

Minutes of the North Carolina Charter School Advisory Board

State Board Room 755, Department of Public Instruction

March 6, 2023

9 AM

Attendance – CSAB Members	
Dr. Terry Stoops (nonvoting) Dr. Rita Haire Dr. John Eldridge Cheryl Turner Hilda Parlér- Virtual Dr. Shelly Shope- Virtual/left after lunch	Eric Sanchez – left after lunch Bruce Friend Dave Machado Todd Godbey- Virtual Dr. Bartley Danielsen Stan Gay- left at 1:45 pm
Attendance – Other	
<i>Office of Charter Schools</i> Ashley Baquero, Director Joseph Letterio, Consultant- absent Melanie Rackley, Consultant- absent Jenna Cook, Consultant Darian Jones, Consultant- absent Natasha Norins, Consultant Nicky Niewinski, Consultant Davida Robinson, NC ACCESS- absent Barbara O’Neal, NC ACCESS	<i>Attorney General</i> Zach Padget <i>SBE Attorney</i> Allison Schafer- absent <i>Teacher/Principal of Year</i> William Storrs Maria Mills- absent Jeremy White- absent

Call To Order

Pledge of Allegiance: Dr. Bart Danielson, Board Member

Mission and Ethics Statement:

- Mission and Ethics Statement, Ms. Cheryl Turner, Board Chair
- Ms. Turner thanks her colleagues for supporting her during her absence. OCS- we don’t always know what is going on behind the scenes and the amount of work they are doing is amazing. Mr. Friend is sharing his birthday with us today.

Approval of the Agenda and Minutes

Motion: John Eldridge motioned to approve agenda for March Meeting

Second: Hilda Parlér

Vote: Unanimous

Passed

Failed

Motion: John Eldridge motioned to approve February 2023 minutes

Second: Bruce Friend

Vote: Unanimous

Passed

Failed

March Charter School Advisory Board Meeting

Update from PEPSC: Van Dempsey, Dean of UNCW's Watson College of Education, Chair
Professional Educator Preparation and Standards Commission

- 2-year process
- Created out of NC general statute, commission of 18 from different ed sectors and position levels.
- 3 responsibilities: examine education prep programs, proficiency standards, recommendations to SBE.
- Given basic framework from which to work in Feb 2021 and is ongoing.
- SBE motioned to move PEPSC proposed framework forward to establish pilots.
- 10 blueprint action items shared.
- Explains pilot proposal sent to legislature by SBE.
- Ms. Turner- What are the evidence of effectiveness components? Answer: To be determined in pilot draft. Has been discussed but final items not determined yet. Ms. Turner- Was a time we were evaluating on EVAAS, and some teachers didn't have EVAAS data which was a very complicated model to determine effectiveness. Are we going back to that? Answer- Moving into the direction of multiple, valid, reliable forms of evidence for teacher practice. What those components are remains to be seen when final language completed. EVAAS or EVAAS like instrument may be used. Multiple components, reliable and valid evidence. Will get input from teachers themselves.
- Mr. Eldridge- Concern is teacher shortage not getting better and charters can hire uncertified teachers. How will that be addressed? Answer: Watson Lab School operates as a charter school. Difference would be in the funding formula. Our goal at Watson is to get all certified teachers. Mr. Eldridge- How will I calculate the salary? Answer: Not prepared to make recommendations re: flexibility of charters at this point. No discussions thus far have been had that would change that. More flexibility to hire into positions. Soft prediction- flexibility will continue.
- Ms. Turner- What is the initial license path. Answer: Current pathways model, 2 year or 60 hours in university program for apprentice license. Window of time after that to clear a license. Flexibility in the tools to clear license. Ms. Turner- Is the apprentice allowed to be teacher of record? Answer: No. And different levels of autonomy based on leveled license.
- Mr. Friend- When do you think the evidence points will be developed? Some of those might be subjective in nature. Answer: Presented to SBE last week beginning in 24-25 with preparation in 23-24. Now goes to general assembly.
- Ms. Turner- Between now and 2025 all things would remain the same for licensure? Answer: Yes.
- Dr. Haire- Your lab school is K-8? Is it automatically assumed your lab school would be part of the pilot? Answer: I don't have inside information on that. How those pilots are selected I don't know. Dr. Haire- NBCT and master's how is that calculated? Answer- Dr. Dempsey reviews proposed salary schedule to answer.
- Mr. Danielson- So that's 22% more. Answer: correct.

