

Minutes of the Meeting
The Davidson Academy Governing Board
September 21, 2020

These minutes are not yet approved and are subject to revision at the next meeting of the Governing Board.

Call to Order

The regular meeting of the Governing Board was called to order at 2:01 p.m. Due to the current State of Emergency declared by the Governor because of the COVID-19 virus, and more specifically the Governor's Directive 006, Section 1, this public meeting was held via videoconference with no physical meeting location.

A. Roll Call

Roll call was completed by the Chair of the Meeting, Bob Davidson. Bob Davidson, Roger Davidson, Mark Herron, Richard Trachok, Brian Krolicki, Lauralyn McCarthy Sandoval, Marc Johnson and Kristen McNeill were present. Rhone Ebert and Annette Whittemore were not present. Academy Director Colleen Harsin, Director of Online Learning Stacy Hawthorne, Legal Counsel Ann Alexander, Controller Kath Dixon and Governing Board Clerk Holly Lorge were present. Following completion of roll call, a quorum was confirmed.

B. Welcome and Introduction

Bob Davidson welcomed Board members and members of the public in attendance. Mark Herron introduced Morris Zlotowitz and Kimberly Hastings, auditors from the independent accounting firm Holthouse Carlin & Van Trigt LLP (HCVT).

C. Public Comment

Bob Davidson provided instructions concerning public comment as stated under item C. of the meeting agenda.

Mark Herron read the State of Emergency information and provided the link from agenda and confirmed that public comments if made would be received by email.

There were no comments from the public.

D. Approval of Agenda

Bob Davidson requested a motion for approval of the Agenda. Motion was made and seconded for approval of the meeting Agenda. There was discussion of moving Agenda item, G.1.a. Presentation of independent auditor's report for the fiscal year ended June 30, 2020, to the beginning of the meeting. Motion carried unanimously.

E. Approval of Minutes

Bob Davidson requested approval of the minutes for the meeting of July 30, 2020 under TAB 1 of the Board book. Motion was made and seconded for approval of the minutes as submitted. There was no discussion and the motion carried unanimously.

F. Reports

Davidson Academy Director, Colleen Harsin referred to TAB 2 of the Board book, the 2020-2021 Master Schedule. The Reno campus has 159 students this year, the most the Academy has had. Of the 50 new students, 21 moved to Reno this year. Ms. Harsin stated the Academy has worked with all families implementing approved plans by the Board over the summer, being careful on how students and staff return to the building. Academic quality and interaction with students is at the forefront, as well as student and staff health and safety.

Ms. Harsin discussed the classes offered for the 2020-2021 school year. This included the Monday thru Thursday Master Schedule, Monday thru Thursday electives, and Friday electives, highlighting the diversity of class offerings.

Ms. Harsin further explained that some electives are taught by part-time instructors from the University or the larger community, and the rest of the electives are taught by Academy core curriculum teachers, providing them the chance to teach in an area of their interest or skill. Students vote on elective class options each year. Ms. Harsin explained the Academy even offers a dynamic set of electives run by students themselves. Ms. Harsin gave the example of MED life, listed as independent study seminar, taught and proposed by students. Those students are required to turn in a syllabus to our curriculum team late spring for approval. Those elective classes are monitored by a member of the full-time staff.

Ms. Harsin referred to TAB 3, a letter from Cognia regarding accreditation. This letter shows the Academy is on track in the accreditation process, will experience no lapse in accreditation, and the accreditation term has been extended to June 30, 2024. The new certificate is posted in our Reno campus lobby, and early 2021 is when the Academy expects to see new standards and protocols. The Academy is continuing with plans and progress, thereby putting the Academy in a position to maintain current accreditation until provided new standards, guidelines and training opportunities from Cognia, which has subsumed Advanced Ed, the previous accrediting organization.

Richard Trachok asked Ms. Harsin what was the reason for the new criteria, and if it was generated by the Academy, or something that came from our accreditor to all of the schools being examined. Ms. Harsin replied the new standards and protocol are coming from the accrediting organization. She explained that Advanced Ed and Measured Progress merged together and are driving the new standards and protocols.

Mr. Trachok asked if these new standards are for all schools or just Davidson Academy. Ms. Harsin responded this is for all schools that have been accredited by Advanced Ed., which was formally the Northwest Accreditation Commission (NWAC). All public high

schools are subject to the same accreditation and many of those involved in the accreditation process are expected to participate in kind. For example, Ms. Harsin shared she has been on an accreditation team for Connections Academy and Incline Village High School. Dr. Kristen McNeill added that all high schools are not on the same calendar as far as accreditation. Ms. Harsin thanked Dr. McNeill for her input on this subject.

Ms. Harsin referred to TAB 4, the State Pupil Enrollment and Attendance Audit of school year 2019-2020, updating the Board that since the previous Board meeting of July 30, there were no issues or concerns. The Academy accurately reported the number of students, starting with 145 students, ending with 140, with no exceptions regarding enrollment.

