

## **Part A Measures: Authorizer Capacity and Infrastructure**

### **Measure A.1 - Authorizer Mission**

#### **Essential Elements:**

1. The mission is stated and fully aligns with Minnesota charter school law

**NEO Response:** NEO has a clear and compelling mission for charter school authorizing. NEO's mission is to oversee charter schools through consistent, ongoing, and robust evaluation to achieve significant, measureable student growth. The goal as stated in the mission is to achieve significant, measureable student growth and aligns to the primary purpose of chartering as stated in MN charter school law- to improve all pupil learning and all student achievement.

2. The response includes a description of how the process of chartering schools is a way for the organization to carry out its mission

**NEO Response:** The mission describes three tenets of evaluation that characterize NEO's approach to its authorizing role and responsibilities, and that are aligned to national principles and standards: 1) NEO approaches oversight and high-stakes decisions with consistency and transparency; 2) NEO monitors school performance on an ongoing basis; and 3) NEO brings robust resources and support to its schools through a competent and diverse Board and staff.

NEO provides robust feedback to the portfolio schools through Board observations, site visits, and document review, as well as ongoing communication. NEO allocates resources to ensure that the feedback and evaluation that the schools receive is the highest quality by contracting only with proven experts in the areas of oversight.

### **Measure A.2 - Authorizer Vision and Organizational Goals**

#### **Essential Elements:**

1. The authorizer's vision addresses, with specificity, the desired characteristics of the schools it will charter

**NEO Response:** The NEO vision to be a leading Minnesota authorizer of innovative, diverse, and effective charter schools. NEO's organizational goals include improving the percent of authorized schools in NEO's portfolio that exceed the state and resident district as measured by the percent of all students scoring proficient in reading and mathematics as well as the percent of focus groups of students including students receiving special education services, English learners, and students who meet guidelines for free and reduced price meals. In addition, NEO's organizational goals include

improving the number of high quality seats NEO authorized schools provide to students. NEO's organizational goals also include maintaining a healthy fund balance reserve. NEO reports progress toward these goals in the Authorizer Annual Report.

2. The authorizer's vision includes organization-specific purposes, if applicable

**NEO Response:** In addition to the focus on effective (high quality) schools, NEO also focuses on innovation and diversity.

Each of the NEO-authorized schools provides innovation that makes them unique in their communities.

Examples include Language Literacy in Hmong, Spanish and English at Achieve Language Academy; a high school Montessori and International Baccalaureate Program at Great River School; a middle-high-post secondary transition school offering an individualized learning program particularly effective for students on the autism spectrum at Lionsgate Academy; a teacher-led school at Avalon Charter School, and multi-age, service learning with environmental ties at Nerstrand Elementary Charter School.

In addition to promoting innovation and effective schools, NEO promotes diversity. NEO requires new schools to regularly report evidence of diverse recruitment. In addition, NEO monitors and reports the demographics of the schools in the Authorizer Annual Report and also monitors and reports progress toward goals for the performance of the NCLB Focus student groups that the NEO-authorized schools serve including English Learner (EL), Special Education (SPED), and Free/Reduced Price Lunch (FRP).

3. The authorizer's organizational goals align with chartering vision and statutory purpose(s) per Minnesota Statutes, section 124D.10, Subdivision 1(a)

**NEO Response:** NEO's vision is consistent with the intent of charter law to monitor and hold charter schools accountable and to improve all pupil learning and all student achievement. NEO's Authorizer Annual Report, Strategic Plan, as well as Performance Framework specify goals that reflect the mission of measureable growth and the vision of effective schools.

4. The organizational goals are measurable

**NEO Response:** NEO will make 3,000 high-quality seats available to students by supporting the expansion of high-quality schools and effective practices, supporting the continuous improvement of existing schools, and starting high-quality schools. NEO aims to authorize up to 35 schools.

In addition, NEO will measure and monitor the progress of NEO-authorized schools as measured by the percent of schools meeting academic indicators for growth, proficiency of all students and of NCLB focus groups of students, and financial health.