- Ms. Turner- NBCT but no masters. What is that salary? Answer: One or both. Base salary +1 or +2 if you have both.
- Mr. Friend- Regardless of whether teacher is producing results? Answer: No. Window of time where there is evidence of pattern of effectiveness. Mr. Friend: So if I'm not meeting them as a teacher my license classification could lower? Answer: Potentially yes. Mr. Friend- States across the country have been trying to do this for decades. Interested to see how this rolls out. Answer: Array of educators who are involved in work. In the event of a teacher at level 4 who is not achieving the level impact we would need to support that teacher. Purpose is not to identify and lose them. Rather develop support for them. Don't currently have a support system strong enough to do the retention work. Charter- not certified and goal is to get them certified. Residency space is exploding but do not have adequate models in place to support.
- Ms. Parlér- Is there a maximum number of evidence for a teacher? Answer: That number hasn't been determined.
- Ms. Turner- At one point there were reports of inflated observation data for teachers. Answer: Also, alternative concern of deflation of scores. Multiple becomes critical in this case. Multiple observers needed so need interrater reliability.
- Mr. Friend- For the pilots, evaluators would receive training? Answer: yes.
- Ms. Turner- So are we providing support of administrators? Answer: I would advocate for that. Maximum confidence in observation correlated to student learning. Purpose of pilot is to make sure we have confidence in this area. Primary purpose is to elevate practice which increases learning.
- Mr. Sanchez: Observers themselves are part of district/school? Answer: To be determined. Mr. Sanchez- Would we use the same rubric as current system? Answer: That has not been determined. #5 on blueprint document addresses this. Mr. Sanchez- Using shared rubric to determine teacher proficiency had internal conflict that led operators/administrators to inflate scores. Tie it to compensation and pressures admin to "make peace" in the world can happen. Answer: Confident of process towards pilot. We don't want to do observation for observation's sake. Mr. Sanchez- Fear in world of standardized testing that we're losing autonomy/individuality of teaching. Answer: It's an element of the work where we always need to be cautious. Part of blueprint #1. How do we move teachers through levels of effectiveness? Confident that people in that work group are taking this concern seriously. Weighting will be a part of process and needs to be addressed. PEPSC has strong chairs of groups within committee. We understand there is still significant work to be done.
- Dr. Danielson- I'm not a K-12 educator. I'm an economist. Periodically I will hear the difficulty of hiring teachers, etc. Usually don't hear difficulty hiring master's level or that we're losing teachers to administration. Is the real case that we have a hard time finding masters teachers? Answer: In our work we focus on masters and board certification being related to retention. Dr. Danielson- What percentage in state are NBCT? Answer: NC has highest in nation. We would lose a lot of teachers if we eliminated the NBCT pay structure. With this work, where do we see evidence that a master's degree makes a difference in learning? Master's in accounting may not enhance instructional practice. Masters in content makes the impact. Important for practice and retention. Dr. Danielson- There is a shortage of teachers generally. Trying to figure out we could pay people more without a masters if we're talking about retention. Not require them to jump through all these hoops to get to that level of pay. Love to see research on correlation of masters to effectiveness.

- Dr. Eldridge- My daughter called and wanted to be teacher. When you look at new teacher, pay is so low. What are we doing to incentivize even coming to profession? This is incentivizing people in the business but not getting people into profession.
- Dr. Danielson- We have a defined pension plan and need to educate those that after 10-15 years it will cost them to leave early due to pension benefits. Answer: Send me an email with question and I will bring to PEPSC. Goes back to pay scale and emphasized that different levels of expertise get rewarded. Maybe the inexperienced salary needs to be higher.
- Mr. Friend- Incentives are tied to mastery, NBCT, and years of experience. If you haven't established yet what evidence pieces are how can you determine now what these salaries are? Answer: There is evidence of NBCT and positive student impact. With masters- problem has been different masters have different impact. Some masters have correlation to student learning. Work groups will determine what masters would count. Mr. Friend- You haven't yet established evidence points but we have determined that masters will determine effectiveness? Answer: Not just masters. It's the specific degree that will impact student learning. Want teachers to have access to tools for effectiveness. Mr. Friend- I have a master in education administration but that doesn't mean I'm effective.
- Dr. Haire- Teacher who starts at \$37,000 is for a 10-month employee. Clarity if masters and NBCT get 22% increase? Answer: Can't tell you in percentages but can tell you according to salary chart.
- Ms. Turner- At some point there was talk of teachers taking on additional responsibilities. Answer: It's in the advanced license section. Not part of this chart.
- Mr. Eldridge- My daughter doesn't want the summer off but I want them recognized for the hard work they do whether 10 or 12 months. Recognizing growth- is there work related to teacher growth, letter grades, etc. Answer: Conversations with report card for individual schools, PEPSC will look at those factors. Was looking at draft of school report cards and you can see how it carries over to teacher effectiveness.
- Ms. Turner- Thank you for coming. Clearly, we are interested in this topic. Answer: We have 200 students in my lab school who are counting on me to get this right for those 200 children. Getting best teachers with best resources to get paid accordingly.

10- minute break.

Charter Amendments: Ms. Ashley Baquero, Office of Charter School (OCS) Director

1. United Community School Mission Statement
 - K-8 school, Mecklenburg County asking for a mission statement change.
 - Ms. Baquero shares old mission statement and new mission statement proposal.
 - Ms. Turner- pairing it down is a major improvement.
 - Ms. Parlér - concurs.

Motion: Bruce Friend motioned to approve United Community School's mission statement

Second: Rita Haire

Vote: Unanimous

- Passed Failed

2. North Carolina Virtual Academy Enrollment Request

- Ms. Baquero explains different rules per legislation for enrollment increases.
- Ms. Turner- Asks for clarification about previous enrollment numbers as stated in executive summary.
- NCVA Head of School speaks about current enrollment numbers, wait list numbers, and impact on staffing.
- Ms. Turner- You currently have enough students on wait list to support this increase? Answer: Yes
- Mr. Machado- How many students withdrew this year? Answer- Down about 300. Due to home schooling, moving, going back to assigned campus.
- Mr. Friend- 300 is about 10% of enrollment so that is low compared to nation for virtual school withdrawals.

