



New Satellite School or Large Expansion Application

Charter School Name:

Valley Academy Charter School

Charter School Director:

Tracy Stevens

The request is for: (select one)

<input checked="" type="checkbox"/> Satellite School Grade levels currently served: <i>K-8 (K-9 2024-25)</i> Grade levels requested for satellite school: <i>6-9</i> Current max enrollment: <i>550</i> Max enrollment requested for satellite school: <i>225</i> Current LEA location(s) (city and district): <i>Hurricane, Washington County</i> Requested location for satellite school (city and district): <i>Hurricane, Washington County</i>	<input type="checkbox"/> Large Expansion Grade levels currently served: _____ Grade levels requested for satellite school: _____ Current max enrollment: _____ Max enrollment requested for satellite school: _____
--	---

I certify that this request is being made by the governing board and has been discussed in an open and public meeting.

[Signature] 11-16-23

Board Chair/ Date

[Signature] 11/16/2023

Director/ Date

Please select one response per requirement:

- Yes No 1. The charter school complies with the requirements of federal and state laws, regulations, and Board rule.
- Yes No 2. The charter school meets the academic and other standards and requirements of the charter school authorizer.
- Yes No 3. The charter school is in good standing with the SCSB.
- Yes No 4. The charter LEA, as a whole, qualifies as high performing under the SCSB's approved definition of high performing.
- Yes No 5. The school complies with all public school legal obligations.
- Yes No 6. The charter school has no outstanding corrective action that has not yet been resolved by the completion of a corrective action plan.
- Yes No 7. The charter school has a hiring plan in place to ensure there are adequate qualified administrators and staff to meet the needs of the proposed student population.

Required Attachments:

1. Provide a 1-page explanation of the justified need for the requested new satellite school or large expansion.
2. Provide a 1-page overview describing how the new satellite school or large expansion will provide educational services consistent with state law and Board rule.
3. Provide a 1-2 page plan for the new satellite school or large expansion to administer and have the capacity to carry out statewide assessments, including proctoring statewide assessments.
4. Provide a 1-3 page detailed description of the evidence-based instruction for special populations that will be provided to students as required by federal law.
5. Provide a 1-3 page market analysis. Per R277-552(2), market analysis should be a qualitative and quantitative analysis of the educational market near a proposed charter school, including:
 - (a) the school's target demographics;
 - (b) population and development trends in the area;
 - (c) nearby competing public schools;
 - (d) the proposed school's forecasts, along with supporting data; and
 - (e) any risks, barriers, or regulations that may impact a proposed school's success.
6. Provide a 2-4 page response addressing if the charter school is operationally successful, taking into consideration at least two years of data for every school under the charter agreement. Per R277-552(7), a charter school is considered to be operationally successful if:
 - (i) For each of the schools under the charter agreement, the charter school meets the following criteria:
 - (A) for a school with 350 or fewer students enrolled in the school, at least a 120% debt coverage ratio* for each of the three years before the request for a satellite;
 - (B) for a school with between 351 and 499 students enrolled in the school, at least a 115% debt coverage ratio* for each of the three years before the request for a satellite;
 - (C) for a school with between 500 and 750 students enrolled in the school, at least a 110% debt coverage ratio* for each of the three years before the request for a satellite; or
 - (D) for a school with more than 750 students enrolled in the school, at least a 105% debt coverage ratio* for each of the three years before the request for a satellite;
 - (ii) the charter school is financially viable, as evidenced by the charter school's financial records, including the charter school's:
 - (A) most recent annual financial report (AFR);
 - (B) annual program report (APR); and
 - (C) audited financial statements;
 - (iii) the charter school has maintained a net lease-adjusted debt burden ratio of under 25% for each of the last three years; and
 - (iv) the charter school's financial statements report revenues in excess of expenditures for at least three of the last four years;
 - (v) the charter school is meeting the terms of its charter agreement;
 - (vi) the charter school has maintained for each of the last three years:
 - (A) a re-enrollment rate of at least 80%;
 - (B) a waitlist of at least 40% of its annual enrollment; or
 - (C) there is a demonstrated demand for the proposed satellite or large expansion, taking into consideration the market analysis.