Ms. Harsin referred to TAB 5, Nevada Path Forward. As of July 31, the Academy was to submit to the State our Certification form, have it signed as of July 31, and also to have presented our Board meeting Agenda and presentation from that meeting to the State. Ms. Harsin confirmed to the Board this has been submitted, and no additional information was required at that time. The Academy is proceeding with the approved Path Forward plan for the 2020-2021 school year, and utilizing distance education as the primary model until further notice.

The Academy has issued laptops and supporting equipment needed as requested by students. Seven students have been issued laptops, and more will be issued, as needed, moving forward. After the initial three week diagnostic period that was conducted via remote learning, students have been given the opportunity to be in the building for in-person instruction on a limited basis that is in compliance with COVID-19 guidelines and restrictions. Fifteen students indicated interest for in-person instruction, and the Academy expects that to increase. The students are doing well with the Academy's robust remote learning option, and progress is being monitored on at least a weekly basis.

Ms. Harsin referred to TAB 6. She shared acknowledgements regarding a letter from admissions at MIT indicating that Class of 2020 alumnus, Jason Liu, named Mr. Brett Guisti as the teacher who was most influential in his education. Mr. Guisti has been nominated more than once in recent years. Adding to that, Jason Liu was also identified in the Top 40 students nationwide by Regeneron Science Talent Search. Besides being at MIT, Jason is also a Davidson Fellows Scholarship recipient this year.

Davidson Academy student, Aayan Patel, is teaching a research class with us as Independent Study on Fridays and was recognized by the Center for Excellence in Education for participating in the COVID-19 version of the Research Science Institute (RSI) in collaboration with MIT.

National Merit Scholarship Corporation has announced the Semi-Finalists for 2021. TAB 7 included the press release that details the Semi-Finalists, 16,000 out of approximately 1.5 million who took the PSAT/NMSQT in 2019. Ms. Harsin acknowledged that it is an honor for a student to be named a Semi-Finalist, and these students are now completing applications to be Finalists. Ms. Harsin directed attention to the Semi-Finalists by state,

in which Davidson Academy Reno campus has 23 students, plus one Online campus student in Pennsylvania, the first time an Online campus student has been included. Ms. Harsin added there are three other Semi-Finalists in the Reno area at different high schools that have also spent time at our Academy. Ms. Harsin shared it is nice to see them be successful and wished congratulations to all those students.

National Merit also recognizes 34,000 high performers on the PSAT/NMSQT as Commended Students. Five Academy students will receive Certificates of Commendation and can include this in their college applications.

Dr. Hawthorne referred to TAB 8 showing the 2020-2021 enrollment map by states. She pointed out Davidson Academy Online ("DAO") now has students residing in 24 states. States shown in blue on the map represent new states added this year. This year DAO added Oklahoma, South Dakota, Florida, Mississippi, and Indiana. DAO has 3 new students from Indiana, 16 total students from California and 10 from Texas. Dr. Hawthorne mentioned the Nevada numbers are equal to Texas, with 10 students from Nevada. Davidson Academy Online enrolled 49 new students for a total enrollment of 79 students this year, up 276% since DAO began 4 years ago. Last year DAO had 66% male and 34% female students, while this year it is closer to a 50/50 ratio which reflects a good year for female qualifying candidates.

Dr. Hawthorne continued with TAB 8 with a chart on the next page, showing students enrolled at Davidson Academy Online as 8th and 9th graders by age. The chart showed twenty-five 8th graders-by-age, and twenty 9th graders-by-age, explaining these class sizes are more typical of Reno academy class sizes, which is good for the long-term growth of Davidson Academy Online.

Dr. Hawthorne stated she oversees the Davidson Explore courses, which are online courses through Davidson Institute, and precursor courses to the Academy. Fourteen students either at the Reno campus or Online campus came through the Explore program last year, showing this is a good feeder program. With the 64 students in Explore, Davidson programs are serving 143 students total online.

Dr. Hawthorne shared updates regarding the extended application period. In six days, 238 applications were started and 16 of those were invited for assessment. The remaining 61 that qualified were deferred and are starting assessment this week. This is the first time DAO conducted assessments in September; the Academy typically begins assessment in November or December. There are already 5 assessments scheduled between now and the end of the year. The applications for both campuses opened up on September 15, and the programs have had a good recruiting season this year with a high number of students enrolling.

