

**Minutes of the
North Carolina Charter School Advisory Board
Conference Call – State Board Rm. 755
April 9, 2018
9:00 am**

Attendance/NCCSAB	Alan Hawkes - <i>Absent</i> Joseph Maimone Phyllis Gibbs Sherry Reeves Cheryl Turner Lindalyn Kakadelis Lynn Kroeger	Alex Quigley Tammi Sutton - <i>Absent</i> Steven Walker- <i>Absent</i> Heather Vuncannon Kevin Wilkinson - <i>Absent</i>
Attendance/SBE/DPI	<i>Office of Charter Schools</i> Dave Machado, Director Deanna Townsend-Smith, Assistant Director Shaunda Cooper, Consultant Stephenie Clark, Consultant	<i>SBE</i> <i>Attorney General</i> Tiffany Lucas <i>SBE Attorney</i> Eric Snider Jason Weber

CALL TO ORDER

- The North Carolina Charter School Advisory Board (CSAB) meeting was called to order at 9:00 am by Chairman Alex Quigley who read the Ethics Statement and CSAB Mission Statement. Mr. Quigley led the Pledge of Allegiance.
- **Ms. Heather Vuncannon made a motion to approve the March 5, 2018 meeting minutes. Ms. Reeves seconded. Mr. Maimone and Ms. Kakadelis requested specific changes to the meeting minutes specifically related to the CSAB renewal discussion. Dr. Townsend-Smith noted that OCS would make the requested changes. The motion passed unanimously.**

STATE BOARD OF EDUCATION UPDATES

- Mr. Quigley led the update on the applications with the State Board of Education. He stated they asked no questions and gave praise regarding the data report. They seem to have confidence in our recommendations. He stated it goes a long way when they see this board is aligned and they trust our decision-making process.

- Mr. Quigley stated that Dr. Townsend-Smith would be leaving OCS for a new position with the State Board. He praised Dr. Townsend-Smith for her incredible work and support in the Office of Charter Schools. We are very happy for her, but disappointed we will lose her.
- Mr. Quigley asked if there were any questions and asked for a status update for the transportation grant. Dr. Townsend-Smith stated award letters were sent out approximately a week ago to those schools that were awarded 65% of transportation costs.
- Additionally, OCS would be awarding a few more grant dollars to schools that were initially denied and was finalizing this task within the week. A second disbursement would take place by June 30th to close out fiscal year. Ms. Reeves wanted to know how many grants were awarded. Dr. Townsend-Smith replied that 35 to 38 of the 45 that applied were awarded funding. She stated that OCS are hoping the legislature would extend this opportunity for another year. Ms. Kakadelis asked if CSAB could get a list of schools and how much they were awarded. Dr. Townsend-Smith replied that she would email out that information.
- Ms. Kakadelis stated that some schools complained that the grant was a lot of work for a little bit of money. Dr. Townsend-Smith agreed and stated that next year OCS would probably not require schools to submit their receipts because we now have a way to go to the Division of School Business to request a document that captures transportation funding spent based on coding. They would need to complete an application to be considered, but may not have to submit all receipts as they did this year.
- Mr. Quigley asked if OCS had any sense if the grant would be available next year. Dr. Townsend-Smith replied that OCS submitted a technical correction to Ms. Holden (SBE, Legislative Director) requesting that the bill be extended an additional year, and the representative that sponsored the bill was open to the possibility.
- Ms. Kakadelis asked if OCS could be more specific about coding transportation costs. She talked to people that were not awarded funding because they did not code costs correctly. Dr. Townsend-Smith replied that OCS was aware of these occurrences and was working to make the process easier for schools.
- Ms. Kakadelis stated that the original legislation incentivized contract labor, and did not cover things like bus driver salaries. She asked if OCS was requesting that Ms. Holden have the technical correction address a change to cover more transportation costs. Dr. Townsend-Smith replied that in the technical correction, OCS asked that bus drivers that schools already have on their staff be covered.
- Mr. Maimone asked if the eligibility criteria would still be the free and reduced lunch percentage, or other criteria. Dr. Townsend-Smith replied that in the technical correction

OCS asked the Economically Disadvantaged (EDS) percentage of 50% be lowered to 35% or 40%.