**For purposes of this section "debt coverage ratio" means: a debt coverage ratio calculated using (revenue - expenditures + interest cost + depreciation) divided by annual debt service; or if the charter school's facilities are leased and not owned, a debt coverage ratio calculated using (revenue - expenditures + facility lease payment + real property taxes + depreciation) divided by annual debt service.*



New Satellite School or Large Expansion Application
Valley Academy Charter

ATTACHMENT 1
Justification

Provide a 1-page explanation of the justified need for the requested new satellite school or large expansion.

The administration and board of directors started looking at options over 3 years ago to construct a second school on our current property located behind our building. Valley looked at many different options and routes for expanding. The reason we started looking into the expansion or new building options was our growth. During the 2018-19 school year, we started to grow our 318 student population and have increased every year since. During the 2021-22 school year we were maxed out at 500 students and had a waiting list of over 200 students.

To accommodate the growth, Valley Academy has purchased and leased modular classrooms and has housed our middle school grades in the modular classrooms. Our current elementary classrooms are housed inside our current brick and mortar school building.

Valley Academy has more classrooms located in modular classrooms (19) than we have inside our brick & mortar building (18). For this reason, we are looking into a large expansion. We currently have a staff developer's office inside a closet, an assistant administrator's office is in an IT room, and we have eliminated some extra bathrooms to turn them into SPED secured storage areas due to the lack of rooms.

As to be explained later in this application our numbers and growth show a need for Valley Academy as the only charter school option in the Hurricane Valley Area, which incorporates the following towns (all of which we bus students in from): Hurricane, LaVerkin, Leeds, Springdale, Rockville, Virgin, Apple Valley, and Hildale.



New Satellite School or Large Expansion Application
Valley Academy Charter

ATTACHMENT 2
Educational Services

Provide a 1-page overview describing how the new satellite school or large expansion will provide educational services consistent with state law and Board rule.

Valley Academy Charter School is currently providing educational services consistent with state law and Board rule. The addition of this satellite school is an extension of our current model and services. Valley Academy will be doing everything the same in a new building as we are currently administering in our current modular classrooms.

Valley Academy Charter currently has an assistant administrator over the K-5 grades and another administrator over the 6-8th grades. This position is already in place and would be a minimal disruption for administration.

Licensed teachers are currently in place in the modular classrooms and would be moved to the new satellite school when the new school year starts. This would be minimal interruption and would not affect any educational services currently in place.

Special Education law and rule would also not be affected. Currently our special education department is in a modular and would be housed in both locations. The SpEd teachers and department are currently split between and assigned by our K-5 and 6-8th grade classrooms.

Our current Elective classes for middle school are also housed in our modular classrooms where they are close by for the students. These classrooms would be a part of the new school and expanded upon for more varieties of pathways for students.



New Satellite School or Large Expansion Application
Valley Academy Charter

ATTACHMENT 3
Statewide Assessments

Provide a 1-2 page plan for the new satellite school or large expansion to administer and have the capacity to carry out statewide assessments, including proctoring statewide assessments.

Valley Academy Charter School is currently meeting all requirements for statewide assessments. This includes administration and proctoring of assessments. Valley has two teachers per grade level and Valley has five paraprofessionals that help proctoring of all assessments. All employees are required to be trained in proctoring protocols and ethics training each year. Valley's special education department, Title I department, and classroom teachers all collaborate with each other to create testing schedules and plans for all statewide assessments. This allows all of Valley's employees to be unified in testing and having proctors for every test. Because this is a request to move our current modular classrooms to a satellite location, nothing will change in Valley's procedures and with them following all requirements of testing and proctoring protocols.

Valley will have complete capacity to follow all regulations for testing including testing rooms for SpEd accommodations, pullouts for extra time, and Title I students. All accommodations will follow all policies related to Title IV and to meet all students' needs for special populations.



New Satellite School or Large Expansion Application
Valley Academy Charter

ATTACHMENT 4
Special Populations

Provide a 1-3 page detailed description of the evidence-based instruction for special populations that will be provided to students as required by federal law.

Valley Academy will continue to follow all laws that protect special populations of students. Valley will continue to follow IDEA, 504s, ADA, and Title I regulations in making sure that all special populations will have access to high quality Free Appropriate Public Education (FAPE). This will include testing and assessments as previously mentioned; it will also include proper physical access to the building as well as education without barriers. Valley's SpEd department will not be minimized or reduced with a satellite school. The SpEd team is already in place and will continue to fulfill and educate all students in their care no matter where they are housed. There is no discrimination based on special needs, race, gender, religion, ethnicity, nationality, or economic conditions.