### **Measure A.3 - Authorizer Structure of Operations and Measure A.4 - Authorizer Staff Expertise**

#### **Definitions:**

- Expertise is defined as having knowledge, education, training, etc. in the areas of charter schools, curriculum, instruction, management, facilities, finance and law
- Experience is defined as length of time working in the areas of charter schools, curriculum, instruction, management, facilities, finance and law
- Skills is defined as effective application of experience and expertise in the areas of charter schools, curriculum, instruction, management, facilities, finance and law

#### **Essential Elements:**

1. Description of the capacity of the organization to serve as an authorizer, including the positions (e.g. employees, contractors, volunteers; both paid and unpaid positions) who will perform the authorizing duties and ratio of positions (FTE) to portfolio size

**NEO Response:** The Executive Director possesses day-to-day management responsibilities and the Board makes final new school, readiness to open, expansion, and contract renewal, termination, and amendment decisions based on recommendations from the Executive Director. The Executive Director reports to the NEO Board and manages the implementation of the strategies and progress monitoring, as well as the Board approved budget. The Executive Director oversees the NEO Advisors, leveraging their experience and expertise in academics, operations, governance, and finance to ensure that NEO effectively and efficiently starts, oversees, monitors, and evaluates NEO authorized schools as well as provides technical assistance and facilitates sharing of best practices.

The responsibilities of NEO Advisors include

- desktop review and evaluation of new, transfer, contract renewal, and expansion applications,
- drafting reports and evaluations,
- monitoring progress of pre-operational schools toward readiness to open,
- monitoring compliance with required document submission,
- conducting annual site visits,
- conducting fact finding and investigations,
- facilitating sharing of effective school practices,

- providing technical assistance with compliance,
- respecting school autonomy and mutual authorizer-school responsibility, and
- communicating effectively and efficiently with schools.

Advisors are independent contractors that NEO engages as necessary to provide a breadth of skills and expertise to meet NEO's mission and vision and organizational goals.

Based on the assumptions that NEO will 1) increase high quality seats to 3,000 by 2020, 2) authorize up to 35 schools by 2020 (this would be an increase of between about five and fourteen high quality schools by 2020) and 3) adjust the budget allocations for FTE(s) depending on changes to the size of the portfolio; NEO will allocate between \$40,000 and \$50,000 in year one and years four and five to additional FTE position(s) to be filled with either an additional employee and/or additional independent contractors.

NEO requests MDE approval to authorize a maximum of 35 schools to allow for up to 32 operational schools and 3 new school applicants through 2020. Additional schools may include new schools and/or transfers.

Additional contact hours or people are added as new needs arise. For example, NEO contracts a former superintendent as a consultant to conduct investigations when complaints necessitate fact-finding or investigation.

This will allow NEO to maintain about 1FTE position per 7 schools and to maintain a minimum of about a 30% fund balance reserve. [See NEO Business Plan.](#)

2. The authorizer describes a clear structure of duties and responsibilities, including required expertise, experience and skills in curriculum, instruction, management, facilities, finance and law in charter schools, at a level adequate to meet the needs of the portfolio

**NEO Response:** NEO staff and Advisors possess advanced degrees and many relevant skills, including skills in charter school oversight, curriculum, instruction, management, facilities, finance, and law.

3. The authorizer describes how the organization will manage and safeguard information and records related to authorizing

**NEO Response:** NEO utilizes Epicenter online software to collect and safeguard records. Epicenter alerts notify schools in advance of documents that the schools are required to submit to NEO and reminds schools of deadlines via email. NEO and NEO's authorized schools use Epicenter as a means to keep track of submission deadlines and history.

In addition, NEO entered into a Data Sharing Agreement with MDE and has a Data Privacy Policy in place requiring any NEO staff or independent contractor with which NEO works to enter into a Data Sharing Agreement with NEO in order to safeguard protected data. [See NEO Data Privacy Policy.](#)

4. An organizational chart that shows clear lines of reporting and authority/decision-making and, if applicable, showing projected organizational changes due to proposed expansion over the next five-year term

**NEO Response:** The organizational chart for NEO is as follows:



#### **EXECUTIVE DIRECTOR**

The NEO Executive Director is an experienced and talented management professional with an established record of success to lead the organization. The Executive Director has a deep appreciation of nonprofit entrepreneurship, public school education and a keen sense of community service. The Executive Director demonstrates the importance of quality education as a foundation of civic society and will clearly articulate and implement a vision for quality education.

#### **NEO ADVISORS**

As a volunteer body, the NEO Board of Directors is assisted by NEO Advisors (independent contractors) and by staff. The NEO Advisors evaluate applications, monitor the school performance, provide technical assistance, facilitate sharing of effective school practices, and conduct fact finding in response to complaints. NEO Advisors bring a depth of experience from the charter school world and elsewhere. NEO Advisors are paid stipends and/or hourly amounts for specific tasks and/or projects that they carry out for NEO, such as evaluating applications, conducting site visits, and monitoring school compliance.

A short description of skills and expertise that NEO Advisors possess is provided below. Advisors are added as the work of effective authorizing necessitates.

