

September 12, 2019

MINUTES OF THE
UTAH STATE CHARTER SCHOOL BOARD MEETING

Thursday, September 12, 2019
Utah State Board of Education—Board Rooms

DRAFT

Members Present:

Chair Kristin Elinkowski (*refrains from voting, unless otherwise noted)
Vice Chair DeLaina Tonks
Member Cynthia Phillips
Member Jim Moss
Member Bryan Bowles
Member Krystle Bassett
Member Michelle Smith

Staff Present:

Jennifer Lambert
Assistant Attorney General David Jones
Rabecca Cisneros
Michael Clark
James Madsen
Amber Hellstrom
Brett Campbell
Stewart Okobia
Greg Connell
Marie Steffensen

Others Present:

Chair Mark Huntsman (USBE), Super. Angela Stallings (USBE), Sophia Weiss (AISU), Jessica Benson (AISU). Judy Ferris (Navigator Pointe Academy—NPA), Kristi Anderson (NPA).

Call to Order

Chair Elinkowski called the meeting to order at 10:12 AM.

Pledge of Allegiance

A flag was present and the Pledge of Allegiance was made by those in attendance.

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Public Comment

Ms. Sophia Weiss, a parent and former PTO president at American International School of Utah (AISU), made public comment about dissatisfaction over AISU's closure, discussion with the legislature, distrusting USBE and SCSB, and shared responsibility.

Ms. Jessica Benson, a former teacher and parent of a former student at AISU, commented on focusing on the future as opposed to the past, the need for mandatory transparency, restricted and unrestricted funding, administrative processes, expertise and comradery of faculty at AISU, the merits of AISU's model, and faculty's response to Warning status.

Board Chair Report

Chair Elinkowski reminded the board of the NACSA 2019 Leadership Conference.

Consent Calendar

A) August 9, 2019 and July 16, 2019 Minutes, B) Monthly Financial Report, C) Revolving Loan, D) Finance Policy, E) Beehive Science & Technology Academy Start Date.

Motion

Member Smith moved, and Member Phillips seconded "to adopt the consent calendar." The motion was carried unanimously.

Board Elections

Executive Director Lambert noted only receiving nominations for Chair Elinkowski to resume as chair, and Vice Chair Tonks to resume as vice chair.

Motion

Member Bowles moved, and Member Phillips seconded, "to dispose of elections." The motion carried unanimously.

Innovations Committee Update

Members of the Innovations Committee reported on discovering massive barriers to innovation, and Utah being only "evergreen" state for charters (where renewals do not exist). The committee proposed renewals at the three-year mark.

Lessons Learned from AISU Closure

Scrutiny and specific things that would have been red flags if AISU's application were to come before the SCSB now, school financial structures and transparency with taxpayer funds, historical amount of employees on SCSB staff compared to now, current expertise, Oversight Model and when it was created, tracking and monitoring in the Utah Charter Access Point (UCAP), AISU's conditions of Notice of Concern and its terms of Warning, AISU's rejection of the Voluntary School Improvement Program (VSIP), and strengths and guidance of SCSB's

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closure manual and checklist was presented.

Some issues and lessons learned:

- Governing boards are first opportunity to identify and resolve concerns
- Transitions are disruptive
- Actions of adults in background cause issues for students in foreground
- Balancing transparency. Public action causes enrollment to drop, but that enrollment quickly rebounds when school works on problem. Closed sessions being used because of potential criminal charges, pending litigations, and lack of confirmation on specific allegations that would have made discussing them in open meeting irresponsible
- Bringing issues to the public sooner. Earlier intervention and transparency
- Documentation and communication should be formal in writing. A circumstance of passing information along to the agency with jurisdiction was done informally and subsequently not acted on
- Additions to closure manual. Unusual position of schools being bound by corporate law and Board rule, because charter schools are non-profit corporations. The need for additional clarity on asset distribution, jurisdiction, and settlement of debts
- Authority of implementation and lacking tools to exercise oversight.

Possible changes:

- Beefing up application process. Requiring background checks with applications, not just when the school is approved
- Asking for same credit information in application like that which is required in Revolving Loan applications
- Getting a signed Assurance of Commitment of school's board members
- Addressing loopholes that have allowed schools to hide contracts they have entered in to.

