

**BEFORE THE IDAHO PUBLIC CHARTER SCHOOL COMMISSION
STATE OF IDAHO**

In the Matter of the Charter Renewal for:

ANOTHER CHOICE VIRTUAL CHARTER
SCHOOL, INC.,

Respondent.

Reference No. 21-52502

**NOTICE AND ACKNOWLEDGMENT OF
COMMISSION DIRECTOR'S
RECOMMENDATION FOR
NONRENEWAL OF CHARTER**

Pursuant to Idaho Code section 33-5209B, the Director of the Idaho Public Charter School Commission ("Commission") recommends that the charter for ANOTHER CHOICE VIRTUAL CHARTER SCHOOL, INC. ("ACVS") not be renewed for the reasons listed below in Section I.

Upon its review of the Director's recommendation, ACVS may agree to accept the recommendation, or ACVS may request an administrative hearing to contest the Director's recommendation.

If ACVS agrees to accept the Director's recommendation as presented below, an authorized representative of ACVS must complete the Consent Agreement, attached to this Notice as Attachment A, and return it to the Director **by no later than December 15, 2021** to the following address:

Jenn Thompson, Director
Idaho Public Charter School Commission
304 N. 8th St., Ste. 242
Boise Idaho, 83702
jenn.thompson@osbe.idaho.gov

If ACVS does not accept the Director's recommendation as presented herein and wishes to have an administrative hearing before the Commission, an authorized representative of ACVS must complete the Request for Administrative Hearing, attached to this Notice as Attachment B, and return it to the Director **by no later than December 15, 2021** to the address provided above.

If ACVS does not complete either the Consent Agreement or the Request for Administrative Hearing and return it to the Director **by December 15, 2021**, ACVS's inaction will be interpreted as a request for an administrative hearing for recommendation not accepted.

I. DIRECTOR'S RECOMMENDATION FOR NONRENEWAL

The reasons for the Director's recommendation for nonrenewal of charter are limited to ACVS's failure to meet the terms of its performance certificate, executed by and between ACVS and the Commission. Section 4E of the performance certificate states that ACVS's performance in relation to the measures set forth in the Performance Framework serves as a basis for renewal decisions. Additionally, Section 5G of the performance certificate states that ACVS shall comply with all applicable federal and state laws, rules, and regulations. The Director recommends that ACVS's charter not be renewed for the following reasons:

1. Reason 1: ACVS did not meet standard on "Operational Measure 3a: Governance Requirements" of the Commission's Performance Framework. After conducting an investigation into the conduct of ACVS's governing board, the Commission found there was reason to believe that the governing board may have violated multiple charter statutes. Specifically, the Commission's investigation, in part, revealed: 1) that an ACVS board member may have received a personal pecuniary benefit from a contract entered into by and between ACVS's governing board and a company the board member co-owned, in violation of Idaho Code section 33-5204A(2); and 2) that ACVS's governing board did not follow the statutory procedure for competitive bidding required to be followed when an ACVS board member had an interest in a company the board was seeking to contract with, in violation of Idaho Code section 33-5204(6)(a). Additionally, although ACVS's governing board was notified of the Commission's concerns in April of 2020, the governing board did not immediately take

corrective action on existing contracts entered into in violation of section 33-5204(6)(a), but instead waited until the fall of 2021 to begin taking corrective action. Lastly, pursuant to IDAPA 08.02.04.300.04, when operational issues are identified, the governing board is responsible for providing the Commission with follow-up information as to when, and how, such operational issues are going to be resolved and corrected. The ACVS governing board failed to provide the Commission with follow-up information regarding the concerns identified above. Based on this information, ACVS received a “does not meet standard” rating on this measure.

2. Reason 2: ACVS did not meet standard on “Operational Measure 3d: Public Transparency” of the Commission’s Performance Framework. In conducting standard oversight activities, the Commission found that ACVS failed to publish the following documentation to its website as required by law: its most recent annual performance report, pursuant to Idaho Code section 33-5209C(2); the State Board of Education’s updated model policy governing data collection, access, security, and use of such data pursuant to Idaho Code section 33-133(7); and its updated continuous improvement plan, pursuant to Idaho Code sections 33-320(2)(c) and 33-320(3). Additionally, the Commission found that ACVS failed on multiple occasions to electronically post meeting notices and agendas by the corresponding deadlines, pursuant to Idaho Code section 74-204(1). Lastly, ACVS failed to reasonably cooperate with the Commission’s verbal and written requests for documentation necessary for it to fulfill its statutory responsibilities. Significant delays in providing the requested documentation to the Commission ultimately resulted in the issuance of a courtesy letter to ACVS. Based on this information, ACVS received a “does not meet standard” rating on this measure.