**An expert in education finance and management with the following experience, expertise and skills:**

- Experience providing oversight in charter school finance and governance
- Experience working with authorizers in Minnesota to improve the quality of feedback that schools receive related to compliance and performance in the areas of finance, operations and governance
- Experience with leadership in developing and implementing a set of measurable financial standards for public schools to utilize in progress monitoring to improve fiscal health
- Skills necessary for conducting site and board monitoring visits of charter schools and completing related reporting
- Skills necessary for monitoring and evaluating progress in the area of finance of new and existing schools

**An expert in application review and results reporting:**

- Experience working for a government agency such as at the Minnesota Department of Education in document review for compliance and evaluation
- Experience implementing and evaluating programs in the school choice area including state integration aid and federal grants, charter schools and the charter school program federal grant
- Experience as a successful charter school leader
- Masters or Doctorate in an education field preferred

**An expert in monitoring and evaluating legal compliance and facility leases:**

- Experience serving on the Board of a charter school, particularly in the position of board chair and/or treasurer
- Experience in providing oversight during a charter school sight expansion and/or facility acquisition
- Experience as General Counsel
- Expertise in the areas of legal compliance, financial oversight, strategic planning and executive management
- Skills necessary for conducting site and board monitoring visits of charter schools and completing related reporting

**An expert in monitoring and evaluating academic performance and data analysis:**

- Experience serving on a charter school board
- Experience as a charter school leader or experienced, successful educator
- Skills necessary for conducting site and board monitoring visits of charter schools and completing related reporting
- Skills necessary for data analysis evaluation of academic performance

## Measure A.5 - Authorizer Capacity and Skill Development of Leadership and Authorizing Staff

### Essential Elements

1. The authorizer describes a plan to offer professional development to authorizing leadership and staff **and**
2. The authorizer describes the frequency and nature of potential professional development as well as personnel expected to attend

### NEO Response:

NEO Executive Director and/or Advisor(s) will participate **annually** in the National Association of Charter School Authorizers (NACSA) Leadership Conferences.

NEO Executive Director and/or Advisor(s) will participate **annually** in MDE charter-related workshops and trainings, including all required trainings.

NEO Executive Director will continue to actively participate **regularly** with the Minnesota Association of Charter School Authorizers (MACSA).

NEO Executive Director will **complete the NACSA Leadership Program in October 2015**, including completion of the program's self, people and organization capstone goals.

The Executive Director and Advisor(s) will continue to lead PD sessions **at least quarterly** for the purpose of cross training in oversight and evaluation of academic, governance and financial school performance, interventions, and response to complaints.

3. The authorizer describes how the professional development aligns with its operations, vision and goals for the portfolio of charter schools

### NEO Response:

NEO allocates a line item in its anticipated five-year budget to MAPES A.5 (Authorizer Capacity and Skill Development of Leadership and Authorizing Staff) in order to monitor and ensure that resources are invested in improving the expertise of the NEO staff and Advisors, as well as NEO Board members. The budget line item supports cross training of NEO staff and Advisors in order to grow the team expertise in the areas of academic, operations, governance, and financial oversight and evaluation. In addition the line item supports attendance at conferences such as the National Association of Charter School Authorizers (NACSA) to learn nationally recognized quality authorizing standards and processes.

**Measure A.6 - Authorizer Operational Budget for Authorizing the Portfolio of Charter Schools: The authorizer has a plan to allocate resources commensurate with its stated budget, needs and responsibilities of authorizing the portfolio of charter schools.**

**Essential Elements:**

Anticipated five-year budget (SYFY 16 – SYFY 20) outlining the following:

- Anticipated revenue sources such as fees collected annually from schools and additional funds from outside sources
- Anticipated expenditures such as staff, travel, consultants and office costs
- Anticipated authorizer staff increases in relation to portfolio growth
- The budget projections for the number and size of schools in the portfolio

Important note: this establishes the maximum portfolio size for the authorizer's next five-year term

**NEO Response:** NEO allocates resources that are adequate to fulfill authorizing responsibilities for the needs and scale of its portfolio. NEO staff changes occur in relation to portfolio growth. Resource allocations are devoted to align with state and national authorizing practices and standards, and line items in the budget are specifically aligned to the Minnesota Authorizer Performance Evaluation System (MAPES) and monitored, which enables NEO to monitor and evaluate financial stability and viability based on short-term performance and long-term sustainability.

**See NEO Business Plan.**

NEO must ensure conditions are right for innovation in reaching the learning needs of all students, particularly those who have not been served well in more traditional education programs. Therefore, NEO monitors its expenditures to ensure that the resources are allocated to attract and retain consultants and staff with expertise, skill sets, and experience that provide the highest quality feedback on which the schools can act, the most cost-effective and efficient systems for monitoring compliance, and the most valid and reliable measurement systems.