The board discussed requiring separate accounts for restricted and unrestricted funds from the start, having schools ready to take over struggling schools should the time come, alleviating disruption on students, legislatively separating charter contract from the non-profit corporations and clarifying claims on assets, schools who need the training the most are the ones not attending, identifying schools that need additional education and targeting them with required trainings, compliance monitoring, and seeking the authority for:

- Ability to reconstitute a governing board
- Ability to form an SCSB Audit Committee with subpoena power
- Authority subpoena records from a school's affiliated organizations
- An involuntary version of School Improvement Program
- Ability to redistribute a closing charter school's seats to another school/entity and not getting involved in the school's assets
- Allowing another school to come in and take over existing school

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- Soft charter renewals at year-three and a hard renewals after year-five
- Authority to approve a mutual receiver in the event of school closure
- Authority to enforce direction of assets
- Clarity on what happens when school has insufficient funds to close.

The board further discussed the timing of the Charter School Task Force, waiting for formal appointments, and putting the ideas from today into a form of possible actions the board could vote on at next month's meeting.

(Vice Chair Tonks had left the meeting for a personal matter.)

Transfer Rate Report

(Vice Chair Tonks returned to the meeting.)

Mr. Greg Connell requested board members log on to their computers to download Tableau Reader.

Motion

vice chair Tonks moved, and Member Bowles seconded, "to put the Transfer Rate Report on next month's agenda." The motion carried unanimously.

School Spotlight: Navigator Pointe Academy

Mr. Michael Clark introduced Navigator Pointe Academy, acknowledging their low transfer rate of under 3% year-after-year.

Representatives of Navigator Pointe Academy discussed their stakeholder surveys, which included the following four variables: 1) achievement grouping, 2) curriculum and emphasis on arts, 3) teachers and administration and 4) parent-school partnership in student character development.

Items from students were displayed, including: persuasive essays that consider audience, *Fahrenheit 451*, *Treasure Island*, sheet music, student art, 8th grade civics workbook, a Chromebook, a science project, jump rope, and Saxon math tools.

Mr. Clark commented that a student who attended the school then left for college had returned as a paraprofessional and is now a licensed teacher at the school.

Representatives of Navigator Pointe Academy were presented with a certificate before posing for a picture with board members.

School Assurances Report

Mr. Greg Connell presented the School Assurances Report for 2018-19, discussing governance and school achievement, listing the process of signing assurances in UCAP, timeframe for

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completion, participation rates, mandatory nature, changing the name of assurances to “SCSB Certifications” to differentiate from assurances USBE requires, rate of certification items met, amount of schools missing items, and the number of LEAs.

Legislative Committee Update and Plans for the Upcoming Session

Members of the Legislative Committee reported on productive legislative meetings with the Interim Standing Committees which generated feedback of aligning accountability with responsibility, importance of charter school governing boards and their oversight of staff and directors, need to ask the right questions, the need for a financial or legal expert on the board, importance of each charter school governing board meeting and reviewing financial obligations/reports, making sure SCSB requests data that they need to tap into, holding governing boards accountable for financial liability, creation of an SCSB audit committee with subpoena power, and the ability to appoint person with time commitments.

Asking legislators to consider acceptable risk and associated costs within an innovative environment of charter schools and what the acceptable cost for failure is, importance of reciprocity and transparency between USBE and SCSB when monitoring struggling schools, seeking clarification on what oversight means in statute and allowing for more aggressive tools to accomplish said oversight, earmarking closure funds and their specific uses, planning for future closures and inevitable future failures, and the need for seeking authority for the accountability the public eye believes the SCSB has was discussed.

Staff was instructed to bring additional options for actions to next month’s meeting.

(Member Bowles left the meeting for personal reasons.)

Motion

Vice Chair Tonks moved, and Member Smith seconded, “to go into closed session for the purpose of discussing pending, threatening, and reasonably imminent litigation.” The motion carried with the following votes:

- Chair Elinkowski—Yes
- Vice Chair Tonks—Yes
- Member Moss—Yes
- Member Phillips—Yes
- Member Bassett—Yes
- Member Smith—Yes

Closed Session

Motion

Member Phillips moved, and Vice Chair Tonks seconded, “to come out of closed session.” The motion carried with following votes:

- Chair Elinkowski—Yes

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- Vice Chair Tonks—Yes
- Member Moss—Yes
- Member Phillips—Yes
- Member Bassett—Yes

(Member Smith left during closed session.)

Potential Action from Closed Session

Motion

Member Phillips moved, and Vice Chair Tonks seconded, “that the State Charter School Board ratify, or give its approval for, the lawsuit now in play, which has the Utah State Board of Education and the Utah State Charter School Board as plaintiffs against AISU et al. And, in addition, as a second part of the motion, I move that the SCSB hold a meeting, an emergency meeting if necessary, to discuss and potentially approve any settlement related to this lawsuit, as needed.” The motion carried unanimously by those members present.

Adjourn

Motion

Vice Chair Tonks moved to adjourn. The motion carried unanimously by those members present.