

NC Charter School Advisory Committee Meeting  
State Board of Education 7<sup>th</sup> Floor Meeting Room  
NC Department of Public Instruction

April 25, 2012

**Meeting Minutes**

Attendance/NCPSCAC	Aaron Means (absent) Kwan Graham John Betterton Richard Hooker Alfred Dillon Rebecca Shore Tim Markley	Jennie Adams Paul Norcross Baker Mitchell Alan Hawkes Robert Landry Joseph Maimone Cheryl Turner Kate Alice Dunaway
Attendance/SBE/DPI	<i>Office of Charter Schools</i> Dottie Heath, Consultant Thomas Miller, Consultant Lisa Swinson, Consultant Cande Honeycutt, Consultant Patricia Gillott, Admin. Assistant Joel Medley, Director	<i>Attorney General's Office</i> Laura Crumpler  <i>State Board of Education, Legal</i> Katie Cornetto  <i>State Board of Education, Executive Director</i> Martez Hill

Welcome and Overview	The meeting was called to order by John Betterton. He recognized that Dr. Bill Harrison was in attendance and thanked the council members for the work that they had done reading applications. He acknowledged their work on other committees and thanked them for all of their hard work. Due to the volume of applications, he asked the council to email him dates of availability so that he could determine when the subcommittees could reconvene to complete the application review process. He also requested that the council members email him so that he could get some feedback about the application process.
Dr. Bill Harrison	Mr. Betterton introduced Dr. Harrison and turned the meeting over to him. Dr. Harrison began by personally thanking the council for the work the work that they did with approving the Fast Track applications. He appreciated their willingness to get the job done and do what was right for students in this state. He said he respected the talents and skills brought to the table by the members. The SBE was pleased with the diversity of the group and believed that great things could happen when you have a great group of people who are working towards a common goal.  He said that SBE was able to add 3 new members to the Office of Charter

Schools and then introduced these new members: Cande Honeycutt, Lisa Swinson, and Thomas Miller. He also thanked Joel Medley for all the work he had done and the vision he has for charter schools in North Carolina.

Dr. Harrison stated that 54 applications were submitted and that was a lot for the council. In fact, it was the most applications that we have had since the beginning. He wanted the council to be mindful that they are an extension of the State Board of Education. He said it was important to note that it should not matter which entity nominated them for service on the council because the SBE created the council and ultimately appointed them. In doing the work, each member must stay focused on the goal of quality charter schools.

Dr. Harrison asked the council to not confuse any matter that the SBE passed its way. This was not passing the buck but a desire to gain additional feedback on an issue. For example, look at the impact statement question sent to the council. He stated that their vision for schooling is to make sure that they are talking about public schools: public charter and public LEAs.

He challenged the council to avoid any conflicts of interest and reminded them that perception is just as important as the job itself. He said that all emails are public documents and that they have to be careful about what is put in writing. Serving in the public eye demands openness, honesty, and transparency. He spoke from experience that an email can come back to you later through a public records request. Further, an individual member's actions can diminish respect for the entire Council.

Dr. Harrison stated that the diversity of this group was done purposefully and the SBE was very thoughtful as they wanted balance so that all sides were being represented. He said that he wants the council to move incorporate all perspectives but everyone must start acting as a community for the best interest of students. He said that he understands that disagreements will occur and that they should express their opinions and without holding back. He urged them to hold honest discussions; but when the council decides on something, the council has decided and must be together in support of the decision.

Dr. Harrison, while commending them for the honest and open process of fast track, cautioned them due to the three court cases. He said it will be difficult to defend the council's and the SBE's decision if we members offer concerns about process or outcomes. This process has been in place for some time and does need minor modification; however, it has produced outstanding results over the past few years.

Dr. Harrison asked for questions. Alan Hawkes asked if it is it written somewhere that we can only have one batch of applications per year. Was there something that prohibited multiple rounds in a single year? Harrison stated that the process is specified annually. It might warrant some conversation and

	<p>everything is built around the beginning of the school year. Laura Crumpler stated that the statutes do not prohibit accepting applications multiple times per year. Joel Medley stated that a subcommittee will be presenting modifications before the council. He also reiterated that SBE policy states the process begins in February so that they will have one year of planning.</p>
Approval of Minutes	<p>Mr. Betterton thanked Dr. Harrison and then asked for approval of the January 10, 2012 minutes. Paul Norcross expressed concerns and stated that he would vote against them because, in his opinion, they did not accurately reflect the events of the meeting. Mr. Betterton explained that the Office of Charter Schools listened to the audio and amended certain parts based upon the recording. Baker Mitchell also suggested the audio be consulted to verify a monetary amount related to a management company. A motion was made to accept them, with OCS listening to the tapes, by Tim Markley and was seconded by Jennie Adams. The motion carried with Mr. Norcross voting in the negative.</p> <p>The February 27, 2012 minutes were up for approval. Mr. Mitchell requested that the tape be listened to and to include his comment about the importance of mission statements. Dr. Markley made a motion to accept these minutes pending the OCS audio review. It was seconded by Kate Alice Dunaway, and the motion carried unanimously.</p>
Closed Session	<p>Dr. Markley made a motion that the NC Public Charter School Advisory Council go into closed session to consult with their attorneys on attorney-client privileged matters: Thunderbird Preparatory Academy vs. NC State Board of Education, Jefferson Preparatory Academy vs. NC State Board of Education, NC Learns, Inc. V NC State Board of Education. Alan Hawkes seconded the motion. The motion was unanimously carried.</p>
	<p>The council returned from Closed session at 9:47 am. Mr. Betterton said that the council will now meet in their subcommittees and reminded everyone to get feedback to him. He said the council will reconvene at 2:00 pm for a discussion on conflicts of interest. He also encouraged everyone to have a working lunch. The council disbanded into subcommittees at 10am.</p>
Conflicts of Interest and Ethics presentation	<p>The council reconvened at 2pm and Katie Cornetto introduced Norma Houston from the School of Government.</p> <p>Norma Houston, School of Government in Chapel Hill, said that she would like for her presentation on Conflicts of Interest and Ethics not to be a lecture but a dialogue. She explained that the floor is the law and ethics is the ceiling. She</p>

would like to focus on the floor, the policies that the council has to adhere to as members of the council. She distributed a handout that outlines what the council's role are, what their responsibilities are, what the definition is of a conflict of interest and what to do when conflict of interest is presented.