Valley uses evidence based practices (EBP) to provide the most effective care to our students. The goal is to improve student outcomes with EBP. Evidence based practices are used so students in special populations receive the most effective and appropriate interventions of support.

Some of the EBP that Valley uses and will continue to use are Functional Behavior Assessments, Modeling, student self-management with data trackers, prompting, social narratives, and social skills training.

Students are identified with the help of classroom teachers, Title I department, MTSS, admin referrals, data moment meetings, and grade level learning groups.



TARGET MARKET ANALYSIS FOR EXPANSION

Prepared by

Tracy Stevens

tracy@valleyacademycharter.com

November 10, 2023

Overview

Valley Academy Charter School (VAC) is located in the Hurricane Valley and serves the communities of Hurricane, LaVerkin, Leeds, Virgin, Rockville, Springdale, Apple Valley, Coral Canyon, and Washington. VAC was established and dedicated August 11, 2012.

Target Demographics

Valley Academy serves students in grades Kindergarten through 8th grade and soon to be 9th grade. Valley has focused on and built up the student population of K-5 grades and is now increasingly focused on middle school grades 6-9th.

Population & Development Analysis

Washington County's population has increased 11 out of the last 11 years between 2010 and 2021. According to Hollingshaus at the University of Utah, the largest increase was recently in 2021 with a 5.2% increase in population; the county has an average growth rate of 3% over the last 11 years (Hollingshaus et al., 2022). According to Jacobson et al. (2021) *Utah Education Funding Study* K-12 student enrollment in Utah has grown rapidly, from 446,652 in 1990 to 704,600 in 2023 and is projected to continue increasing over the next 5 years (see figure 1).

Analysis for Hurricane Utah's growth is as follows: 2023 population is 25,555 and has an annual growth rate of 8.25% (well above the state's rate) and the population has increased 26.85% since the most recent census, which recorded a population of 20,146 in 2020 (World Population Review, 2023).

Analysis connected to Valley's targeted demographics, according to the 2021 Census, shows that Hurricane's Median Age is now 38.4, which is trending even farther away from the older retirement median age from only a decade ago (see figure 2). This equates to having more families with school-aged children moving to the Hurricane area.

Nearby Competing Schools

The nearest charter school to Valley Academy is in the St. George area, which is about 18 miles (30-minute drive). Valley Academy is located in the Hurricane Valley area and has no other K-8 or K-9 public schools in the Hurricane area; however, it does have three elementary schools K-5, one intermediate school 6-7, one middle school 8-9, and one high school 10-12th (see figure 3).

Proposed Forecast

Valley Academy's proposed forecast is to have K-9th grades with a student population increase of 12%; that includes thirty-six 8th grade students being retained enrollment for new 9th grade classrooms. Without the 9th grade addition, Valley would still predict a 6% minimum increase if a state approved application is considered.

Valley's current growth rate is 4% over the last three years, but the maximum allowable charter cap has kept that number low. Over the last 6 years, Valley has increased enrollment an annual average of 9%.

If an application were to be approved, Valley would expect a forecasted 5-8% growth per year until we cap out our charter limit again.

Impact from Risks, Barriers, & Regulations

One risk would be new competing school built in the Hurricane Valley by the Washington County School District (WCSD). Valley feels that the data shows WCSD will not be building new schools in the area due to declining or stagnant numbers in the district and having families search out more school choices from charter schools. If Valley follows the data and statistics it shows Valley is growing and the neighboring schools are declining.

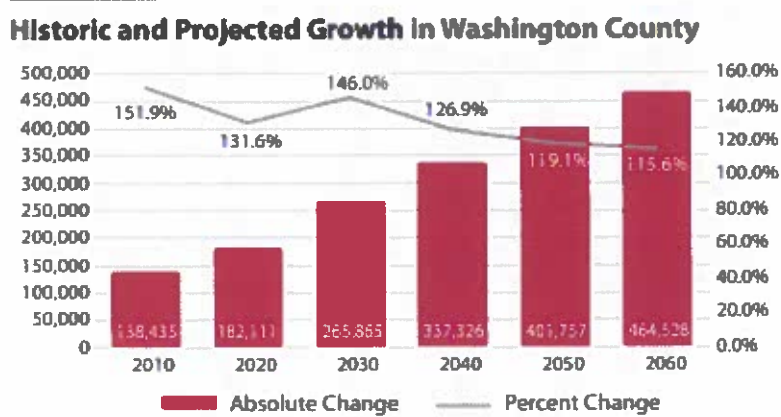
A barrier that Valley is dealing with is the need for the current student body to have efficient and proper classrooms that are not modular. This barrier is what has been guiding discussions at Valley for a few years now.

