

Minutes of the North Carolina Charter School Advisory Board
Virtual Meeting, Department of Public Instruction
May 6, 2024
9 AM

Attendance – CSRБ Members	
Alex Granados (nonvoting)- late Dr. Rita Haire Dr. John Eldridge Alex Quigley Hilda Parlér Dr. Shelly Shope	Eric Sanchez Bruce Friend Dave Machado Todd Godbey Dr. Bartley Danielsen Stephen Gay- left prior to amendments, returned at 12:15 pm
Attendance – Other	
<i>Office of Charter Schools</i> Ashley Baquero, Director Joseph Letterio, Consultant- Absent Melanie Rackley, Consultant Jenna Cook, Consultant Dr. Brandi Gill, Consultant Dr. Natasha Norins, Consultant Nicky Niewinski, Consultant Megan Carter, Consultant Julie Whetzel, Consultant Dr. Barbara O’Neal, NC ACCESS- Absent	<i>Attorney</i> Steven Walker <i>SBE Attorney</i> Allison Schafer- Absent <i>Teacher/Principal of Year</i> William Storrs- Absent Maria Mills- Absent TJ Worrell- Absent Ryan Henderson- Absent

[May 2024 Recording](#)

Call To Order

Pledge of Allegiance: Mr. Bruce Friend

Mission and Ethics Statement:

- Mission and Ethics Statement read by Bruce Friend
 - Ms. Hilda Parlér recuses from Monroe Charter Academy

Approval of the Agenda and Minutes

Motion: Ms. Hilda Parlér moved to approve agenda for the May Meeting.

Second: Dr. Shelly Shope

Vote: Unanimous

Passed

Failed

Motion: Ms. Hilda Parlér moved to approve April 2024 minutes

Second: Dr. John Eldridge

Vote: Unanimous

Passed

Failed

May Charter Schools Review Board Meeting

Year over Year Recovery Analysis for Charters 2023: Dr. Jeni Corn, Director of Research and Evaluation, NC DPI

- Ms. Baquero introduced Dr. Corn and her presentation on recovery in Charter Schools.
- Dr. Corn began her presentation on year over year recovery noting that NC has emerged as a leader after creating the Office of Learning Recovery and Acceleration (OLR). She summarized some of the reports she and her office has done analyzing NC’s recovery.
 - She then overviewed the statute requiring the analysis to take place.
- Dr. Corn went over what the goals of the study were:
 - Quantifying when they will know when a state/district/schools have ‘recovered’ in NC; can they quantify ‘recovery’; and how they can account for local context in terms of progress.
 - She stated reports were also compiled for 2022, 2023, and 2024.
 - She noted this analysis is of charter schools as a whole and that next week they’ll release a school-level report.
 - She reviewed the first graph outlining the EOG 3rd grade math scores going back to 2013. She then went over the same graphs for 4th – 8th grades, EOC Math 1, EOG Reading scores for Grades 3-8, and the EOG/EOC Science exams.
 - Dr. Corn outlined some additional definitions and mentioned that schools would be able to see similar data for their school as well once that report gets released.
 - She then touched on some trends/priorities she would recommend the board to do:
 - Build on early grade literacy and math progress,
 - Focus on targeted and evidence-based middle grades reading and math interventions,
 - Explore STEM initiatives aligned to workforce priorities,
 - Renewed commitment to internal NCDPI research to study interventions.

Questions from the CSRБ

- Mr. Friend commented on how the end count is very large compared to 2013, and asked if any of this data reflects the growth in students who transitioned from public to charter schools.
 - Dr. Corn mentioned that she would work with Ms. Baquero to maybe run that analysis this summer. Ms. Baquero mentioned she would really push this to the schools.

- Dr. Haire asked what changed in 2019 with the math scores. Ms. Corn mentioned it's to adjust for the drop that happens over time with scores.
 - Dr. Haire followed up by asking her to speak on the 'acceleration' piece. Dr. Corn mentioned some of the instructional support programs that were implemented and noted this is what is 'accelerating' growth.
- Dr. Eldridge asked if there have been any drilldowns into what 'very good' schools are doing so they can copy that. Dr. Corn and Ms. Baquero discussed this further.

SECU Scholarship Presentation and RTO Cohort 2024 Update: Dr. Natasha Norins, OCS Consultant

- Dr. Norins outlined the SECU scholarship selection process and introduced the students who won the award.
- Dr. Norins then moved into the Ready to Open enrollment update for the remaining 3 schools in the RTO cohort.
 - She noted six 2024 cohort schools are moving to the 2025 cohort, and 8 new schools were approved for a 2025 open. She outlined the next steps that were going to take place with the 2024 schools and went over the ADM data for each school in the cohort.
- Dr. Norins concluded her presentation by listing the schools currently in delay.