She identified language from the SBE Policy TCS-C-004 for standards of conduct for the council. She asked the council in what ways they performed their official duties. Mr. Betterton stated that the council reads and reviews applications individually and then through subcommittees. Joseph Maimone stated that the council makes recommendation on policies, although it has been difficult because of time constraints. Dr. Landry stated that the council has conversations with outside groups. Mr. Betterton asked about ethical ramifications on working with outside groups and what were limitations. Ms. Houston answered by urging for bidding. Mr. Betterton clarified by asking about limitations for getting advice from outside groups. Ms. Houston clarified that stakeholder input is necessary but referred to the appearance of conflicts.

Houston stated that the councils have a broad range of responsibilities. She referred to SBE Policy TCS-C-004. She asked various council members what demonstrating the highest standard to NC Public Schools means. Kate Alice Dunaway stated inspiration was a high level of accountability and that people could look to you as a model. Mr. Maimone stated that we need to bring confidence. Rebecca Shore stated that using the word 'inspire' is significant because it is tougher to be inspirational than simply demanding. Jennie Adams stated that courage should be a part of making difficult decision when being a part of the council. Richard Hooker added fidelity because it is the highest level of personal responsibility.

Ms. Houston stated that any action or activity should be avoided that is in conflict or may appear to cause a conflict with the responsibility to act for the best educational interests of children. She further added that members shall not use their position for financial gain whether direct or indirect, for themselves or their families during their term in connection with service to SBE. Ms. Houston asked the council what it means to use your position for financial gain. Cheryl Turner stated that using your influence to benefit you or your family would compromise that standard. Alfred Dillon said that it could be summed up by speaking to the integrity of the individual and all transactions will be reflected in all that you do. Mr. Mitchell stated that the gain that is prohibited is the gain that you would get that is disproportional to all other members; it is not prohibited but is expected. Mr. Betterton stated that the process is two-fold: creating your own definition according to your value system and implementing with consistency what the law says.

Ms. Houston referred to Rule 9.2 to define the council's definition of conflicts of interest. She stated that a council using his or her position in any manner which will result in financial benefit, direct or indirect, to the Public Official,

the Official's family or an individual. She also stated that the council cannot receive anything of value for carrying out their duties. Mr. Maimone stated that if you are associated with an EMO and there is a for-profit group there could be some potential for financial benefits. Paul Norcross asked what would define that relationship as being a conflict. Ms. Houston stated that it depends on a number of things and gave examples of questions that businesses have asked related to using their position for financial gain. Mr. Norcross gave a personal example of a conversation that he had in which he made it clear that he was asking a question as a tax payer and not a council member.

Ms. Houston and the council agreed that the statement of receiving something of value in exchange for being influenced in carrying out your official duties is cut and dry. Mr. Mitchell asked for clarification on whether it was good practice for a member of the council to offer assistance to group who was writing an application. Mr. Maimone stated that he would not feel comfortable receiving money at all. Ms. Adams asked what if you did not receive money. Ms. Houston stated that even if you did not receive money but looked it prior to the other council members, it provided the appearance of a conflict. Ms. Crumpler reiterated for the council that this situation was, in fact, advertising power and because of a seat on the council. It provided the appearance that you were more valuable than another person, and that was abuse of your position.

Mr. Mitchell asked what if OCS asked someone to do a presentation to potential applicant groups. If a member of the council is chosen to train people in writing the application, is that a conflict? Mr. Maimone said that if is done publically then that is not a conflict of interest. Ms. Houston said that if you are there in your council position then she would urge caution in accepting monies. She further stated that one should be concerned about the appearance. Ms. Houston offered a simple rule -- when in doubt do without -- and encouraged members to refer to legal counsel. Ms. Houston stated that the policy prohibits the appearance of a conflict and Ms. Turner added that if a majority of people think it is a conflict, then it is probably a conflict.

Ms. Houston asked whose opinion matters. Ms. Adams stated that the public and traditional LEAs. Mr. Betterton stated the press and that of the council. Ms. Houston added the State Board, General Assembly, public at large, and press. Ms. Dunaway asked how the council goes about ensuring the high level of accountability among the council. Houston referred to rule 9.1: a council member will abstain from acting on any matters coming before the Council where that member has a conflict of interest, whether personal or professional. Members are required to seek the advice of SBE's legal counsel. If there is a conflict or an appearance of a conflict it should be presented to the board chair. Mr. Betterton asked if it was enough for a council member to excuse himself from a vote. Houston answered that that is not always enough to recuse oneself from a vote because multiple factors must be considered.

	Mr. Norcross asked if membership of the council causes victimization of oneself or their family. Ms. Houston encouraged council members to talk to the chairman or legal if they felt that they or a family member were being victimized. When you serve in a public official you are going to encounter negativity, but that is sometimes the price of being a public official.
	Mr. Betterton reminded council to give him feedback through email. Mr. Maimone made a motion to adjourn the meeting and Ms. Turner seconded it. The motion passed unanimously and the meeting adjourned at 3:24.

Minutes submitted by staff of The Office of Charter Schools.