

**APPROVED MEETING MINUTES
PUBLIC CHARTER SCHOOL COMMISSION MEETING
THURSDAY, OCTOBER 20, 2011
700 W. STATE STREET, BOISE, IDAHO
JRW WEST CONFERENCE ROOM**

A regular meeting of the Idaho Public Charter School Commission (PCSC) was held Thursday, October 20, 2011, at 700 W. State Street, Boise, ID, JRW West Conference Room. Chairman Alan Reed presided.

The following members were in attendance:

Brad Corkill
Gayle O'Donahue

Gayann DeMordaunt
Wanda Quinn

Nick Hallett
Esther Van Wart

Chairman Reed called the meeting to order at 9:00 a.m.

1. Commission Work

Agenda Approval

M/S (Hallett/DeMordaunt): To approve the agenda as published.

Rolling Calendar

M/S (DeMordaunt/Van Wart): To approve April 5, 2012, as the date and Boise, Idaho as the location for the regularly scheduled PCSC meeting to follow the February 9, 2012, meeting. *The motion passed unanimously.*

Minutes Approval

M/S (Van Wart/DeMordaunt): To approve the meeting minutes from August 25, 2011, as submitted. *The motion passed unanimously.*

2. Liberty Charter School Annual Update

Rebecca Stallcop, Administrator; Sheila Bryant, Board Vice Chair; and Elaine McKnight, Board Clerk, represented Liberty.

Commissioner O'Donahue recused herself from the discussion due to her employment at Liberty Charter School.

Commissioner Van Wart said she was impressed by Liberty's extensive waiting lists for enrollment. She asked Liberty to share their business practices which contributes to their success.

Ms. Bryant said the school's success depends upon its adherence to the Harbor Method and following the original vision of that method with a self-contained K-8 school, operating the school frugally, creating a supportive work environment, and maintaining high expectations for teachers.

Commissioner DeMordaunt said she spent two days at Liberty as part of a reaccreditation visit with Northwest Accreditation team and was very impressed with every aspect of the school.

3. Commission Education: The Harbor Method

Ms. Rebecca Stallcop, founder of the Harbor Method, gave a presentation regarding the Harbor School Method including philosophy, academics, character education, role of the governing board, budgeting policies, self-contained classrooms, steward leadership, principal involvement, attendance policies, and teachers' duties.

Commissioner Van Wart asked what will occur with regard to schools that label themselves Harbor but are not following the Harbor Method.

Ms. Stallcop said she will need to pursue this matter via her legal counsel.

Commissioner Van Wart commended Ms. Stallcop for her energy, passion, and commitment. She inquired whether anyone could fill Ms. Stallcop's role if necessary.

Ms. Stallcop said there are seven individuals within Liberty that have administrative degrees. She noted that she would not consider hiring an administrator who was not an experienced Harbor Method teacher.

Commissioner Hallett commended Ms. Stallcop for a powerful presentation. He inquired regarding how Liberty addresses the need for science specialists in middle schools.

Ms. Stallcop said Liberty has revamped its science program and has a full-time science teacher in place. This is the only subject at Liberty where a specialized teacher is involved.

Commissioner Hallett asked how Harbor teachers are trained now that the Harbor Institute is defunct.

Ms. Stallcop said the Harbor Institute used consultants, a model that proved ineffective. Only schools that commit to absolute adherence to the Harbor Method now have access to the level of expert training and modeling necessary to create a successful Harbor school.

4. Taylor's Crossing Public Charter School (TCPCS) Corrective Action Plan

Aaron Clegg, Board Chair; Andrew Meyer, Superintendent; and Amanda Ulrich, counsel with Holden, Kidwell, Hahn and Crapo, P.L.L.C., represented TCPCS.

Ms. Ulrich said that TCPCS takes the NOD very seriously and would like to reach a speedy and efficient resolution. She said TCPCS entered into the contract-plus-waiver agreements based on their interpretation of the new Luna laws and requested that the PCSC wait to proceed with further action against the school until a declaratory ruling can be obtained from the SDE.

Jennifer Swartz, PCSC counsel, said the PCSC's role is to ensure teachers are on contracts approved by the superintendent of public instruction, which TCPCS's teachers currently are not. She said the PCSC is not obliged to take any action at this point.

Tamara Baysinger, PCSC director, said the SDE has stated that they do not believe that the contract plus the waiver is, or can be, a form approved by the superintendent of public instruction. At this time, SDE has provided no indication that they will change their position.

Commissioner Van Wart asked why TCPCS feels this issue is so important.

Mr. Clegg said TCPCS is looking to provide the best educational environment for their students, and the concept of tenure can be counterproductive to providing quality education. He said he believes TCPCS is a Harbor school, but acknowledged the school is not meeting all the qualifications described by Ms. Stallcop. He said he is working with Ms. Stallcop to ensure that TCPCS properly implements the Harbor method.