Based on the assumptions that NEO will 1) increase high quality seats to 3,000 by 2020, 2) authorize up to 35 schools by 2020 (this would be an increase of between about five and fourteen high quality schools by 2020) and 3) adjust the budget allocations for FTE(s) depending on changes to the size of the portfolio; NEO will allocate between \$40,000 and \$50,000 in year one and years four and five to additional FTE position(s) to be filled with either an additional employee and/or additional independent contractors. Additional contact hours or people are added as new needs arise. This will allow NEO to maintain about 1FTE per 7 schools and to maintain a minimum of about a 30% fund balance reserve.

It is important to note that the NEO reserves the right to adjust the budget submitted to MDE with the Commissioner Approved Authorizer Plan (CAAP) based on the size and



number of schools authorized, which may change due to school closures and/or additions and school expansions.

Contracting with independent contractors as NEO Advisors is an asset because it allows the flexibility of working with independent contractors with specialized expertise and experience in relation to the size and needs of the portfolio.

**Measure A.7 - Authorizer Operational Conflicts of Interest: The authorizer implements a clear policy to address conflicts of interest in all decision-making processes concerning the portfolio of charter schools.**

**Essential Elements:**

1. Clear policy to address conflicts of interest in all decision-making processes concerning the portfolio of charter schools

**NEO Response:** NEO's policy related to conflicts of interest reads as follows: Persons with any actual or perceived conflict of interest shall disclose the same. Persons with a conflict of interest are excluded from deliberation and voting to ensure that they have no influence over the corporation regarding the compensation for, or business deals of, themselves or of related persons. NEO Advisors will not be allowed to take part in decisions relating to authorizing any school with which they are currently affiliated. NEO shall at all times endeavor to undertake all its actions exclusively in furtherance of its charitable and educational purposes without any of its actions resulting in any impermissible benefit. At all times, NEO shall comply with conflict of interest laws laid out in applicable law. **See NEO Conflict of Interest and School Autonomy Policy.**

2. The authorizer describes how the policy will be implemented (forms, process, etc.) in order to avoid conflicts of interest that might affect the authorizer's capacity to make objective, merit based application and renewal decisions, including avoiding decisions and interventions that hold the authorizer accountable for the school's performance

**NEO Response:** NEO requires each Board member, employee, and independent contractor to sign a statement of assurance that he or she has read NEO's Conflict of Interest and School Autonomy Policy. **See NEO Conflict of Interest and School Autonomy Policy.**

In addition, at the beginning of each NEO board meeting, board members review the agenda and indicate if there are any agenda items with which they may have a conflict of interest in order to recuse themselves from discussion and/or vote if a real or perceived conflict exists.

**Measure A.8 - Ensuring Autonomy of the Schools in the Portfolio: The authorizer implements a policy to preserve and support the essential autonomies of the portfolio of charter schools.**

**Essential Elements:**

1. The authorizer describes a clear policy to ensure school autonomy

**NEO Response:** NEO's policy related to preserving and supporting the essential school autonomies reads as follows: "As an authorizer, NEO does not run charter schools; it functions to carry out monitoring and oversight, to assure compliance with the law, and support the establishment and success of innovative and successful public charter schools. Therefore, NEO shall not enter into the following types of contracts with schools it authorizes: financial management, administration, accounting or auditing services, or lease of space. NEO's responsibilities as an authorizer require that it provide comprehensive oversight of its chartered schools. NEO is a legally authorized agency to help ensure public accountability for the schools that NEO authorizes. NEO will operate in a monitoring relationship providing feedback on compliance, sharing observations, asking questions, facilitating sharing of effective practices and evaluating school performance based on the NEO-School contract and law to help ensure the success of the schools that NEO authorizes." [See NEO Conflict of Interest and School Autonomy Policy.](#)

2. The authorizer describes processes and procedures for implementing and executing school autonomy

**NEO Response:** NEO requires each Board member, employee, and independent contractor to sign a statement of assurance that he or she has read NEO's Conflict of Interest and School Autonomy Policy. [See NEO Conflict of Interest and School Autonomy Policy.](#)

3. The authorizer describes a focus on holding schools accountable for outcomes rather than on processes

**NEO Response:** The NEO Performance Framework is central to decision making and holds school responsible for outcomes rather than processes. [See NEO Performance Framework.](#)

**Measure A.9 - Authorizer Self-Evaluation of Capacity, Infrastructure and Practices: The authorizer plans to self-evaluate its internal ability (capacity, infrastructure and practices) to oversee the portfolio of charter schools.**

**Essential Elements:**

1. The authorizer describes a plan to regularly review its internal ability to oversee the portfolio of charter schools

**NEO Response:** NEO has a minimum of ten Board meetings each year.

Each Board meeting agenda includes items for monitoring the fiscal health and progress toward implementing NEO's strategies for meeting NEO's mission and vision.