Motion: Bruce Friend motioned to approve North Carolina Virtual Academy for enrollment increase of 20%

Second: Bart Danielson

Discussion:

- Dr. Haire- Asks for clarification on why they couldn't enroll during the school year. Answer: SBE stipulated in August 2022 that school could not enroll students who withdrew during the school year
- Mr. Sanchez- What is the enrollment right now. Proposed would be under current enrollment in early grades. Are you assuming you will have less kids in those lower grades? Answer: Based on enrollment capacity, grade level caps/class size. Have to spread over K-12. Mr. Sanchez- What is the rationale for lowering the lower grades enrollment numbers. Answer: There is better retention in middle/high school.

Vote: Unanimous

- Passed Failed

Renewals Discussion and Voting- Jenna Cook, OCS Consultant & Shirley McFadden, NCDPI

1. Next Generation Academy

- Jenna reviews information from last month.
- McFadden- reviews information from last month. Update: How serious did school take concerns? Did site visit last week and week before had meeting with school. Internal controls were a concern. Board chair and treasurer present. They have made significant changes to processes, invoices, controls for staff reimbursements. Haven't seen in writing but in practice significantly better. Have 2 weeks to get written policies in place. Payment arrangement has been made for \$89,000 payback. Board has agreed to do on site visits to hold staff accountable. Only thing that has not been addressed was why these things are happening. Seems to be a lack of knowledge

internally. 3rd party accounting relied on. 21st Century did review also- money has been repaid to DPI. Record tracing has been improved. Back to someone understanding rules of what can/cannot do.

- Mr. Friend- Using 3rd party support group? Anyone there raising a red flag? Answer: I don't know. They usually have a pretty good understanding. That firm did think they could spend money on these items which is not really their responsibility. Campus admin needs to know/understand what they can/cannot do with funds. Mr. Friend- Wasn't indicating that they were responsible but wanted to know if they raised a red flag because of their work and expertise. If red flags were raised did the school decide to ignore them? Moving forward, does school have finance committee? Answer: Visit was more concerned about oversight but wasn't covered in follow-up visit. Did ask Mr. Michener this morning but wasn't explicitly part of follow-up visit. Mr. Friend- Is he here? We need to have confidence that this won't happen again. Answer from Mr. Michener- We relied heavily on accounting firm to say if it's ok. CPA on school board who is Board Treasurer. Team/committee that will make sure we know what we can/cannot do. Now that we know we must go beyond accounting firm.
- Ms. Turner- I understand how there was confusion. I don't understand how \$14,000 in computers was paid but not purchased. That has to be done within 3 days. Who's looking at POs, invoices? Mr. Michener- Put in procedures for sign offs and review so this doesn't happen again. We were trying to spend the money by September thinking it would go away if we didn't spend. We didn't realize the money had dropped. Wasn't spent in the correct amount of time. Big learning lesson for us and we understand what needs to happen. Ms. Turner- Who's the person on staff who knows what money has been drawn down, checkbook, who looks at invoices. Answer: Ms. McNeil- treasurer. I do that. Great learning experience. Aprio who is our vendor they draw down the funds on our behalf. Prior to all of this coming out, we would get deposits and I didn't know if they were federal funds or not. I now have access to system to know where these deposits are coming from. Ms. Turner- I know exactly how much from my A.P. pack should be drawn down from my vendor. How did you not know? Answer: I can't answer that. I rely on Aprio to know how much to draw down for each fund. I was not aware.
- Mr. Friend- Are you the bookkeeper? Answer: Yes
- Ms. Turner- Have you had the same vendor the whole time of charter? This is concerning. What I hear from finance is that you now have processes in place. For me to support this, we need a stipulation that someone is checking on them frequently. I don't understand. Ms. McNeal- I cannot explain how much this has been an eye opener for me personally. I take ownership of this. Working with Aprio and Shirley and finance committee has brought a lot to my attention and as I look back, I see why we are where we are today. Going forward we have made a lot of changes.
- Mr. Eldridge- I know they are taking this seriously. The day of last meeting Dr. Michener called me. As soon as they left last month's meeting, they were working on fixing this. What kind of training is available to help? McFadden- There are no trainings currently happening. Anticipates doing monthly webinars in future. Manuals online to help. Ready to Open schools get training. Mr. Eldridge- Any benefit to them going to RtO trainings? McFadden- This is why we recommend a finance officer who can focus on the higher level of finance. In general, we need strong charter finance officers. Bookkeeper is that. The next level will bring you a lot more from a finance perspective. We can identify those opportunities and have the right people to reach out to help them wouldn't be a problem. It would be the right thing to do. In general and globally, we need strong charter school finance officers.