Commissioner Hallett asked if SDE will withhold funding based on the teacher contract issue.

Ms. Baysinger said the PCSC will know the answer to that funding question well before the next PCSC meeting in December.

The PCSC and TCPCS representatives discussed the history of teacher contracts at TCPCS. Dr. Meyer said TCPCS has never offered tenure, and the PCSC noted this probably constituted past violation of the law.

Myrna Guthrie, teacher at TCPCS since the school opened in 2006, read an October 17, 2011, letter from the TCPCS board to the school's teachers. She noted that eight TCPCS teachers have continuing contract rights, and seven are in disagreement with the contract-plus-waivers. She confirmed that teachers were not permitted to sign the higher-salary contract without also signing the waiver of tenure rights.

Alan Dopp, former TCPCS teacher and interim high school administrator, testified that he had been released from his position at TCPCS. He cited documentation of questionable events at the school that occurred since Dr. Meyer was hired as superintendent. He expressed confidence in the teachers and concern about the board and administration.

The PCSC agreed to wait until the December meeting to take further action regarding TCPCS, in order to give the SDE time to respond to legal questions.

5. Wings Charter Middle School Corrective Action Plan and Proposed Charter Amendment

Letha Blick, Administrator; Misty Greco, Business Manager; Kathy Tanaka, Board Member; Erin Goodwin, Board Member; Melody Lenkner, founder; and Kristy Oberg represented Wings.

Ms. Tanaka read a letter of apology from Claire Major for her absence due to a family medical issue. She said board members Vera Redman and Brent Mollerup were unable to attend due to illness and employment obligations.

Ms. Blick described steps regarding segregation of duties to build internal fiscal controls. She also discussed the school's plans to update student IEPs, hire a math coach, and develop a strategic plan. She reviewed a proposed amendment to expand the primary

attendance area of the school, which would make additional transportation reimbursement available.

M/S (Corkill/Van Wart): To approve the proposed charter amendment as submitted by Wings Public Charter School. *The motion passed unanimously.*

The PCSC expressed appreciation for Wings' progress but requested continued provision of monthly updates to staff.

6. North Valley Academy (NVA) Proposed Charter Amendments

Debra Infanger, Board Chair; Gayle DeSmet, Head Administrator; Cheri Vitech, Administrator; Betty Fredericksen, Special Education Teacher; and Cathy Thompson, Administrative Clerk, represented NVA.

Ms. Infanger reviewed the two proposed charter amendments presented in the meeting materials.

Chairman Reed noted the school's negative, three-year growth rate and said it does not appear that NVA has a need for increased enrollment caps.

Ms. Infanger said the increase would permit the admission of students in certain grades that are currently full, making it more likely that siblings will enroll in other grades that are not currently full.

Commissioner DeMordaunt verified with Ms. Infanger that the school has sufficient facility space to accommodate the expansion.

The PCSC questioned the NVA representatives regarding how ADA will be calculated for the proposed blended program.

In response to PCSC question, Ms. Infanger agreed to modify the proposed amendment to remove a change striking the language "in all aspects" from the MSES section.

M/S (DeMordaunt/O'Donahue): To approve the proposed enrollment cap increase charter amendment as submitted by North Valley Academy. *The motion passed 5-1, with Commissioner Hallett dissenting.*

Commissioner Hallett said the current waiting lists did not warrant an increase in the enrollment cap.

M/S (Hallett/Corkill): To approve the proposed blended program charter amendment as submitted by North Valley Academy. *The motion passed unanimously.*

7. Xavier Charter School (XCS) Status Update

Debbie Burr, Board Chair; James Wallace, Board Member; Joan Hurlock, Board Vice Chair; Mark Lambert, Board Member; Kelley Murphy and Mel Wiseman, Interim Administrators; and Justin Lanting, Business Manager, represented XCS.

Ms. Burr updated the PCSC regarding XCS's financial situation, noting the use of GASB accounting procedures and new policies to ensure proper segregation of duties. Payroll is now being done in-house rather than by the previous management company, Paragon, and a non-certified pay scale schedule has been instituted. The budget for this fiscal year is based on an enrollment of 635, and current enrollment is 648. Teacher salary cuts were implemented in order to balance the budget.

Ms. Burr expressed confidence that the school is current on all bills. Last year, \$54,000 in expenses were not taken care of by Paragon as the school believed; XCS has made the necessary payments. Mr. Lanting negotiated a three year payment plan for the Skyward program.

Ms. Burr said the most significant financial issue faced by the school is the lease of the current facility which, at 30% of the total budget, is unsustainable. XCS is investigating possible renegotiation of the lease or a move to a different property. The school has recovered \$200,000 which was accumulating in an account established by Paragon, for which the school's board did not receive any statements during the last school year.

Ms. Burr said there is a need for more technology and a computer lab at the school. Students have very little access to technology. New monies coming from the state will be used to increase this access.