- Mr. Quigley asked that with the technical correction, was there a request to increase the grant to 3.5 million dollars. Dr. Townsend-Smith replied yes.
- Ms. Turner asked how much was allotted with this first disbursement. Dr. Townsend-Smith replied a little over \$900,000 was distributed. The original ask was over the 2.5 million.

Raleigh Oak Charter School Amendment Request

- Dr. Townsend-Smith presented an amendment request to the CSAB regarding an increase in the school's enrollment in year one. She reminded the board of the original charter application and the CSAB's concern about the school's low enrollment its impact on the budget. Additionally, she reminded the CSAB of requests previously recommended to outline the precedent around such requests.
- Mr. Alex Quigley said his concern was as schools see they have more applications, they want to make the school bigger. Ms. Sherry Reeves wondered why the school wanted to suddenly add a new grade. Mr. Joseph Maimone remembered the same thing happening in his school in 1999 and stated there was such incredible demand for middle school, they requested to add another grade. He stated they requested a very similar timeline and were approved. Mr. Maimone believed it was a reasonable request of a school that was conservative and now sees a great demand and that CSAB should support the request.
- Ms. Turner stated that the school had actual student names and numbers to back it up so it seems like a legitimate request. Ms. Lindalyn Kakadelis agreed, especially since we were concerned with their low enrollment. Mr. Maimone stated this gives more strength to their final product, so when we have the numbers it will help with the budget, and so he supports this.
- **Mr. Maimone made a motion to support the enrollment increase by Raleigh Oak Charter School. Ms. Kakadelis seconded the motion. Mr. Quigley stated the motion has been properly moved and seconded and asked if there is any discussion. No discussion was held. The motion passed unanimously.**
- Dr. Deanna Townsend-Smith stated the Office of Charter Schools (OCS) would forward this request to the State Board of Education (SBE) and report back to CSAB the ultimate decision.

CSP Grant

- Dr. Townsend-Smith led the update on the CSP grant. OCS hoped the deadline was later in the year, but received notification three weeks ago that the application was due the 20th April.
- Mr. Maimone inquired whether there was any progress with contracting for assistance with the grant application. Dr. Townsend-Smith explained that since OCS had a lot of success with the grant last year with Mr. Tucker's help, OCS contracted with him to help with the grant this year. Mr. Tucker was leading the charge and having consistent meetings with Mr. Dave Machado and Dr. Townsend-Smith. She stated OCS was looking at last year's grant and identifying those areas with low marks and making improvements with this year's application.
- Dr. Townsend-Smith explained that this year's the grant would be awarded to states that have not received a grant before and this puts North Carolina in a good place. She explained that the draft copy of the grant would be emailed out for review and feedback by the end of the week.
- Dr. Townsend-Smith presented ten specific purposes of the grant as outlined on slides. She did not read them verbatim (they have been provided previously) but highlighted four specific purposes that excite OCS: providing technical assistance to new applicants, providing financial assistance during planning year, increasing the number of high quality charter schools, and providing facility support.
- Dr. Townsend-Smith asked for questions. No questions were received.
- Dr. Townsend-Smith explained that when we talk about those eligible to apply, we were applying as a State Educational Agency and then we would award sub-grants to those that qualify. OCS would try to apply for as much funding as possible. The range was between two million and 25 million up to five years. The NC Department of Education was expecting to award between three and eight grants. OCS feels like we have a great chance of receiving the grant. If that happens, we would need to do some restructuring in the office. We would need to hire someone dedicated solely to the grant as there would be a lot of reporting. There were restrictions in awarding sub-grants so we are working to ensure those are not included in the proposal.
- Dr. Townsend-Smith explained the competitive priorities and outlined what specifically the NC Department of Education would be looking for and to be selected we must maximize as many of these points as possible.