Mr. Trachok asked to revisit a question he had from the last Board meeting regarding how we name the school. He stated we call it online school, but he felt we wouldn't be considered online, and we should instead call ourselves remote learning. For example, we have an instructor teaching to students live, so it's all happening concurrently. He

asked Dr. Hawthorne to confirm if this was a correct assessment. Dr. Hawthorne replied that based on the blended to online continuum commonly used in K-12 education, what we do is considered fully online learning and that by the definition, student and teacher are never physically in the same space. She further explained that remote learning is common in the context of pandemic learning. Dr. Hawthorne continued that in a K-12 space using the word “remote” would significantly impact our search engine optimization (SEO) and our recognition as a fully online campus. The Reno campus uses the word “remote” for what they’re doing when not in class together, but Davidson Academy Online uses “online” which is commonly used in the K-12 space. Mr. Trachok asked if our online is synchronous. Dr. Hawthorne replied it is synchronous and asynchronous. Mr. Trachok thanked Dr. Hawthorne for the clarification in the differences between online and remote.

Dr. Hawthorne noted that Davidson Academy Online staff members hosted a free 8-week webinar series over the summer. This was a great way to market ourselves and good outreach for the Academy. A total of 950 unique impressions were received as a result. The Academy’s communications person has turned this into a series of short YouTube videos now available on the website. There are more parents than educators watching the series. Dr. Hawthorne expects to do this again next summer with new topics.

Also included in TAB 8 is a list of courses approved again this year for A through G credit through University of California system. Growth in English course chart showed growth in two different ways. Growth has gone up significantly since the implementation of the “zero hour” this year due to number of students on the East coast. As a result, classes are offered at 6 a.m. Pacific in several subjects. Since Year 1 the total number of sections has grown 220%.

Mr. Krolicki commented that we get accustomed to excellence, but specifically impressive are our National Merit Semi-Finalists, the volume of students from Davidson Academy competing, and having a student from Pennsylvania qualifying through Davidson Academy Online, is spectacular. The Board would like to acknowledge this achievement during these extraordinary times. Mr. Krolicki wanted to congratulate all. Mr. Trachok agreed and acknowledged this as well.

Mr. Davidson added in addition to teaching these students in a marvelous way for great results, Dr. Hawthorne has also managed a phenomenal amount of growth percentage-wise which will continue. There is an impressive inventory of students for next year, and it will not be long before the Online campus enrollment is exceeding that of the Reno campus. Mr. Davidson pointed out that this is unique, and the Academy is among institutions leading in this kind of technology. Mr. Davidson also added the Academy has excellent content and is putting together interesting platforms. It will keep abreast of all the technology that is available, and will continue on the leading edge. Mr. Davidson acknowledged that Dr. Hawthorne got the Academy there and will keep it there.

Dr. Hawthorne added the Academy has someone who does curriculum reviews and observation each year, which is a very important area for the Academy to be innovating

and cutting edge. The people teaching online are open to growth themselves in trying new things and have made a huge difference in how students and teachers interact each day.

Dr. Hawthorne referred us to TAB 9. This shows the media report, with a list of places the Academy was in the news recently, including recent Davidson Academy graduate, Jason Liu, being selected as a 2020 Davidson Fellow. Another highlight is that this the 3rd year Davidson Academy Online campus has won a Blackboard Catalyst award which recognizes innovation in teaching and learning online. This award rarely goes to K-12 schools, as it is usually awarded to university level programs.

Dr. Hawthorne shared that the Academy is now working with a digital marketing firm, KPS3, located in Reno. The goal is to improve our search engine optimization (SEO) and digital presence for both Academy campuses. KPS3 built a dashboard on the website which shows website traffic is up 74% due to organic search which is another good sign for growth in near future. Traffic from search engine (i.e. Google) is also up 83%. The Online campus page is responsible for 35% of organic traffic. The day extended applications opened, there were 2,000 hits on the website which was a record, and there were 9,500 for the week. The admissions page is up 49% traffic session is up 116%. In the area of key word ranking we are the #1 return on Google for the search “gifted online school,” “online school for gifted students,” and “online high school for gifted students.” Davidson Academy will be working with KPS3 for a couple more months, helping with ads, application opening, and website redesign for both Academy and the Davidson Institute. Part of the work with KPS3 is to train the Academy’s communications person in search engine optimization. As the world is changing, this is something we are all adapting to.

Dr. Hawthorne directed the Board to the last page of TAB 9, highlighting ongoing outreach done since last Board meeting: Six-thousand two hundred (6,200) people receive the Davidson Academy eNewsletter. The eNews update is distributed every other month, and now goes out to more than 15,200 recipients.

G. General Business

Mark Herron, Vice President and Chief Financial Officer, referred Board members to the report for Fiscal Year ending June 30, 2020 under TABS 10 and 11 of the Board books. These tabs include the Audit Report, AU260 Letter and the Management Representation Letter. Mr. Herron turned the presentation and discussion of these items over to the auditors Mr. Morris Zlotowitz and Ms. Kimberly Hastings of the independent auditing firm, HCVT. Mr. Zlotowitz thanked Mr. Herron and began his presentation starting with the audit results AU260 letter, indicating he would provide an outline of the audit process and then Kimberly Hastings would talk further about the audit and recommendations.