NEO examines financials, including budgeted-to actual revenues and expenditures, and implements internal financial controls.

2. The authorizer describes the organization's process to implement continuous improvement plans which will result in more effective authorizing practices

**NEO Response:** NEO engages external review for use in collecting feedback to improve its ability to oversee the portfolio of charter schools. NEO is utilizing feedback from both the National Association of Charter School Authorizers (NACSA) evaluation conducted in the fall of 2014 as well as the Minnesota Authorizer Performance Evaluation System (MAPES) conducted in the summer of 2015 to identify opportunities for improvement and areas of strength to continue to reinforce.

NEO aligned budget lines to MAPES and monitors progress with specific MAPES measures at each board meeting, including B.4 and B.9, areas where NEO was approaching a satisfactory rating.

NEO plans to engage NACSA again in 2019 to evaluate the progress NEO has made utilizing the feedback NEO received from NACSA in the fall 2014 evaluation as baseline data.

**Measure A.10 - Authorizer High Quality Authorizing Dissemination: The authorizer plans to disseminate best authorizing practices and/or assist other authorizers in high quality authorizing.**

**Essential Elements:**

1. The authorizer describes the organization's process to share best practices and/or provide assistance to other authorizers

**NEO Response:** NEO will continue to offer assistance to authorizers in areas of expertise such as ways to leverage school data and feedback to improve the performance of the schools in the authorizer portfolio.

NEO will continue to actively participate in the Minnesota Association of Charter School Authorizers (MACSA) and Minnesota Association of Charter School (MACS) meetings and serve on MACSA and MACS committees committed to high quality authorizing and chartering in Minnesota.

2. The authorizer describes the organization's intent to engage with other professionals (such as state or national associations) in order to promote high quality authorizing dissemination)

**NEO Response:** NEO will maintain its NACSA Plus membership with the National Association of Charter School Authorizers.

NACSA Plus is an advanced package that offers members the chance to add-on additional member benefits. The NACSA Plus package provides members the following features to further their engagement and learning opportunities:

- Two complimentary registrations to the NACSA Leadership Conference
- Access to up to two additional NACSA Communities
- NEW BENEFIT—A complimentary NACSA Benchmark Report, a customized report that allows you to compare your agency to your peers and receive personalized recommendations to help you better leverage your NACSA membership
- NEW BENEFIT—Access to two complimentary NACSA Expert Briefings tackling emerging trends and hot topics in the charter school sector

In addition NEO will leverage relationships developed through participation in the NACSA Cohort #4 Leaders Program in order to share resources with other authorizers across the nation.

NEO will also continue to actively participate in the Minnesota Association of Charter School Authorizers (MACSA) as well as continue membership and actively participate in the Minnesota Association of Charter Schools (MACS).

**Measure A.11 - Authorizer Compliance to Responsibilities Stated in Statute: The authorizer intends to comply with reporting, submissions and deadlines set forth in Minnesota Statute.**

**Essential Element:**

1, The authorizer describes its internal process which will ensure that it will comply with reporting, submissions and deadlines set forth in Minnesota Statute

**NEO Response:** NEO ensures that all new school contracts are finalized within 45 days of approval of the Affidavit and sent to MDE within 10 business days of execution by monitoring the new school compliance through project management program, Basecamp.

NEO ensures that all renewals are also sent to MDE within 10 business days of execution by monitoring progress with renewals utilizing a project management program, Epicenter.

The Executive Director also tracks and verifies compliance with reporting, submissions and deadlines set forth in Minnesota Statute utilizing the MDE Authorizer Compliance Monitoring Database, which NEO will request and examine for accuracy on a regular basis. **See MDE Authorizer Compliance Monitoring Database. Note: MDE has not yet responded to NEO's request for the corrected version of the database.**

NEO attends all MDE required trainings as well as additional trainings as applicable to ensure that NEO complies with all responsibilities stated in statute including all deadlines.

In addition, NEO reviews and revises foundational documents annually prior to the fall NEO Celebration of Leading and Learning with the schools in the portfolio, to ensure alignment to responsibilities stated in statute including all reporting, submissions and deadlines.

NEO then communicates any revisions to the school leaders at the NEO Celebration of Leading and Learning held annually in October.