- Dr. Townsend-Smith explained that OCS has been trying to meet this aggressive timeline. OCS found out about the grant March 9th, participated in the March 14th webinar, and needed to submit the grant by April 20th. We have requested letters of support and encouraged CSAB members to write letters of support as well. The plan was to submit the grant by April 17th.
- Mr. Maimone asked Dr. Townsend-Smith if there was anything specific to include in a letter of support. She responded specific reason for the support would be beneficial. She would consult Mr. Tucker and email the Board with more information.
- Mr. Quigley asked if there were any other questions related to State Board issues. No questions. He stated we will begin the policy committee item.

POLICY COMMITTEE

Renewal Policy

- Mr. Quigley led the policy committee discussion. He stated the main order of business was an approval to changes to the renewal policy. The primary changes were shifting the language around requirements for renewal, adding descriptive detail, and calling the current renewal framework a renewal guideline. CSAB understands there is flexibility around the guideline; there was some subjectivity and a variety of factors CSAB considers during renewal.
- Mr. Quigley stated the biggest change was adding a five-year renewal. So now there would be a bridge between the three-year renewal and the seven and ten-year renewals.
- Mr. Quigley explained that if there were no real organizational or financial issues and the school was meeting its growth target, the school could easily receive a five-year renewal. This would help a school with obtaining loans. Mr. Quigley stated he felt good about the revisions as the CSAB has recommended a few 5-year renewals over the years and now that practice would be codified and formalized.
- Mr. Quigley asked if there were any questions. Ms. Reeves wanted to know if there was a difference between the seven-year and five-year renewal. Mr. Quigley responded there was supposed to be a difference. He believed it was supposed to read the same as the ten-year renewal.
- Dr. Townsend-Smith read from last month's minutes outlining the language. Mr. Maimone believed the minutes were incorrect also. **He stated we have a mistake in the**

minutes we will need to amend. He recalled Mr. Walker's motion being academic outcomes comparable to the local school administrative unit in at least two of the three preceding years or has met or exceeded growth in the last two of three years. Mr. Maimone explained this is a small difference from the seven-year renewal that gives a little more flexibility. **Dr. Townsend-Smith asked Mr. Maimone to email her the exact language to put into the renewal.** He stated he would do that and copy it to Mr. Walker to confirm. Mr. Maimone stated it was a subtle difference that could be important to schools that are doing well with minority populations, but when compared to the whole LEA they were still not meeting academic outcomes three out of three years.

- Mr. Quigley stated that we would need to make some changes and make sure it was accurate and reflected statute.
- Mr. Snider read from the statute 115C-218.6 regarding review and renewal of charters. He stated subsection B states that the State Board of Education (SBE) shall renew a charter upon the request of the chartering entity for subsequent periods of 10 years, unless certain criteria apply. So, if the school did not fall into one of these exceptions, the school receives a ten-year renewal. He continued to state that looking at subsection 2, we would not give you a renewal if the charter school's academic outcomes for the immediately preceding three years have not been comparable to the academic outcomes of students in the local school administrative unit in which the charter school was located.
- Mr. Quigley asked if we are following statute if we have "or" about exceeding growth for example. Mr. Snider said that the State Board "must" approve a ten-year renewal if they did not fall into these exceptions where they were not entitled. Your review guidelines can provide some flexibility about what this Board recommends to the State Board. Mr. Snider continued that 115C-218.6 takes away the State Board's discretion in providing ten-year renewal. The SBE must provide ten-year renewal under certain circumstances. Mr. Maimone asked if the language was correct on the ten-year renewal. Mr. Snider believed it was correct; CSAB had the discretion to make that recommendation. **Mr. Maimone said he would email the language on the five-year renewal for review.**
- **Dr. Townsend-Smith stated OCS would bring this policy for an additional review and discussion at the May meeting.**
- Dr. Townsend-Smith stated earlier in the meeting an amendment was made when we approved the meeting minutes that the governance training component OCS was proposing only be required of those schools that receive less than a ten-year renewal. She asked if that was correct. She continued that the reason OCS wanted to have this required governance training at renewal was that OCS noticed a lot of board turnover during a

school's life cycle and wanted to provide training to the current renewing group. She asked CSAB if it was too much to ask that a renewing school complete one governance training.