Another risk Valley must keep in view is declining student population. Valley has shown a great record of gaining and keeping students at Valley and the administration will always keep this risk in mind and will keep it a minimal risk.

Conclusion and Recommendations

Valley Academy is recommending an approval for a satellite building to help with student success. The satellite school will eliminate classrooms housed inside portable modular buildings. Valley is already a higher than average performing school and following all requirements as a school in good standing with the state. We recommend the approval so that the growth in our school will continue to give families the choice to be part of our school and the unique pathways for their future with the options Valley offers.

Figure 1



Source: Kem C. Gardner Policy Institute, 2020-2060 Projections

Figure 2

Hurricane Median Age

38.4 Total

38.8 Male

37.8 Female

Hurricane Adults

There are 14,691 adults, (3,579 of whom are seniors) in Hurricane.

Hurricane Age Dependency

75.5 Age Dependency Ratio

32.2 Old Age Dependency Ratio

43.3 Child Dependency Ratio

Hurricane Sex Ratio

Female	9,309	47.74%
Male	10,192	52.26%

Figure 3

Valley Academy LCA Comparison												
2023-24 Enrollment												
Neighboring Schools	Kinder	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	Total	3 year Trend
LaVerkin Elementary	55	58	58	59	60	59					349	9% drop
Three Falls Elementary	78	100	104	112	97	111					602	<1% drop
Hurricane Elementary	119	126	107	130	112	135					729	3% gain
Hurricane Intermediate							391	370			761	3% drop
Hurricane Middle									416	395	811	8% drop
Valley Academy	75	73	71	71	60	77	51	52	37		567	8% gain
											State Apprvd Increase	
2022-23 Enrollment												
Neighboring Schools	Kinder	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	Total	3 year Trend
LaVerkin Elementary	60	58	65	59	57	63					382	<1% drop
Three Falls Elementary	97	103	114	88	108	96					606	6% gain
Hurricane Elementary	109	108	122	117	124	122					702	7% gain
Hurricane Intermediate							382	403			785	3% gain
Hurricane Middle									420	454	874	3% gain
Valley Academy	75	68	65	51	75	54	49	50	37		524	0%
											Max Allowed	
2021-22 Enrollment												
Neighboring Schools	Kinder	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	Total	COVID YEAR
LaVerkin Elementary	60	62	56	58	63	65					384	<1% drop
Three Falls Elementary	101	94	83	97	99	98					572	7% gain
Hurricane Elementary	96	114	106	122	107	111					656	<1% drop
Hurricane Intermediate							386	377			763	3% gain
Hurricane Middle									401	444	845	<1% gain
Valley Academy	75	75	57	63	52	55	61	48	38		524	6% gain
											Max Allowed	

References

- Hollingshaus, M., Harris, E., & Perlich, P. S. (2019). Utah's increasing diversity: population projections by race/ethnicity. University of Utah, David Eccles School of Business.
<https://gardner.utah.edu/wp-content/uploads/Utah-Projections-Race-Ethnicity-2019.pdf>.
- Jacobson, A., Willis, J., Diaz, J., Lewis, R., McClellan, P., Durodoye, R., (2021). Utah Education Funding Study; Phase 2 Report. <https://www.schools.utah.gov/file/cc9f3cb9-6585-44b6-b06e-0d544cdd6826>
- National Center for Education Statistics (NCES). (2020). Enrollment in public elementary and secondary schools, by region, state, and jurisdiction: Selected years, fall 1990 through fall 2023. https://nces.ed.gov/programs/digest/d13/tables/dt13_203.20.asp.
- US Census, (2021). World Population Review.
<https://worldpopulationreview.com/us-cities/hurricane-ut-population>



539 North 870 West | Hurricane Utah 84737 | 435.635.7815 | Fax: 435.705.7576 | www.valleyacademycharter.com

November 17, 2023

Utah State Charter School Board
250 E. 500 S.
P.O. Box 144200
Salt Lake City, UT 84114

Re: New Satellite School or Large Expansion Application Section 6

Dear State Charter School Board,

The Valley Academy Administration and School Board are grateful and excited for the opportunity to respond to you for the purpose of addressing if the Charter School is operationally successful. Since the School has opened, we have experienced such a wonderful journey and have learned so much through both the hard times and great times.