Ms. Burr noted that the school's librarian and counselor positions have been eliminated, but seniors have access to certified staff members who can assist with college plans and applications.

Ms. Burr acknowledged that XCS is not now able to determine its carryover balance from the last school year, and has retained an accountant to assist with clarification needed due to inadequate record keeping by last year's board, employees, and management company. A new, independent audit is scheduled and results are expected at the end of November; the board does not have confidence in the reliability of the independent audit performed by the vendor Paragon selected.

With regard to enrollment, Ms. Burr said, waiting lists are in place for grades K-6. Ad hoc exit interviews indicate that students leave XCS due to family moves, lack of athletic programs and dual credit opportunities, the dress code, and strong academic rigor. Some students have left due to the school's continued administration problems, but this does not appear the main cause of attrition.

Ms. Burr said that XCS accepted the resignation of its administrator, new this school year, on October 6, 2011. The school has contracted with Murphy Consulting on a month-to-month basis to provide administrative services while the board develops job descriptions for its administrative positions and seeks a new, permanent administrator. Interviews should begin in January 2012.

Additionally, Ms. Burr said the XCS board is participating in training to improve its ability to evaluate candidates and create a strategic plan. The board has created a marketing and public relations committee to focus on positive media attention for the school. XCS made AYP in Spring 2011, and parent surveys reflect support for the school.

Commissioner Hallett asked if any of the school's budget problems came up in audits.

Ms. Burr said the auditors, selected by Paragon, were not local and gave a completely clean audit report that the school's new board does not believe is accurate.

Commissioner Hallett asked if the building lease contracts were approved by the school board.

Ms. Burr said the board gave that authority to the board chair, and she was unsure whether contracts were ratified by the full board. The person in charge of taking board minutes was an employee of Paragon. All but one of last year's board members have been replaced. Currently, the board ratifies all contracts and reviews all invoices. XCS is coming from a full year of inadequate fiscal oversight and is taking a careful look at all financials. The current board is comprised of experienced business professionals.

Commissioner Corkill asked how the school can be assured that its persistent failure to hire a successful administrator will not recur.

Ms. Hurlock said the board recognizes the significance of the administrator selection and will take the time necessary to hire well.

Ms. Burr said XCS recognizes that a clear, hiring process needs to be in place and include the input of school founders.

Commissioner Quinn commended the board for its professional presentation. She inquired who is examining Paragon's records to determine the school's actual, financial status.

Ms. Burr indicated one individual from a CPA firm is doing the accounting cleanup and a different individual is performing the audit.

Mr. Lanting added that XCS received six boxes of documentation from Paragon, which was not organized in any logical way. XCS is hoping the audit cleans up records and provides a complete list of liabilities.

Commissioner DeMordaunt said fall attrition was a concern. She inquired how current attrition compares to last year's attrition.

Ms. Burr said that attrition over the two years is comparable.

Mr. Wiseman noted that most seats have been refilled from the school's waiting list. He said the school intends to implement a formal exit survey. He also indicated that XCS will obtain SDE assistance with budgeting and should have reliable budgets in November.

Commissioner DeMordaunt requested enrollment updates over the next six months to ensure that enrollment remains stable.

Commissioner Van Wart asked what XCS plans to do to address technology access.

Ms. Burr said a plan will be developed.

Mr. Wiseman said planning will need to be done to determine how space can be allocated for a computer lab.

Commissioners Hallett and Reed noted that the XCS charter specifically commits to the provision of a technology-rich environment, which is not in place. Stakeholder surveys indicate dissatisfaction in this regard.

The XCS representatives said that all classrooms have projectors, many are using Moodle for assignments, English classrooms have computers, and there are two, rolling carts with laptops available for students.

The PCSC asked XCS to provide additional information regarding their provision of a technology-rich environment, as described by the charter, for presentation at the next commission meeting. The school was also asked to provide their new fiscal audit, updated budgets and enrollment information, and an exit survey process.

8. Victory Charter School Annual Update

Leslie Mauldin, Board Chair; Dr. Marianne Saunders, Administrator; and Niki Crow, Board Clerk, represented Victory.

Commissioner O'Donahue recused herself from the discussion due to her employment with Victory Charter School.

Ms. Mauldin and Ms. Saunders reported that Liberty will continue to model the Harbor Method. Sports teams are doing well and winning championships. Victory met AYP in spring 2011, waiting lists continue to increase, Free and Reduced Lunch is at 53%, and a new science program is in place.

9. Commission Discussion: Student Fees

Ms. Swartz provided information to the PCSC regarding appropriate and inappropriate student fees in public schools. She concluded that student fees may not be assessed for mandatory aspects of a student's education.

The PCSC asked staff to provide to all PCSC authorized schools a letter providing guidance with regard to appropriate and inappropriate student fees.

M/S (Van Wart/DeMordaunt): To adjourn the meeting. *The motion passed unanimously.*

The meeting was adjourned at 2:42 p.m.