- Ms. Reeves said she felt that every board getting a renewal should have some type of new training. She believed each school should have governance training. Dr. Townsend-Smith clarified that the entire board would not be required and that there are a variety of formats that could take place – in person, virtually, meeting here – whatever meets the needs of the board. She continued that the training had not been planned out, but would expect at least one day.
- Ms. Turner stated she was not sure a full day was reasonable. Ms. Kakadelis agreed, especially if you were planning on going to one of their board meetings to conduct it. Mr. Quigley asked if there was a way to have a four-hour webinar type of training. Dr. Townsend-Smith said she heard the CSAB concerns and OCS could do the training during the time frame of a board meeting or OCS could do it virtually. Mr. Quigley had concerns about best leveraging the resources of OCS. Ms. Turner asked if it could be like the ethics training CSAB is required to complete.
- Ms. Kakadelis said she was concerned with Dr. Townsend-Smith leaving, if this was a high priority because it was up to the charter schools to keep up with the governance training. She continued she was concerned with the capacity of OCS. Dr. Townsend-Smith agreed and the OCS was thinking of capacity and reframing how we do business. She continued that the web-based system and the online professional learning piece would help with the capacity issues.
- Ms. Kakadelis stated that this issue needs to be tabled until we get the other things accomplished. She believed the best way to do the governance training was like the ethics training, but she would like to see it developed before it became policy.
- Mr. Quigley said there were many ways for boards to self-manage. He did not want to be in a position where schools were blaming OCS for not providing training. He continued that his school uses Board on Track and would be interested in OCS talking to Board on Track about getting boards on this system.
- Ms. Kakadelis reiterated that CSAB needs to hold off for about six months until we learn more about the web-based software system. Ms. Reeves stated she did not think that is the issue. She continued it was not about the type of training, but schools need updated training and she believes they did. Ms. Kakadelis would still like to see it developed before this language was placed into policy. Ms. Kakadelis was not saying no, but that we should hold off for now.

- Ms. Reeves stated that the policy currently stated beginning with the 2020 renewal cycle and asked how much further we needed to push it down the road. Mr. Quigley said it sounds feasible. He stated the training could be a wiki page or PowerPoint.
- Mr. Quigley confirmed that OCS would update the renewal policy and send it out, but he would be in favor of changing the language to “board submits documentation of attendance or participation in official governance training.” He continued that there were plenty of different resources to certify this, and wanted to put the work on the board itself, rather than OCS taking on the burden of providing training.
- Mr. Quigley believed it would be easier to place the responsibility on schools and by providing resources and showing them how to document it could be an easy way to get started. Ms. Kakadelis agreed with these sentiments – there were lots of ways to get governance training. She continued that if CSAB sees that OCS has capacity, and they want to offer some training, then fine, but the burden should be on the board of the school, not OCS.
- Ms. Reeves stated she wanted to make sure that the charter school boards realized this was something to take seriously and must get the training. She continued if the governance training is not required, the board’s may not complete the task. Mr. Quigley said that maybe Ms. Cooper could come up with a list of five or six ways to meet these criteria.
- **Mr. Quigley stated OCS would make these revisions and present the revised policy at the May 2018 meeting.**

PERFORMANCE COMMITTEE UPDATES

Fast Track Replication Policy

- Mr. Maimone reminded the CSAB that many conversations were had about the differences between fast track replication versus all replication. Ultimately, it was decided that this policy should only pertain to fast track replication to be able to bypass the planning year requirements. He hoped that all members agree with this consensus. There were no objections from Board.
- Mr. Maimone continued that the discussion was that replication would be handled in a different way, in the sense that you were not asking for an accelerated year just to replicate. The way we would handle acceleration/replication would be on an individual charter application. There would need to be a certification at the end of each section of

the application certifying that information was or was not copied from another application. The CSAB would then assess the value of that application. This policy would only pertain to those few situations that are looking at fast-track, which was what legislation requires. Dr. Townsend-Smith replied that the OCS was incorporating the certification changes into the application.