- Mr. Machado- CCLC is preschool? Answer: This is 21st century grant. After school program. Mr. Machado- Federal programs does a lot of trainings. Anyone from the school attend that training? Dr. Michener- I attended training and the 21st Century program director.
- Ms. Turner- Federal programs does a summer 4-day training. You have to make sure you go.
- Mr. Machado- If they weren't up for renewal, we wouldn't know about this. Is there any discussion about looking for a new vendor? Dr. Michener- Acadia already does our PowerSchool. We are waiting on their proposal.
- Mr. Eldridge- Not advocating for any one vendor but what we use them and does a good job of helping schools.
- Mr. Friend- Does your board meet monthly? Finance reports each month? Who's doing that? Mr. Michener- Aprio. Mr. Friend- As a practice in future, they might develop report, but staff needs to present. Mr. Michener- We look through report a week in advance with Aprio. Presented by us at meeting but they are present at board meeting for questions.
- Mr. Machado- Are they on month to month allotment? Ms. McFadden- They will be month to month through next year.
- Mr. Michener- Since we've been on month to month it's been a good thing for us. It has been helping us monitor finances more closely.
- Dr. Stoops- What is your projected enrollment for next year? Mr. Michener- usually increase 100 students per year. Lottery this week. Projecting 525-550
- Dr. Haire- I see from your action plan documents revised and uploaded. Has your board developed an SOP for using each form and processes for using them? Mr. Michener- We've updated rules/policies procedures for many forms. Sent to attorney for review and edits. Another board meeting away from voting on these new processes.

Discussion:

- Ms. Turner- I have to say I have some major concerns. 5 years and we didn't have a clue. The responsibility to know what's required is on the school. I think they get that now but not comfortable doing 3-year without check-in between so they don't fall back into what's comfortable.
- Mr. Machado- When applicants come before CSAB they are telling us they know what they're doing. There is autonomy and when they fail, we either tighten up on autonomy or non-renew.
- Dr. Haire- Agree with concerns of assets paid and not ordered.
- Ms. Turner- How do you reimburse without receipts? That's basic practice.
- Ms. Parlér – Do we see proof they can handle everything? 3rd party? Agreeing there is a lot to digest. Do they really understand responsibility financially? Very serious.
- Dr. Danielson- Relatively new businesses have bad financial practices. Learn through hard knocks, not usually in public eye. Don't want us to think this never happens it just doesn't get seen. It's a positive that there are institutions that help find this and help. Obviously, a big concern. What is the situation going forward? Question is if they're going to survive the process. Can happen but it often does.
- Dr. Eldridge- They are up for 3-year renewal. We've had this with academic concerns. Hear there should be some mechanism. Maybe a quarterly update going into year 1 of renewal. Also, Dr Michener considering structure of finance officer and make sure they can do job effectively. Willing to make a motion.

- Ms. Baquero- Any of our schools, especially 3-year renewals, OCS is trying to provide more one on one and site visits. I'll present later but we do provide support. With 3-year renewal they're not just let go particularly with 3-year renewals.
- Mr. Gay- Is there a plan to get rid of other financial concerns? Starting behind the 8-ball. Plan to get out of the hole? How is that going to be addressed? Plan to fix that? Answer: Mr. Moore- Board Treasurer. Last budget we were \$400,000 in black for current year. In January we voted on reduction in expenditures by \$5,000. Grants. Should be able to eradicate debt this year. Going forward we can pay off liabilities. We've done a lot. Look at budget monthly but also look at full year to see where we are going and adjust accordingly.
- Ms. Turner- We only have one year of data. -15% compared to LEA. Currently have a motion on the table. Do we have a 2nd? Mr. Sanchez seconds.

Discussion:

- Dr. Danielson- Why do we have one year of data?
- Ms. Turner- 5-year charter and 2 years we didn't count due to COVID. One year was a delay.
- Mr. Sanchez- I'm wondering whether the true accountability isn't a little more prescribed than quarterly. Mandated trainings, mandating reports to be sent monthly. I understand from Ms. Baquero that there is increased oversight from OCS.
- Ms. Baquero- Let's say we get a report that we don't like from the fiscal side or federal programs. We always have the ability to present to you for and place other stipulations.
- Dr. Eldridge- You're either going to take this seriously or not. This can't happen again.
- Mr. Friend- Why were they on disciplinary back to 2020? Ms. McFadden: Fund balance was concern. That is where we start.
- Dr. Haire- Have we been able to see internal academic data?
- Ms. Turner- When they came before us initially, they presented internal data.
- Dr. Haire- Current enrollment 415 and projected 525.
- Ms. Turner- What grades are you? Answer: K-7 next year.
- Dr. Haire- Did we have discussion about seeing checking account balance or budgets for a healthy financial situation?
- Ms. Turner- Ms. Mcfadden came in and discussed last time.
- Ms. McFadden- Challenging question to answer. Have to be aware of spending patterns. Can't expect Executive Director to know everything. Becomes difficult for us to monitor. Contingent on each school and their choices. We can make an effort to work with them and get more insight into making sure they are adjusting.
- Ms. Turner- You said you cut half million out of budget. How did you do that? Finance treasurer- rent reductions, contracted services.
- Ms. Baquero- I did receive a message from federal programs for 21st Century grant and they asked that if renewal is given that there is a stipulation that they attend 21st Century grant trainings throughout the year.
- Dr. Eldridge- I will amend my motion.
- Ms. McFadden- Our concerns were from numbers presented. External auditors presented the numbers that we use for financial analysis.
- Mr. Friend- These were findings in their audit? Ms. McFadden- No. We use the information they give us to determine findings. External Auditor has not stated a growing concern for this school. Not action associated with negative balance from external auditor because it's state and federal funded that is a reliable funding.

