

# MEETING MINUTES

## IDAHO PUBLIC CHARTER SCHOOL COMMISSION

August 11, 2015

650 W. State Street, Boise, Idaho

Len B. Jordan Building, Clear Waters Conference Room, 3<sup>rd</sup> Floor

The meeting was called to order by Chairman Reed at 9:00 a.m. The following Commissioners were in attendance:

Alan Reed  
Gayle O'Donahue  
Kelly Murphey  
Brian Scigliano  
Evan Frasure  
Wanda Quinn

Commissioner Gayann Demordaunt was absent.

Chairman Reed introduced new Commissioner Evan Frasure. Commissioner Frasure is a former Idaho State Senator and now teaches high school government and history in Pocatello.

### A. COMMISSION WORK

#### 1. Agenda Review/ Approval

**M/S (Quinn/O'Donahue):** To approve the agenda as presented. *The motion passed unanimously.*

#### 2. Minutes Review/Approval

**M/S (O'Donahue/Scigliano):** To approve the minutes from June 11, 2015, as presented. *The motion passed unanimously.*

### B. OTHER

#### 1. Commission Consideration: PCSC Transfer Moratorium

At Chairman Reed's request, Director Baysinger explained that, in late 2014, the PCSC placed a temporary moratorium on the approval of transfer petitions due to lack of capacity. The 2015 legislature provided the PCSC office with additional staff and funding, so staff is recommending that the moratorium be lifted.

**M/S (Quinn/Frasure):** To lift the temporary moratorium on approval of transfer petitions, effective immediately. *The motion passed unanimously.*

## **2. Commission Education: Charter School Replication and Charter Management Organizations**

Director Baysinger provided a presentation regarding charter school replication, including: replication models, research regarding CMO effectiveness, and best practices regarding replication and CMOs.

The PCSC discussed possible charter replication legislation under development by the State Board of Education. The importance of ensuring that taxpayer dollars are used properly was emphasized.

Terry Ryan, representing Bluum and the Idaho Charter School Network, provided public comment. He discussed the Gem Prep: Nampa petition that will come before the PCSC at a later date, and emphasized that the focus should be on how best to grow great schools. He agreed to continue communicating with PCSC staff regarding research on policies in other states.

## **3. Commission Education: Fiscal Evaluation Case Studies**

Jennifer Barbeau, PCSC Accountability Program Manager, presented two case studies demonstrating how two schools authorized by the PCSC have fared financially from the petitioning phase through the present. She noted the features of the petitions that predicted positive and negative outcomes.

Chairman Reed inquired regarding the appropriate level of fiscal oversight by an authorizer.

Jennifer Swartz, PCSC counsel, noted the expenditure website requirements contained in Section 33-357, Idaho Code. She also cited Section 33-52 and the PCSC's performance certificate, which require authorizers to continuously monitor school outcomes while taking care not to place excessive burdens on the schools.

Director Baysinger emphasized that an authorizer's role is to examine the financial outcomes of schools it authorizes, rather than to direct inputs such as spending decisions that are appropriately left to the school's board of directors. During the petitioning phase, an authorizer should evaluate the capacity of a proposed charter board to operate a financially successful school.

Ms. Barbeau added that one of the purposes of reviewing schools' bank statements, for example, would be to understand whether the school has adequate cash flow to continue operations. The goal is not to micromanage or direct schools' decision-making, but rather to protect students and taxpayers if schools are in financial distress or have inadequate internal controls.

Commissioner Murphey said that charter schools use public money, and that money needs to be carefully tracked. He noted that the contribution category, in particular, is an area susceptible to fraud.

Chairman Reed said that some legislators don't appear to want authorizers to provide oversight, but would rather simply let schools fail if their finances aren't managed

appropriately. He struggled with the apparent disconnect between this sentiment and nationally identified best practices for authorizing.

Commissioner O'Donahue said it is important for the PCSC to do its due diligence as an authorizer while taking great care to respect the autonomy of charter school boards. It is the school boards that are responsible for their financial decision-making. The PCSC needs to be aware of the results of those decisions and respond to safeguard taxpayers if necessary.

Chairman Reed said that the case studies emphasize the importance of following through on enforcing the quality standards set forth in the Petition Evaluation Rubric. Schools that meet the identified requirements are more likely to be successful.

Commissioner Quinn suggested that, at a future meeting, PCSC staff provide a review of the petitioning process.

Director Baysinger agreed that this review would be helpful, and suggested that the education segment also review the established process for ongoing oversight of PCSC-authorized schools.

Director Baysinger requested PCSC guidance regarding how deeply schools should be reviewed coming up to their renewal years. She inquired whether the PCSC wished to see the same level of review for all renewal-year schools, regardless of past outcomes, or whether schools without identified concerns should be subject to less intensive review.

Commissioners Scigliano and O'Donahue opined that schools that are meeting the benchmarks established in their performance certificates and frameworks should not be subject to intensive review. However, schools with identified "red flags" should be reviewed more thoroughly. There was general consensus among Commissioners on this point.

Commissioner Quinn emphasized that schools should have advance notice of the renewal process, as well as any concerns that have been identified.

Director Baysinger noted that individual discussions were held with each school during the performance certificate adoption process. Performance certificates clarify the performance standards to which both parties have agreed. Statute and PCSC policy detail the renewal process. Annual reports identify any areas of concern, as do courtesy letters. Schools in their renewal year will be provided with additional guidance by November 15. Additional training and communication can be made available to ensure schools are well informed.

#### **4. Commission Education: Transportation and Student Demographics**

Kirsten Pochop, PCSC Charter Schools Program Manager, shared the results of her inquiry into a question asked by the PCSC when the PCSC's annual report was presented in April: Does the provision of transportation impact a public charter school's student demographics?

Ms. Pochop said the data is insufficient to offer a statistically significant conclusion. Very few PCSC-authorized schools do not offer transportation; this and the overall small number of schools result in an inadequate sample size. There are examples of schools

that offer transportation but do not have diverse student populations, as well as examples of schools that do not offer transportation but do have special populations that represent or exceed those of their surrounding districts. It is likely that other factors, in addition to the availability of transportation and free-and-reduced-price lunch, influence the student demographics at any given charter school. Regardless, staff strongly encourages new charter petitioners to plan for the provision of transportation and FRL services, in order to best ensure that all interested students have the opportunity to attend their school of choice.

The meeting was adjourned at 12:22 p.m.