Valley Academy is committed to having goals that will allow us to stretch the school and progress what we have. While we have goals that will allow us to share more of what we offer, we recognize the importance of responsibly stepping into, and achieving those goals. Valley Academy prides itself on putting together a plan and working as a team in order to be operationally successful year after year.

Valley Academy is happy to report that our School is operationally successful as defined in Section 6 of the New Satellite School or Large Expansion Application.

6.i.c – For a School with between 500 and 750 students enrolled in the school, at least a 110% debt coverage ratio for each of the three years before the request for a satellite

Valley Academy has averaged a Debt Coverage Ratio of 219% over the last three years. The School has not been below the required 110% requirement. The School's Finance Committee meets monthly to review the financial statements and to make sure that the goals set for Debt Coverage are being met.

*Please reference the figure 1 below

6.ii - The Charter School is financially viable, as evidenced by the Charter School's Financial Records

Valley Academy has provided the most recent Annual Fiscal Report (AFR), Annual Program Report (APR), and the most recent Audited Financial Statement Draft (Final Report is pending and will be sent as soon as available). You will find in these documents, evidence of Valley Academy's financial viability.

6.iii – The Charter School has maintained a net lease-adjusted debt burden ratio of under 25% for each of the last three years

Valley Academy has tried to minimize debt when not necessary. The School has averaged a 7% Debt Burden Ratio for the last 3 years. This is a point of review each month to discuss vision, strategy and execution of plans in order to reach our goals, but to minimize debt for the school.

*Please reference the figure 1 below

6.iv - The Charter School's financial statements report revenues in excess of expenditures for at least three of the last four years

One of Valley Academy's top goals each year is to prepare a budget that will have a positive net income. The School has averaged over \$350,000 of Revenues in excess of expenses for the past 3 years. Before the school year begins, our Board Finance Committee, School Administration and Business Manager spend several meetings projecting a budget that will result in a positive net income. Once School begins and we know what enrollment trends are leading up to October 1, we will meet and discuss if any changes are necessary ahead of October 1. It is very important to us to be in front of the unexpected and act quickly to change the budget if necessary to meet our goals.

*Please reference the figure 1 below

6.v - The Charter School is meeting the terms of its charter agreement

Valley Academy is meeting all parts of the Charter Agreement/Exhibit A including meeting the set goals (see figure 2 below).

6.vi - The Charter School has maintained for each of the last three years:

(A) a re-enrollment rate of at least 80%

Valley Academy's re-enrollment rate is:

2021-2022 98.1%

2021-2023 91%

2023-2024 90.3%

(B) A waitlist of at least 40% of our annual enrollment

Valley Academy's current waitlist is 13% of our total enrollment. This lower percent is partially due to our recent charter approval to increase our charter enrollment cap from 500 to 550. This approval came from the State School Board during this school year. Before this school year Valley has maintained a wait list of 150-200 students per year for the last 3 years in a row. With our high reenrollment rate we have had parents release their children's' names from the waitlist because they are not being enrolled due to a lack of available spots each year, but with our proposal for a satellite school and increased student population cap we will start to see those families return to our school.

(C) There is also a demonstrated demand for the proposed satellite school based on our market analysis which involves our growth and the growth in our area.

*Figure 1 Financial Performance

Debt Coverage Ratio			
	2023	2022	2021
Revenues	5,946,872	5,204,583	4,706,070
Expenses	5,791,362	4,725,785	4,284,612
Net Income	155,510	478,798	421,458
Depreciation	327,074	234,100	207,591
Interest Expense	206,750	208,271	213,507
Adjusted Net Income	689,334	921,169	842,556
	2024	2023	2022
Future Debt Payments	410,178	361,008	361,008
Debt Coverage Ratio	168%	255%	233%
Debt Burden Ratio			
	2023	2022	2021
Revenues	5,946,872	5,204,583	4,706,070
Future Debt Payments net of Leases	361,008	361,008	361,008
Debt Burden Ratio	6%	7%	8%
Revenues in Excess of Expenditures			
	2023	2022	2021
Revenues	5,946,872	5,204,583	4,706,070
Expenses	5,791,362	4,725,785	4,284,612
Net Income	155,510	478,798	421,458

Figure 2 Twenty Closest Demographic Schools