- Mr. Maimone stated that he sent all changes with some highlights to the performance committee. Dr. Townsend-Smith made changes to the document as directed.
- Ms. Kakadelis inquired about the difference between an in-state and an out of state “Fast-Track.” Looking under 1, small letter a. She thought the in-state should have “or” otherwise you would have different criteria for in-state and out of state. Dr. Townsend-Smith made changes to the document as directed.
- Ms. Reeves directed the Board’s attention to number 2 on the document. She stated the first language conflicted where it outlined “nonprofit board that does not currently operate” yet in A it says, “must demonstrate that each of the school is being managed in North Carolina.” She asked if that was a conflict. Dr. Townsend-Smith made changes to the document as directed.
- Ms. Kakadelis directed the Board’s attention to section A. She thought there was too much there because we were saying in “North Carolina” and then we say, “if they are not managing a school in North Carolina.” It was redundant. Mr. Maimone agreed. Dr. Townsend-Smith made changes to the document as directed. Mr. Maimone said to take out the entire line from “if” to “above.”
- Ms. Reeves directed the Board’s attention to section B, scratch out “in North Carolina.” She asked if we needed “if the schools it manages do not have the data listed above.” She did not think we wanted that because we were saying if it is a new EMO to North Carolina and did not have data, it would need to provide data from another state. But here we were talking specifically about a EMO that did not have a school in North Carolina.
- Dr. Townsend-Smith made changes to the document as directed. **Mr. Maimone suggested that with the numerous changes, we take all the amendments and changes, and have a clean version for May approval. All members agreed.**

Management Company Policy

- Mr. Maimone stated that under the management company policy one, the main change sent to our committee was the highlighted yellow where the definition was added. 1 and 2 are the same, there was an addition in number 3 “definition of charter support

organization” where we wanted to get disclosure from applicants when they were using a contracted group to help them write their charter or any significant part of the charter application process.

- Mr. Maimone stated we wanted to stress and be careful not to limit a school and make them feel they had to make all decisions on contracts before they apply because that would be perceived as a significant change in the charter if they were contracting for something after their charter was approved. CSAB wanted to be clear they were emphasizing in the charter application process they needed to know who gave an applicant technical assistance with writing the charter.
- Ms. Reeves stated we can ask for a disclosure, but we may not always get it and that was where her hesitation was; she thinks it is necessary and hopes applicants would be honest.
- Mr. Maimone stated that going back to the application process, where applicants certified if they received help in each major section, that should go a long way in making people think twice about just trying to sneak it in there without disclosure. He hoped that would urge people to disclose when they received help.
- Mr. Maimone asked if it was essential to have definition of charter support organization other than EMO or CMO.
- Mr. Quigley replied the biggest challenge will be number 3 under item 4. He believed OCS would get many questions about item 3 – specifically, what do they disclose. Dr. Townsend-Smith said that applicants were already asked via an Appendix which required them to check off if they were considering using a third-party vendor.
- Mr. Maimone said the only two changes to the policy are addition to definition 3 and line 3 under 4. He was comfortable with those and liked that it emphasized existing partnerships. Once the charter was approved, there could be additional partnerships. Our goal was to make sure that when the charter was written, disclosure detailing specific help was given by what organization.
- **Ms. Reeves made a motion to request that the full Board approve this amended policy. Ms. Kakadelis seconded that motion.** Mr. Maimone asked if there was any other discussion on this policy. He stated that the new policy title is “Charter School Administration Management Organizations and Support Organizations.” No discussion. **Motion passed unanimously.**
- **Mr. Maimone made motion to approve at full Board level. Ms. Reeves seconded. Motion passed unanimously.**

