and academically underserved or unserved students.

Each school has a detailed school and student performance matrix that outlines a number of measures, indicators, metrics and targets for the students in each school. Given an extremely challenging student population, the schools under NAS nonprofit's oversight have demonstrated some impressive data in the areas of student growth and post-secondary readiness. The pupil achievement of our students when compared to their achievement while attending a traditional school demonstrates NAS' strong history of meeting the needs of our target population:

- NAS students have a lower dropout rate and a higher attendance rate at NAS than at the previous schools from which the students came
- More than 25% of our students have had a history of repeated suspensions or expulsion but in each of the NAS schools the suspension and expulsion rate is less than 5%
- Our cohort graduation rate for seniors is 62%
- 65% of our students earn four or more credits per year
- 67% of students who have previously dropped out stay at NAS schools and earn a diploma
- NAS enrolls students each quarter and of those students who enroll in quarters 2-4, nearly 50% stay until the end of the school year and earn credits

In addition, NAS-Colorado utilizes the nationally recognized, Northwest Evaluation Association's Virtual Comparison Group (VCG) analysis to gauge our relative performance as a school system. Rather than compare one school to another, VCGs compare similar students. To clarify, each NAS student is categorized by his or her demographic characteristics and fall Measures of Academic Progress (MAP) score. NWEA then compares each NAS student's individual growth—fall to spring—to students across the country who are similar demographically and at a similar beginning academic level. VCG data released by NWEA in July 2012, 2013 and 2014 show that NAS-Colorado[1] students perform substantially better than their Virtual Comparison Group (in other words, the performance of the NAS target population of new immigrants, English Language Learners, and underserved or unserved students while attending NAS exceeds that of new immigrants, English Language Learners, and underserved students while attending other schools):

- NAS students achieve greater growth than similar students at other schools: the NAS student population advance more grade levels fall to spring than demographically similar students who start the year at the same academic level.
- A greater percentage of students achieve growth at NAS than similar students. To clarify, if 10 NAS students and 10 similar random students were tested, a greater number of the ten NAS students would grow academically than the 10 similar students.
- NAS students achieve greater growth than similar students regardless of the students' skill levels upon entering NAS. Both the students entering NAS with the lowest skill levels and the students at higher skill levels exhibit greater growth than similar students.
- On average, *students in every subject at every NAS-Colorado campus grew academically*.

Meeting the academic needs of our target population directly correlates with meeting the post-graduation needs of this population. According to the Bureau of Labor statistics (2015) a high school graduate earns $9,369 per year more than someone who didn't finish high school. In lifetime earnings, U.S. census data shows that this translates to a high school dropout earning $435,000 less than someone who graduated high school (and didn't continue their education past high school). Our target population, if it follows the demographic patterns of the five other NAS schools (as expected), will be comprised of approximately 60-70% of students with a history of interrupted education; as such, once our maximum attendance expectations are realized, each year the NAS-Phoenix student population will be comprised of 270-315 former dropouts who now have a chance to realize significantly increased annual and lifetime earnings.

As further external validation of NAS' ability to meet the needs of our target population, the NAS school in Albuquerque, New Mexico was honored by the New Mexico Coalition for Charter Schools as New Mexico's Charter School of the Year (2012).

b) Description of the services to be provided by the ESP consistent with the service agreement

In addition to the services described in (a) above, and more specifically, NAS will provide as needed:

Governing Council Support

- Superintendent/designee will attend all GC meetings; deliver reports on status of contract obligations
- Train and oversee school personnel in their support of the GC functions: preparation for board meetings, compliance with Open Meetings Law requirements, document retention, and other administrative functions as needed

Strategic Planning

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[1] Data only available for Colorado schools

- Guide and assist GC in developing long and short term strategic plans and assist GC in reviewing strategic plan goals and make recommendations accordingly

Policy Development

- Consult and advise on governing policies for school operations on as needed basis
- Develop and monitor comprehensive personnel and human resource guidelines including employee handbook, payroll and salary procedures, employee benefit program descriptions and retirement planning
- Provide policies and procedures that have been highly effective with our target population via attendance/tardy and school code of behavior
- Develop and monitor risk management, workers compensation and property, casualty, liability insurance programs and plans
- The Governing Council of NAS-Phoenix will ultimately approve and enforce all policies

Administrator Selection

- Conduct recruiting services for school principal, screen candidates and make recommendations to the GC