- Mr. Friend- Clean audit? Yes or no.
- Mr. Moore, Board Treasurer-They have had an issue related to the unassigned government fund balance being negative so not clean but free of material findings. The areas we cut based on projections were related to after school, contracted services, non-cap equipment, salaries and bonus, staff development. Each month look at spending and adjust where needed. Expenses not coming in as high as expected.
- Ms. Turner- Based on projected budget at the beginning of the year. Ms.McFadden- Numbers you look at are actual from previous fiscal year. Ms. Turner- So this is a paper prediction at this time. Mr. Moore- Revenues are constant but we basically have a balanced budget. Actuals for next 6 months. Ms. Turner- How are you addressing \$90,000 to pay back. Mr. Moore- Local fund. enough in account.
- Mr. Machado- You currently have 415 students is that correct? You can only go up 20% if LP.
- Ms. Turner- Explains enrollment scenario. That'll be your 6th year so original application doesn't cover you anymore for enrollment. 425 is your 1st month ADM so you can go 20% over that. That's the max for funding.
- Dr. Eldridge enters a motion with stipulation.
- Ms. Turner- I would like to add that they also talk about academics when they come.
- Dr. Haire- May 1st deadline could be a trigger for a report that this was paid?
- Mr. Machado- If D school who met growth totally support. Financial gives me pause.
- Dr. Haire- Agree. 4 years of financial disciplinary action.

Motion: Dr. Eldridge moves to recommend Next Generation Academy with quarterly financial/academic report to CSAB in year 1 and May and September 1 reports training for 21st century grant, also talk about academics for Financial officer to receive a 3-year placement starting July 1, 2023

Second: BD

Vote: Yay- JE, TG, ES, BD Nay-BF, RH, HP, SS, CT, DM, SG

Does not pass 6:4

- Passed Failed

Ms. Turner- So we need another motion.

Mr. Sanchez- What is the alternative? what are people thinking.

Ms. Turner- Either close or make a different motion. Hearing no motions what are people thinking?

Mr. Friend- Things that would shut down a school are finances or academics or a combination of both.

Mr. Gay- Historical record of insolvency. Some point cut ties and stop spending state money.

Ms. Parlér- Baffling to know they did not have financial knowledge or someone on the board or 3rd party.

Dr. Haire- Irresponsibility as far as I'm concerned.

Dr. Eldridge- I made motion because corrective action has been agreed upon. If Ms. Mcfadden said they weren't cooperating, then I wouldn't support them. Understanding that they acknowledge this and are willing to make it better.

Dr. Haire- Should we have intervened earlier?

Ms. Turner- I'm really on the fence. Part of me that says this is really scary. This is happening and we didn't have a clue. If their academics had been decent we might still not know.

Dr. Shope- We didn't know. They did as a school. Disciplinary for 4 years. They knew and it hasn't been corrected.

Ms. Turner- Interesting questions. Even if you didn't understand, what were you doing on disciplinary this whole time. What did you put in place at that point to get out of situation. Mr. Michener- Were on probationary. We realized we had debt when we didn't meet target enrollment. Since then, we've been digging out and we've paid it off. Employed a grant writer that has gotten us \$2 million. Enrollment specialist hired. We knew we had a hole and we're coming out of that hole. Even with our academics, we had significant growth this year. We know this year academically we are going out of hole.

Ms. Turner- What caused them to go up in status. Ms. McFadden- We look at ratios. Last year looks like they tried to reduce their spending. They've done better and try to recognize that annually. Last year effort to get better than this year went the other way. Ms. Turner- What happened this year?

Mr. Machado- Concerned about financial health. Didn't understand who was monitoring is a concern.

Dr. Stoops- You're voting on confidence in leadership going forward.

Mr. S- Mentioned cut to salaries and bonuses. Concern to recruit new teachers with cuts.

Ms. Turner- It was related to budget not actual salary cuts. No teacher had a salary cut.

Dr. Haire- On paper but getting teachers they need may require more funding.

Ms. Turner- We have to make a decision this month in order for SBE to take action in a timely fashion.

Mr. Florence- Principal. Academics- story behind where we are. We are growing our students. Population we serve they have been hit several times. Underserved population. D school doesn't explain the whole picture. We met growth last year. We are moving toward proficiency. Highly qualified teachers to move students forward. As academic leader I am confident that we can move students forward.

Dr. Haire- They were here in November?

Ms. Cook- Remind that if you choose to non-renew to use motion in front of you for statutory requirements.

Mr. Sanchez- Ms. McFadden- Optimism for steps that have been taken. Confidence in leadership to right financial ship with your interactions over the last few months? McFadden- Are they committed to having treasurer with financial day to day finance person? Board treasurer clearly knows what to do but he's not day to day person. If you put stipulation out there, they will find a way. What have they done to get control over finances inside, on a day-to-day basis. If there is commitment, they can overcome this. We will still see bumps.

Dr. Haire- November, 320 students.

Ms. Baquero- ADM, 425 for month 1.

Mr. Turner- PMR up to date? Ms. Cook- that is from prior school year.

Dr. Haire- And they were facing 16 out of 74 issues with the BTSP? Mr. Michener- that has been cleaned up.

Dr. Eldridge- I know Mr. Michener as an educator and I know his success as traditional school educator. I know from personal experience, not making any excuses, traditional public has all of the support for finances and charter schools don't. With audit they say they are making progress and moving forward. With this scrutiny I would hope these changes take place. Motion- 3-year with contingencies. Reconsider finance person who has experience.