3. Reason 3: ACVS did not meet standard on “Operational Measure 3c: Reporting Requirements” of the Commission’s Performance Framework. Specifically, in September of 2020, the State Department of Education notified ACVS that it reported numerous teacher certifications inaccurately. This inaccurate reporting resulted in the State Department of Education issuing corrections to ACVS’s data and making appropriate adjustments to ACVS’s financial distributions. Based on this information, ACVS received a “does not meet standard” rating on this measure.

4. Reason 4: ACVS did not meet standard on “Operational Measure 3b: Board Oversight” of the Commission’s Performance Framework, which required ACVS’s governing board to practice consistent and effective oversight over the school and its administrator. Specifically, after conducting an investigation into the conduct of ACVS’s administrator, Laura Sandidge, the Commission found there was reason to believe that Ms. Sandidge may have violated multiple ethics-related statutes, including Idaho Code sections 33-5204A(1), 33-5204A(2), and 74-404(3), in regard to contracts she entered into on behalf of the school with companies she co-owned. As ACVS’s governing board failed to exercise consistent and effective oversight over the school and its administrator, ACVS received a “does not meet standard” rating on this measure.

Similarly, ACVS did not meet standard on “Operational Measure 5a: Additional Obligations” of the Commission’s Performance Framework, which required ACVS to comply with the requirements imposed by the State Department of Education. Specifically, the State Department of Education’s Professional Standards Commission (“PSC”) issued a stipulation, signed by Laura Sandidge, on March 25, 2021 and executed by the PSC on April 8, 2021, which determined that probable cause existed for initiating administrative action against Ms.

Sandidge for two code of ethics violations. The stipulation required, in part, that Ms. Sandidge complete a PSC-approved ethics course. As of the date of this Notice, the Commission has not been informed by either Ms. Sandidge or the ACVS governing board that Ms. Sandidge has completed this required ethics course. As this matter of non-compliance has not been quickly remedied, ACVS received a “does not meet standard” rating on this measure.

5. Reason 5: ACVS’s academic performance has been consistently low throughout the current Performance Certificate term. At the end of the 2017-2018 school year, ACVS earned a total of 27% of the points possible on the academic section of the Performance Framework, securing an overall academic performance rating of “critical”. Specifically, ACVS only met standard on one (1) of the nine (9) measures of academic success (Norm-Referenced Math Growth). At the end of the 2018-2019 school year, ACVS earned a total of 30% of the points possible on the academic section of the Performance Framework, securing an overall academic performance rating of “critical”. Specifically, ACVS only met standard on one (1) of the nine (9) measures of academic success (Norm-Referenced ELA Growth). No assessments were given during the 2019-2020 school year due to the COVID-19 pandemic. Academic data for the 2020-2021 school year is limited, as growth cannot be calculated and graduation rate data has not yet been released. However, ACVS’s Math and ELA proficiency data for the 2020-2021 school year are available (17% and 43%, respectively) and fall significantly below the average of other virtual schools (33% and 57%, respectively) and the statewide average (40% and 54%, respectively).

6. Reason 6: ACVS’s financial audit for fiscal year 2021 reflects several outcomes indicative of financial distress. The Commission’s Performance Framework includes eight (8) measures that consider a school’s likelihood of short-term and long-term financial stability.

ACVS achieved low outcomes on five (5) of these measures during FY21. ACVS only maintained 88% of its projected enrollment through the first funding period of the 2020-2021 school year. Because ACVS's actual enrollment percentage was less than the projected number, ACVS generated lesser revenue than it had anticipated, which negatively impacted its FY21 budget. As a result of the school not achieving its enrollment projections, several other measures were impacted. First, ACVS's FY21 total margin was negative, indicating that ACVS expended more than it received in FY21. Second, both ACVS's most recent year cash flow and its multi-year cash flow were negative, indicating that the school did not build its reserves, but instead its reserves decreased significantly between the end of FY19 and the end of FY21. Specifically, ACVS's number of days' of unrestricted cash on hand dropped from one-hundred (100) days at the end of FY20 to forty-one (41) days at the end of FY21, indicating that the school has largely depleted its most readily available financial resource. Finally, the school's debt service coverage ratio was negative, indicating that the school may have greater financial obligations than it can sustain long-term with its current levels of enrollment.

Dated this 15th day of November, 2021.