Administrator Oversight

- Develop/revise principal evaluation model for GC review and adoption
- Superintendent will observe and evaluate principal's educational administrative competency and provide her evaluation to the GC
- Assist GC in completing principal's annual evaluation
- Superintendent makes recommendation to GC regarding the principal's contract before June 30 of each year
- At the direction of the Governing Council, general oversight of principal, including but not limited to addressing principal questions and concerns, principal leave requests and placing principal on administrative leave in emergent situations, if and as necessary

Administrator Advising

- Provide ongoing counsel and mentorship to the principal
- Superintendent or designee will meet as needed with the principal to discuss operational issues, student achievement, student discipline, personnel matters, to monitor school improvement targets, and to address other compliance issues. Meetings may be telephonic or in person
- Staff/Teacher Selection:
    - Superintendent/designee will assist principal in developing processes for recruiting, screening and hiring staff and licensed personnel
    - Superintendent/designee will consult with principal prior to hiring licensed personnel
- Mentor principal in ongoing operational and compliance issues including student and personnel matters
- Assist in the implementation and adoption of school procedures as needed
- Provide a highly effective teacher evaluation process. Oversee principal's annual evaluation process of school licensed instructors. Advise principal on evaluation methods, use of adopted evaluation tools and concerning professional improvement
- Make recommendations regarding annual professional development for both the principal and licensed staff
- Guide principal and teachers in curriculum development and implementation consistent with the charter's mission and vision
- Review and monitor behavioral management issues
- Provide strategies and resources to recruit and retain students

Academic Instruction

- Assist in the development of a common curriculum aligned with the state standards and benchmarks
- Provide a pyramid of support resources to identify, monitor, and provide strategic intervention to students at risk

Academic Monitoring/Assessment

- Provide a model of school and student performance measures/indicators/metrics/ targets to measure school success
- Consult with academic staff in developing, implementing, and analyzing assessments for school performance
- Assist in establishing data gathering mechanisms to track and monitor student growth
- Assist in developing annual satisfaction surveys of students, staff and parents
- Guide principal in directing academic improvement based on assessment

Professional Development

- Provide teacher training in the NAS educational model
- Provide a professional development plan that aligns with best practices in the area of English Language Acquisition
- Provide a model for Professional Learning Communities

Financial Monitoring

- Advise, consult with and train GC on financial management and accounting matters and monitor Business Manager's contract performance for purposes of ensuring compliance with all applicable finance laws and regulations
- Advise GC and Business Manager on review and development of financial policies and procedures
- Advise school personnel on daily financial management of school's budget
- Develop and monitor comprehensive financial management, accounting, and budget management guidelines and procedures including general ledger accounting, accounts payable, procurement, cash management, and banking; ensuring that they meet State and Federal standards and audit requirements
- Develop and monitor a comprehensive internal control system for accounts payable and payroll that provides strict oversight for all payments to vendors and employees

Facilities Oversight

- Assist GC in locating a school site
- Provide ongoing monitoring of school's facility lease and matters related to the school's facility operations
- Develop and monitor facility management and maintenance management programs/plans

Compliance

- Provide a model for school improvement planning
- Ensure the completion of a certified annual audit report by selecting, by RFP, an approved auditing firm
- Monitor and manage all required reporting to ADE and ASBCS on financial, budgeting, human resources, facilities, benefits and risk management issues
- Ensure compliance with Arizona state employment laws and regulations

Networking Opportunities

- Offer informal network of support amongst governing bodies of the NAS schools regarding similar and common issues

d) Reasons for Contracting with EMO

In early 2013, Scottsdale, Arizona resident, the Hon. Frank Riggs, approached the NAS Network superintendent, Dominic DiFelice, expressing interest in opening a school in the Phoenix area that would target new immigrants, English Language Learners, and academically underserved students. Riggs approached NAS because (1) he had previously visited NAS schools in Denver and New Mexico and saw the value that these school were providing to a disadvantaged student population—a population that Riggs knew to be underserved in Phoenix; and (2) to the best of his knowledge, NAS is the only ESP that expressly and by mission seeks to serve the target population of new immigrants, English Language Learners and academically underserved students.

Since then, NAS has amply proved its worth and commitment to the success of NAS-Phoenix. During the school's formation process, the NAS nonprofit used Network dollars to finance the initial costs to investigate the establishment of a school in the Phoenix area, including travel lodging and staff time to accomplish the necessary steps for a successful start-up.