Mr. Morris confirmed that following completion of the audit, an unmodified/clean opinion was issued. There were no deviations and the auditors did not find any issues in that regard. Accounting policies used by the school are included in Note 1 of the AU260

Letter. No new accounting policies were adopted. Financial Statements contain estimates; the main estimate referred to has been in there before, regarding prepaid rent for school facilities. Disclosures and financials were found to be neutral, consistent and clear. No difficulties with management or performing procedures were encountered. Any adjustments made were reclassification in nature. There were no disagreements with management in the course of the audit and to the auditor's knowledge management did not consult with other accountants. Mr. Morris turned further discussion and presentation over to Kimberly Hastings.

Ms. Hastings referred to the financial statements. She confirmed that they are consistent with the prior year. Key financial statement footnotes include supplements including the budget vs. actual report required by the state of Nevada. Any fluctuations noted are within expectation as revenues or contributions fluctuate based on need. Referring back into audit result letter, concerning internal controls, the auditors noted a change in policy the Academy undertook during fiscal year, beginning in February, 2020, wherein the school moved from their historic timekeeping practice of using physical time cards and moved to electronic timekeeping. One of the ramifications of this change was that employees now need to explicitly report exceptions to their customary and budgeted time allocations. Due to limitations in the payroll provider system this process is not as clear as it should be in the auditor's view and they noted this as an internal controls deficiency. There was no misstatement and management was able to adjust procedures. It is recommended that management formalize that exception reporting policy and make sure documentation supporting that the employees understand the new policy.

Mark Herron confirmed he had nothing further to add as he and Karin Dixson discussed the provided recommendation previously. He offered that the change to timekeeping was fortunate due to unforeseen COVID-19. Mr. Herron agreed that management can be more explicit in the way exception reporting is being collected. He confirmed that the Academy has about 16% of employees having variability in their timekeeping and will work with HCVT as well as the state Department of Education, and return to the Board in November with a formalized policy to address this comment.

Ms. Hastings thanked Karin Dixson, Controller, and Mark Herron, Vice President and Chief Financial Officer, for a continued diligence in their preparation of the audit package and tremendous partnership, especially in a year like 2020. Mr. Herron opened the presentation for questions from the Board on the audit letter, financial statements or representation letter.

Brian Krolicki offered his thanks and confirmed that this is the annual audit that is the most uninteresting to read due to very neutral footnoting. He complimented Mark Herron and Karin Dixson for their work and assistance with the audit and that it is a good thing to have a non-exciting audit, especially during COVID-19 pandemic situation that has put demands on everyone. He asked, for audit purposes, is there anything from audit standpoint that the Board should know to be included in this report. Mr. Zlotowitz confirmed there was not.

Bob Davidson requested a motion to accept the audit report. Mark Herron moved that the Board accept this audit report as presented. The motion was seconded and carried unanimously.

H. Public Comment

Mr. Davidson reminded everyone that the rules for public comment have not changed.

There were no comments from the public.

I. Adjournment

Prior to adjournment, President of UNR, Dr. Marc Johnson noted that this will be his last Board meeting and Mr. Johnson has appreciated the opportunity to be a liaison between Davidson Academy and UNR. He congratulated all on growth, progress and specifically growth to the DAO school.

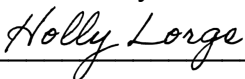
Dr. Johnson assured the Board members that the UNR is a safe campus, following the Governor's guidelines, and all on campus are doing a very good job complying with rules, social distancing, wearing masks and sanitization. This requires a sparse distribution of seats, meaning most of the UNR classes have some in-person and some online components.

Dr. Johnson added that Brian Sandoval will become 17th president of UNR on October 5th. Ms. Harsin and Dr. Johnson will continue to serve on the National Merit Scholarship Governing Board. Ms. Harsin then thanked Dr. Johnson for all he has done for the Academy. Mr. Davidson also thanked Dr. Johnson for attending the Board meetings that he could.

Mr. Krolicki commented that Dr. Johnson took on an impossible job under extraordinary circumstances with the pandemic, and it was a job well done.

Mr. Krolicki then acknowledged Ms. Harsin stating that regarding online successes and growth, we have talked about today, all of that leads back the home base, the rock of the Davidson Academy sitting on the UNR campus. He stated that the foundation Ms. Harsin has built with the team, the Board, and the students has all been leveraged to go online, and thanked her for all she has done for this new venture to be so successful.

There being no further business to come before the Board in public meeting, Mr. Herron made a motion to adjourn. Motion was seconded for adjournment; motion carried unanimously. The meeting adjourned at 3:10 p.m.



Respectfully submitted by Holly Lorge, Clerk of the Board