Jenn Thompson
Director
Idaho Public Charter School Commission

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 15th day of November, 2021, I caused to be served a true and correct copy of the Notice and Acknowledgment of Commission Director's Recommendation for Nonrenewal of Charter by the following method to:

John Kelleher	<input checked="" type="checkbox"/>	U.S. Mail
Board of Directors Chairperson	<input type="checkbox"/>	Hand Delivery
Another Choice Virtual Charter School, Inc.	<input type="checkbox"/>	Overnight Mail
1014 W Hemingway Blvd.	<input type="checkbox"/>	Facsimile:
Nampa, ID 83651	<input type="checkbox"/>	Email: jnkelleher@fmtcblue.com
jnkelleher@fmtcblue.com	<input checked="" type="checkbox"/>	

Laura Sandidge, Ph.D.	<input checked="" type="checkbox"/>	U.S. Mail
School Administrator	<input type="checkbox"/>	Hand Delivery
Another Choice Virtual Charter School, Inc.	<input type="checkbox"/>	Overnight Mail
1014 W Hemingway Blvd.	<input type="checkbox"/>	Facsimile:
Nampa, ID 83651	<input type="checkbox"/>	Email:
lsandidge@anotherchoicecharter.org	<input checked="" type="checkbox"/>	lsandidge@anotherchoicecharter.org

Jenn Thompson
Director
Idaho Public Charter School Commission

ATTACHMENT A:

**CONSENT AGREEMENT
ACCEPTING DIRECTOR'S RECOMMENDATION**

**CONSENT AGREEMENT
ACCEPTING DIRECTOR’S RECOMMENDATION**

This Consent Agreement (“Agreement”) is entered into between the Director of the Idaho Public Charter School Commission (“Director”) and ANOTHER CHOICE VIRTUAL CHARTER SCHOOL, INC. (“ACVS”). ACVS understands, acknowledges, and agrees to the following:

1. On behalf of ACVS, the undersigned authorized representative acknowledges the receipt of the Notice and Acknowledgment of Commission Director’s Recommendation for Nonrenewal of Charter, dated November 15, 2021 (“Notice”).
2. ACVS understands and acknowledges the recommendation of the Director, and agrees to accept the recommendation for nonrenewal of charter as proposed in the Notice.
3. ACVS understands and acknowledges that the Director’s recommendation will be presented to the Idaho Public Charter School Commission (“Commission”). ACVS further understands and acknowledges that the Commission is under no obligation to agree with the Director’s recommendation, and is under no obligation to adopt this Agreement.
4. ACVS understands and acknowledges that if the Commission decides to renew ACVS’s charter, either with or without conditions, the Commission and ACVS shall negotiate the terms of and execute a new performance certificate, as defined in Idaho Code section 33-5202A(6), by June 30, 2022.
5. On behalf of ACVS, the undersigned authorized representative understands and acknowledges that by accepting the Director’s recommendation as proposed in the Notice and entering into this Agreement, ACVS is freely and voluntarily waiving certain rights provided by the Idaho Administrative Procedure Act and the laws and rules governing public charter schools in Idaho. These rights include: a full and complete administrative hearing; the right to present evidence or to call witnesses; the right to confront and cross-examine witnesses; the right to reconsideration; the right to appeal this matter to district court; and any other rights provided by the aforementioned laws and rules governing public charter schools in the state of Idaho.

[Signatures on following page]

The undersigned authorized representative, on behalf of ACVS, and the Director have caused this Agreement to be executed on the date written below, or if signed on different dates, on the later of the two dates written below.

Authorized Representative
Board Chair/President
ANOTHER CHOICE VIRTUAL CHARTER SCHOOL, INC.

Date

Jenn Thompson
Director
Idaho Public Charter School Commission

Date

ATTACHMENT B:

REQUEST FOR ADMINISTRATIVE HEARING

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On behalf of ANOTHER CHOICE VIRTUAL CHARTER SCHOOL, INC. (“ACVS”), the undersigned authorized representative acknowledges the receipt of the Notice and Acknowledgment of Commission Director’s Recommendation for Nonrenewal of Charter dated November 15, 2021 (“Notice”). ACVS does not agree with the Director’s recommendation as stated in the Notice, and is hereby exercising its right to an administrative hearing before the Idaho Public Charter School Commission (“Commission”).

The hearing will be held at the date and place to be set forth in a Notice of Hearing, which will be issued by the Commission by no later than January 15, 2022. ACVS will proceed to the hearing under the terms and requirements set forth in the Notice of Hearing. ACVS acknowledges that, at the conclusion of the hearing and after a reasonable period for deliberation, the Commission will vote to either renew ACVS’s charter with no conditions, renew ACVS’s charter with conditions, or nonrenew ACVS’s charter.

Dated: _____.

Authorized Representative
Board Chair/President
ANOTHER CHOICE VIRTUAL CHARTER SCHOOL,
INC.