Mr. Sanchez- second. .3 from exceeding growth. Growing enrollment. Sense of optimism that they can right the ship. Acadia would have helped. The trainings, the oversight. Right mind set to right ship.

Mr. Machado- Amend motion for OCS 2 site visits a year.

Dr. Shope- could support. Challenge head of school to get in with finances too. As leader in building, you need to be well aware of as well.

Ms. Turner- You said you meet prior to board meeting. Really look at what has changed line item by line item.

Dr. Eldridge- Doing budgets with company we mentioned already they won't let me leave without making sure it's right. If right things in place and work with right organization. OCS visits, when?

Mr. Machado- 2 site visits, school come back to CSAB once a quarter for update.

Mr. Gay- Are there any other guardrails that can be put in place? Ms. Baquero- Can revoke at any time.

Dr. Haire- How does their foundation help with this? Mr. Michener- up and starting foundation. Main focus would be to supplement us where needed is their intention. Dr. Haire- Has this been a success? Fundraising? Mr. Michener- \$5-6,000 range and just starting. Dr. Haire- Founder? Mr. Michener- Greg Curant, board chair and founder of foundation.

Mr. Friend- These are musts. If not met, I'll be the first to recommend to revoke charter.

Ms. Parlér- I prefer the word shall.

Motion: Dr. Eldridge moves to recommend Next Generation Academy to receive a 3-year placement starting July 1, 2023 with the following stipulations: quarterly financial/academic report to OCS/CSAB in year-1, required federal training including attending 21st Century Grant training, May and September 1 report of payments that are due, presentations by the school to CSAB quarterly.

Second: Dr. Danielson

Vote: Unanimous

- Passed Failed

2. IC Transform

- Ms. Cook, OCS, reviews previous compliance information- BTSP, 19 areas of concern, school has 90 days to submit work plan. Review of financial disciplinary history, 7 years. No updated information from school visit March 2.
- Ms. McFadden- Based on overspending, disciplinary since 2016 for financial. One year probationary. ADM drop, Updates board re: student accounting from visit 3.2.23. Improvement in attendance accuracy. Sampled 25 students for truancy process. Truancy letters did go out. Not clear if they met with parents re: truancy. Cumulative folders- all folders were created. 9 folders still not complete with information. In cabinets, locked space. Several years on noncompliance. Overspending of revenues. Have been in the negative as far back as we can see.
- Ms. Baquero- Remind that this is school requesting relocation to building that used to house Uproar. Will need to do renewal before voting on move.
- Mr. Foster- Head of School. We may not have board on call, they may have dropped off due to meetings.
- Ms. Turner- open 10 years. Doesn't know how to take care of student records? Especially high school and kids who are graduating. How do you get to that place? Mr. Foster- loaded question. The school has existed for 10 years. Set procedures and policies. Some may have gone to the wayside. I took over in this position 1.5 years. We've been working to make sure we have the right policies and procedures especially since last site visit. We have a new person in position to keep up with files. New internal/external controls and audit on our own. Ms. Turner- What about attendance? Who takes it? Who monitors? Mr. Foster- new individual. Last month I said that the 20 missing last month were in CPCC. We have fixed that since then. Recent visit was corrected. Ms. Turner- Any leader at school longer than you? Mr. Foster- No. Couple of board members in place longer than me.
- Mr. Machado- Currently no one on admin team longer than you? So, all of you have less than 1.5 years' experience. Mr. Foster- In the school but not as administrator.
- Ms. Parlér - What were their positions? Mr. Foster- COO-Dr. Boulden not at school longer than me. I was there a year longer than he was at the school. Could you give me more information on what you mean by administration? Are you talking about business officers and things like that? Ms. Parlér- You said there were others. That's only 1 person. Mr. Foster- I need to reflect on this. We don't have any principals.
- Ms. Turner- No principal for K-12? Mr. Foster- I am Head of School and our Dean of Arts has stepped into role of middle and high school dean of students.
- Mr. Friend- Previous visit we talked about the high number of staff turnover, 30% turnover? Mr. Foster- Somewhere around there correct. We had to terminate due to budget.
- Ms. Parlér - Is that the only reason they were terminated? Mr. Foster- Reason 5 of them were terminated.
- Dr. Eldridge- Optics are that all the staff who were removed were female. Mr. Foster- none of administration was removed. They were not terminated or removed.
- Mr. Friend- A lot of debt. Can't afford building and why you want to move. What were the deliberations with board? Mr. Foster- if board member is on call. Dr. Richardson, board chair is on.
- Dr. Richardson, Board Chair- Emergency board meeting Thursday. Voted to move which is smaller and more affordable.