CALENDAR UPDATES

- Mr. Quigley moved the discussion to the May calendar and remainder of meetings for this fiscal year.
- Dr. Townsend-Smith stated that OCS was proposing a one-day meeting on May 7th. We were proposing it May 7th because of pending litigation later in the week. We are proposing it start at 9am.
- Dr. Townsend-Smith explained that the June meeting was scheduled to be on 11th and 12th, OCS was proposing the 12th. Typically, OCS has CSAB present for the RTO component because you have those groups coming in. So, Dr. Townsend-Smith needs some decision on if you want the group to come in or present to you virtually.
- Dr. Townsend-Smith explained that in July, OCS was proposing the CSAB go to the Association Conference. This year the conference would be in Wilmington and we would like to have CSAB present there for a half day meeting. The dates are July 15th through July 17th. Mr. Maimone and Mr. Quigley stated they would like to meet there. **CSAB decided to meet July 17th.**
- Dr. Townsend-Smith asked what the CSAB would like to do for the June meeting. Mr. Maimone and Mr. Quigley preferred Monday, June 11th. Ms. Reeves asked how many groups would present for the RTO component. Dr. Townsend-Smith replied 16 with one more proposing a year delay possibly. OCS would need to determine the exact number of schools once RTO submissions are complete in the next few weeks. Ms. Reeves asked if once CSAB received the enrollment update in May could they decide which groups would appear in June. Dr. Townsend-Smith said yes, but if we discover significant facilities delays we may have to offer an alternate recommendation for your consideration.
- Mr. Quigley asked how the CSAB felt about having the RTO groups present in person. Mr. Maimone stated that if boards were coming from a long distance and trying to get a school open, I would be challenging. He suggested CSAB limit in person appearances and only require this appearance if there was a serious issue that had developed about facilities or enrollment and possibly even allowing them to call in rather than come in. Ms. Kakadelis agreed and said CSAB should make it as easy as possible for the school.
- Ms. Vuncannon suggested we set up a webinar where the groups appear during their scheduled time. Mr. Quigley did not have an issue with taking a board's time if they were fumbling through the RTO process. But, if RTO groups only needed five minutes at the mic that was not a good use of time. Mr. Maimone suggested that CSAB should be optimistic and hopefully it would not need any face to face interviews with schools if they were on track to open.

- **Mr. Quigley clarified that the June CSAB meeting would Monday, June 11th focused on Ready to Open. Tuesday June 12th, the CSAB would not have a meeting. July 17th, the CSAB would have an in-person meeting at the Association meeting at Sunset Beach. Dr. Townsend-Smith said they may not need a meeting in August.**
- Ms. Reeves had a question about facilities – she asked if in June that Dr. Williams report on the Certificate of Occupancy statuses. Dr. Townsend-Smith said that or where schools were with the progress of their permanent facility. Dr. Townsend-Smith explained ultimately, OCS works to get the charter agreement signed and executed, so OCS needed a firm report before that executed document went out.
- Dr. Townsend-Smith asked if there are any questions about the May agenda besides the adjustments previously presented. Mr. Quigley clarified that that the May meeting would be one day. Dr. Townsend-Smith wanted to remind the CSAB that they needed to annually elect their chair and vice chair at the meeting in July and do strategic planning as was conducted did this past year.
- Mr. Quigley asked if we have anyone rolling off the board. Dr. Townsend-Smith stated no, not until 2019.
- Ms. Reeves asked for an update on the Heritage case and what would be required of CSAB. Dr. Townsend-Smith stated that a hearing was scheduled on May 8th-10th and May 15th and 16th. She asked the board to call Ms. Lucas with specific details about the hearing. Dr. Townsend-Smith and Mr. Machado would be in attendance, as well as other staff from OCS. Ms. Lucas would communicate with CSAB members about when they need to be in attendance. Dr. Townsend-Smith stated Ms. Lucas would communicate with everyone by the end of the week. Dr. Townsend-Smith asked for any other questions.
- Mr. Quigley asked if they could do a close session conversation before adjourning. Dr. Townsend-Smith said that could work, we will just stop streaming audio. Mr. Quigley asked about the new hires. Dr. Townsend-Smith explained Dr. Danielle Allen started her journey with OCS and was in the audience. We have another new hire starting on the 23rd who has a J.D. and we hope to offer two more positions in the coming months.
- **Mr. Quigley stated following the closed session, we will come back to open session and adjourn.**
- **Ms. Vuncannon made a motion to go into closed session at 11:08 pm to consult with attorneys about Heritage Collegiate Leadership Academy and Carter G. Ms. Kakadelis seconded the motion. Motion passed unanimously.**
- **Mr. Maimone made a motion to return to open session at 11:48 pm. Ms. Vuncannon seconded. Motion passed unanimously.**

ADJOURNMENT

- **Mr. Quigley made a motion to adjourn the meeting at 11:49 pm. The meeting adjourned via acclamation.**

DRAFT