Some of the services provided by NAS to NAS-Phoenix to date include:

- Assisting in writing the AZCSP start-up grant
- Establishing sound relationships with key educational stakeholders such as the Arizona Charter Schools Association and The Arizona Department of Education
- Assisting in writing the charter school application
- Financing the costs of the charter application review by the charter association
- Securing a well-known charter school lawyer
- Securing a well-known business manager
- Planning an organizational meeting of the Governing Council
- Identifying an exemplary principal
- Maintaining a high level of communication with the GC chair and other Governing Council members
- Establishing a school website
- Employing a local broker to seek out suitable properties for the school building

The Governing Council has decided that once NAS-Phoenix is established, it will continue to contract with an ESP in general and NAS in particular. Although the GC is comprised of individuals with a wealth of educational expertise, we feel that support is needed in overseeing and advising the daily operations of the school. The school will not be large enough to justify employing full-time staff to supervise the financial operations, human resources and academic support services that will be critical to the ongoing operation of the school. The GC feels that by contracting with an ESP the school will be able to dedicate more resources to education of students. Contracting with the NAS nonprofit as the ESP will bring a successful track record to providing these services to a school whose target population is an academically underserved and ELL population.

Moreover, NAS in the course of establishing and maintaining five charter schools dedicated to serving our target population has already developed much of the supporting materials and procedures that NAS-Phoenix will need to operate. Building from templates already developed by NAS will mitigate the need for NAS-Phoenix to expend scarce resources (time and money) developing these materials from scratch. Included will be:

- Templates for school policies and procedures
- Employee and student handbooks aligned with state laws and regulations
- Plans and materials for marketing and recruitment of students
- A school website
- Curriculum that aligns to state standards

- A successful teacher evaluation model
- A proven assessment framework for the target population

Finally, NAS has demonstrated experience finding a school location that can be converted to a school site within a limited budget and has extensive experience overseeing the school build or Tenant Improvements to an existing facility. Moreover, NAS has experience building/refurbishing school sites that fit the NAS-Phoenix educational model (day and night classes).

e) Applicants Performance Expectations

Once the school is operational the applicant will enter into a contracting agreement with the ESP to provide the services outline in section (b) above. The services will also be delineated in the signed Service Agreement entered into by NAS-Phoenix and the ESP (the working draft service agreement, in which this scope of work and the expectations of the ESP are listed as Appendix A, is attached).

A termination clause is in place for the GC to sever relationships with the ESP if expectations are not met: "this Agreement may be terminated immediately with written notice to The Network, if The Network becomes unable to perform the services contracted for, as determined by the School…"

To determine whether the ESP is providing the above services in a manner adequate to the establishment and maintenance of a high-quality charter school program, the NAS-Phoenix GC will conduct both formative and summative evaluation.

These evaluations consider:

- The quality of service provided, to include timeliness, comprehensiveness, accuracy and usefulness
- Performance, to include management, teamwork and communications, analysis and decision-making, leadership, use of resources, relationships with others, and technical performance
- Compliance with the Scope of Work as delineated in the Service Agreement
- Performance of the ESP lead personnel, including the superintendent and chief of business operations

The GC will base its evaluation upon personal observations of and communications with ESP staff, reports from school staff and artifacts such as written reports, written evaluations of school staff, prepared budgets and budget revisions, and meeting documents.

If the GC finds that the ESP has either failed to meet or has met unsatisfactorily any of the expectations enumerated in section (b) above (and in the Service Agreement), the Governing Council shall notify the ESP within 30 days of this finding. The GC shall request a response from the ESP regarding the specific expectation. Based upon the ESP's response, the Governing Council will determine whether or not to pursue a continued affiliation with the ESP.

Summative evaluation. ESP contract with NAS-Phoenix is reviewed annually by the Governing Council, along with the Attorney for the Governing Council, with input from the school Principal and other school administrators (if applicable) at the May Governing Council meeting. During that meeting the ESP's performance for the past year is assessed and if the Governing Council decides to renew the contract a new Scope of Work for the following year (July 1-June 30) is presented.

Formative evaluation. ESP staff participates in monthly Governing Council meetings during which school performance, progress and financial status are discussed. To prepare for such meetings, extensive two way communication occurs between the ESP staff, school staff and GC members. These meetings, reports

and discussions will provide the GC with data to assess the ESP's performance, which will in turn be utilized to inform the summative evaluation.

f) ESP's Roles and Responsibilities

The day-to-day operations of the school are under the purview of the principal. The ESP will provide support (as defined in [b] above) when requested and will meet with the school principal monthly to ensure that fidelity to the NAS model is being exercised and to report back to the GC if there is cause for concern. The ESP employs a superintendent and a chief of business operations both with a multitude of expertise to ensure that the necessary oversight services are provided to the principal and the Governing Council. Although the ESP has no direct authority for the school, their feedback to the GC will be used to monitor the principal's performance and if necessary make necessary adjustments to ensure the highest student achievement. If there are disagreements between the principal and the ESP, it will be the GC who will determine the most appropriate course of action.