- Mr. Friend- Unanimous vote? Dr. Richardson- One board member didn't approve. Mr. Friend- what was the reason? Dr. Richardson- Cost of moving and afford starting up next year. Mr. Friend- Concerns that parents weren't aware you were moving. I'm assuming that's been corrected. What percentage will come with you? Dr. Richardson- Mr. Foster I will turn it to you. Mr. Foster- 7 miles from current school. Heat map shows good amount of students are closer to that location. Around 70% near that location. Around 80% are using bus transportation. We will continue to offer that. Working with company to increase enrollment with marketing. He is here today if there are any questions.
- Mr. Friend- Going from a building that is very nice to building that needs some work. Have you shared the new location with parents and have you asked them if they're willing to come? Mr. Foster- We haven't shared the exact location until board approved so we will. The landlord has been very gracious and will help with renovations. Also a phase 2. Mr. Friend- Where is this money coming from if you're in the red? Mr. Foster- Generous donors to support us. Submitted proposed budget for this year and we will not be in the red.
- Ms. Turner- Saying it, that you will be out of red, is not enough. Mr. Foster- I submitted artifacts about that.
- Ms. Parlér- Will you provide transportation, or will they use city transportation? Mr. Foster- We are working with a company to provide the transportation. Ms. Parlér- parents are apprised of that transportation plan? Mr. Foster- We need to inform them but we use it already.
- Mr. Friend- When you met last week did you vote on exact address? Mr. Foster- Yes. It's in minutes.
- Dr. Haire- Looking at minutes and concern was deposit needed to be paid, security deposit needed to be repaid, and concern to lose 10%. Mr. Foster- Really think our enrollment will explode based on research. School on busy road, working with marketing company, new apartments within walking distance. We have a generous donor who is going to support us with the move, deposit, and last payment of rent.
- Ms. Turner- Do you have it in writing? Mr. Foster- He wants us to put proposal in writing first. Mr. Howard said he would waive some fees. Ms. Turner- Is that in minutes? None of this is in writing. We are always given assurances then it doesn't happen. No documentation including in board minutes. Not confident about relying on that. Mr. Foster- We can provide past minutes if that would help.
- Dr. Haire- March 2, since then you have agreement to waive \$250,000. Mr. Foster- Yes. Verbal.
- Ms. Turner- There was another board meeting since the March 2nd one? Mr. Foster- Minutes you have was a transcript so I'm not sure why it didn't show that. It should be in the minutes.
- Mr. Machado- The secretary would have made sure to write that down. Mr. Foster- That was a transcript from Zoom that I submitted. Secretary has not finished the minutes from the meeting.
- Dr. Haire- Donor is not listed in attendance. Mr. Foster- That is a transcript and I wanted to get the information to you. Dr. Haire- This is a pretty important thing and he is not listed in attendance but others are. No mention of the money or Mr. Howard giving money anywhere. That is for our second phase.
- Ms. Turner- So who is it that's agreed to pay for move if it's not Mr. Howard? Mr. Foster- It's another donor. Ms. Turner- Which you also don't have in writing. Mr. Foster- I don't have it in writing right now.
- Dr. Richardson- February 26th Mr. Sowell was in attendance. Not in attendance March 2.
- Ms. Turner- When you met on March 2 and some were concerned about cost why didn't anyone say that is not going to be a concern because of the donations.

- Dr. Richardson- That board member was also in the meeting on the 26th so she was aware of Mr. Sowell's donations. Not in writing yet, waiting to present CSAB and the documentation will happen this week.
- Dr. Haire- What is Howard Sol's connection to the school? Mr. Foster- No connection. Has supported other charters in North Carolina.
- Ms. Baquero- What is the growth plan that you say you are working on with Legacy. Dr. Bouldin- He is helping with 2 phase approach. First relocation, then renovations in consulting capacity, then help with more permanent facility and/or build in phase 2.
- Ms. Turner- That new facility doesn't have outdoor space. You have elementary, what is your plan for physical activity? Dr. Bouldin- Turfing back of building and fencing. Ms. Turner- Renovations will cost you what? Dr. Bouldin- Estimates are around \$50,000-100,000. Will be part of lease payments.
- Mr. Friend- 10 years, D school at best. Proficiency well below the LEA. Disciplinary/Probationary status for 7 straight years. Why should we renew you? Dr. Bouldin- We are working hard with board and community. Mr. Friend- You understand the role we're in? Seems to be a disconnect with parent communication. Dr. Bouldin- Working on new communication plan. Developing committee that will include parents, so they have input on design of new building. Mr. Friend- In 10 years nothing but low performing, financial problems, have to move in order to save money. Mr. Foster- Academically we have grown a lot. 5 years ago we received more marginalized students. We are turnaround administration team. I am certain we can continue academic growth with 3-year renewal.
- Mr. Machado- Saying population more diverse now? Mr. Foster- More diverse/minoritized now than 5 years. I can provide that data.
- Dr. Haire- Percentage wise but you mean ratios. Mr. Foster- yes.
- Mr. Machado- Unexcused, why so high and not tracked until visit with OCS. Mr. Foster- I can speak to my administration. I am taking full ownership of that. Mr. Machado- This happened on your watch, correct? Mr. Foster- Yes. We worked fast and furiously to correct this. We had an individual in that position that wasn't a great fit. New person to fix this.
- Ms. Turner- Paperwork has been fixed but a student absent 40 days can't be corrected. Mr. Foster- I'm working with court system to get this right.
- Dr. Eldridge- Trying to figure out design if there is no principal at each level for K-12. Who's in charge of academic growth? Mr. Foster- Myself and Dr. Bouldin are leading academics. Teacher leaders that are coaching and mentoring. We have data meetings and professional development. Dean of Arts is principal of MS/HS. Our school is small. Dr. Eldridge- What is your central focus for improving academics? Mr. Foster- Our leaders receive PD as well to use best strategies. Dr. Eldridge- What specifically. Mr. Foster- Data driven, get better faster approach. I have attended transformational leadership PD through OCS. and Leaders Building Leaders with Tom Miller.

Discussion:

- Mr. Friend- 10 years in the making. Latest leader trying to right the ship. Seems like you jumped on after hitting the iceberg.
- Ms. Turner- Last school was one year of data and financial issues. This school is 7 years of financial issues and 7-8 years of declining data and enrollment.
- Mr. Friend- Admire you but you don't own the charter the board does. First time board wasn't here, minutes weren't approved, parents not informed. Not building confidence with me.

- Ms. Turner- This only works if you get the donation. Not having that in writing is concerning. That person could change their mind if we approve 3-year and you still need to pay for renovations. I'm not feeling the confident.
- Ms. Parlér- 10 years long time to get right, not get it wrong.
- Mr. Gay- Is donation contingent on partnership with Legacy? Mr. Foster- It is not. We have multiple donors.
- Ms. Turner- Why didn't these donors help you with building you are in? Mr. Foster- Before my time there was support.
- Dr. Stoops- Any money in new building? Any commitments made? Mr. Foster- Everything it takes to renovate building will be part of lease and payment and still cheaper than where we are now. Dr. Stoops- But you've made no commitments to new building? Wonder if you jumped the gun before getting anything approved. Mr. Foster- We do have a letter of intent signed with the new landlord.
- Dr. Haire- Are you current with present landlord? Mr. Foster- Yes. Landlord is impressed because we are current every month. Dr. Haire- Will you be getting the security deposit back? Dr. Bouldin- We will get that back.
- Mr. Machado- Do you know the amount? Dr. Bouldin- Not same amount because some was used to help pay rent.
- Ms. Parlér- Should have been in a trust account. Dr. Bouldin- We don't know where the landlord put the security deposit.
- Ms. Turner- Seem to remember that security deposit was used to pay rent.
- Dr. Haire- The meeting minutes say certain things have to happen because we are going to have to negotiate the payback of the security deposit of \$50,000.
- Mr. Machado- Exactly what is Mr. Sowell going to waive? What work is he going to do for you? Dr. Bouldin- Phase one as consultant. Separate from \$200,000. That is for Phase 2 which is for architectural plans.
- Mr. Godbey- Who is the new landlord? Dr. Bouldin- Different group. Mr. Godbey- Based on language using, people who are principals in a charter development company are entering into a relationship to give donation not a loan but you don't have anything in writing. Dr. Bouldin- Donation for now then rolled into lease payment. Deferred until phase 2. Mr. Godbey- Not a donation then.

Discussion: none

Motion: Bruce Friend moves to recommend IC Transform NOT be renewed based on failure to meet requirements for student performance contained in the charter and the charter school's failure to meet generally accepted standards of fiscal management.

Second: Hilda Parlér

Vote: Unanimous

- Passed Failed

OCS Updates: OCS Staff

1. NC ACCESS- Barbara O'Neal
 - Shares changes within NC ACCESS.
 - In 5th year of grant. Applying for 12 month no cost extension to provide assistance with subgrantees.
 - Shares some ideas for funds, support LP schools and their leaders.
 - Joined in with state to offer LETRS
 - Teach Like a Champion PD 200 participants. May offer again in fall.
 - 90% have full implemented transportation and lunch plan.
 - 95% of ACCESS schools have weighted lottery.
 - Mr. Machado- thank you for what you've done in the 5 years you've been doing it. Your innovation and ability to come up with programs to support schools is amazing. NC ACCESS has moved the needle more for charters than any other program I've seen.
 - Ms. Baquero- 2 on that team now. They are working evenings and weekends. Anita is helping in the evening for financial paperwork and she's not officially on our team. Dr. Smith has been very helpful.

2. RTO Cohort 2023
 - Natasha Norrins presents
 - 5 sessions of RTO I completed.
 - RTO II starts today.
 - Facility updates are frequent.
 - 8 slated to open in Fall 2023.
 - Delays- 4
 - 2 schools discussing delays
 - Ms. Turner- are they one year delays? Answer: all are one year.
 - Ms. Baquero- North Oak and Dogwood for 2 year delay.
 - Mr. Machado- How does Dogwood qualify? Ms. Baquero- sewer moratorium at facility location.
 - Dr. Eldridge- remind SABA Answer: though about it but nothing formal. Meeting with her this week for final decision.
 - Ms. Turner- did we vote against something for them? Ms. Baquero- accelerated, single gender, then moved to standard timeline. Ms. Turner- they wanted to move to a different facility not even in the same town?
 - Dr. Eldridge- enrollment was below threshold if I remember. Ms. Baquero- wouldn't have been ready to share that.

3. SBE
 - Ms. Baquero shares updates.
 - Shares 2nd denial of HCLA charter.
 - Approved 2 amendments
 - Fully staffed, 2 new positions coming soon
 - Some restructuring of focus for department especially with compliance issues. Trying to do one-on-one or site visits.
 - April- Annual Report, RtO, Committee work procedure suggestions.

- Thank team, school business, EC, BTSP, for making renewal process possible.

Motion to Adjourn

Hilda Parlér

Second

Cheryl Turner

2:00 pm

DRAFT