Questions from the CSRБ

- Mr. Friend asked if the address listed for Agape was the permanent facility or the temporary address. Dr. Norins said it was the backup address and they listed it due to the primary still being under construction. Mr. Friend asked how close the backup is to the primary and Dr. Norins stated they had an approved location change approved by the Office of Charter Schools.
- Ms. Machado asked why Flat Rock withdrew and Dr. Norins gave a summary of why they withdrew.

Amendment Requests: Ms. Julie Whetzel, OCS Consultant

Millennium Charter Academy – Mission Statement

- Ms. Whetzel gave a summary of the amendment. She read the old mission statement and the new statement and included the input process and other supporting documents.

Questions from the CSRБ

- Dr. Haire asked the leaders of the school to speak to how sparse the new statement was.
 - Mr. Razzo – head of school – introduced himself and commented that the old mission statement is a big part of their institutional DNA. He added the new mission statement is more memorable and succinct compared to the old one. Mr. Razzo went into some of the pillars their new mission statement embodies that students are striving to develop within themselves.
- Ms. Parlér commented that she does not feel the statement is enough since members of the public might not think to look at the website to learn more about what's going on (instead, opting to look solely at the mission statement).
- Mr. Quigley commented that he supported the mission overall since he likes short/sparse mission statements.

- He then added that schools should have more leeway to change their mission and asked members/OCS staff if it is the school’s prerogative to change their mission / fulfill their missions.
 - Ms. Baquero mentioned that OCS’ stance is very similar to what Mr. Quigley believes regarding the role of the school/CSRБ and explained what else needed to be submitted during an amendment request.
 - Dr. Haire concurred as well citing the community / other feedback on the statement.
 - Mr. Sanchez also concurred and gave some of his reasoning behind his support.
 - Mr. Machado iterated his support and noted this school has been around for a while and has proven that it is fulfilling/following the charter.
 - Mr. Friend mentioned his support and asked/commented that he isn’t sure a school’s amendment to change their mission statement has ever been denied. He and Mr. Quigley agreed that a unanimous consent/consent agenda would work well. They pledged to work with OCS to develop a process that could fit this criteria.

Motion: Dr. Rita Haire moved to approve Millennium Charter Academy’s mission statement request.

Second: Dr. Shelly Shope

Vote: Unanimous

- Passed Failed

ALA Charlotte – LP Enrollment Expansion

- Ms. Whetzel introduced their amendment and gave the history of the school, location of the school, and educational background of the school. She then went into the details of the amendment and cited reasons why the school believes they should be approved.

Discussion from the CSRБ

- Dr. Haire asked who was on the board/on the call and Chris (from Charter One) mentioned who all was on the call. Dr. Haire then asked for an update on their facility purchased last month.
 - Ms. Green – the Director – mentioned the high number of applications as well as the massive increases in their performance grades and overall academic growth.
- Mr. Sanchez asked if someone from the board is on the call and the school mentioned that there was not due to a personal commitment. He also mentioned that there are 5 board members who are on the board currently.
- Mr. Machado asked what the total applications were at each school and the school gave that data.
- Mr. Friend asked why the enrollment change from 200-250 with such a large demand and the school leader mentioned that the main thing is to try and get consistency before expanding too fast.
- Dr. Haire asked if the school plans to buy the building. The school leader stated they are looking at all options before moving forward.
- Dr. Haire asked about Aristotle and the 3-year renewal, and asked for their most recent data on proficiency/performance.
 - A school leader gave the data and noted some of the larger gains. Another school leader noted the specific numbers and mentioned that next year was going to be great.

- Mr. Sanchez asked if (1) there is a shift in student demographics and (2) how many students came over from the old building.
 - A school leader mentioned that demographics have stayed relatively the same and that they are looking at about 30% of Aristotle’s population coming over. They also mentioned they have increased transportation opportunities to help students adjust to the new change.
- Dr. Haire asked what they attribute to the massive growth when looking at the fact they are on the CLP list.
 - A school leader noted that leadership change, renewed effort on academics, and a desire for parents to leave the busy CMS system as reasons for the massive growth. Other members of the board and staff added personal accolades for their future head of school.
- Mr. Danielsen mentioned that he believed the CSRБ voted on the merits based on metrics comparing their data to that of other public data and went into a statistics lesson on a graph of all CMS schools. He went over the data for ALA Charlotte and noted that even though they may not be performing well overall, they are doing better when compared to the LEA.
- Dr. Haire noted that Dr. Danielsen has shared that data before, and she liked it. Dr. Haire noted that the graph is an excellent illustration for examining the LEA regarding school demographics and performance, but we must be careful not to let it become a graph of low expectations for any demographic.
 - Mr. Sanchez liked what she said but also noted there are too many proof points that need to be met when talking about data and a school that is succeeding considerably. He said he was going to hold them to a higher standard based on what they said in previous meetings/conversations.
- Mr. Quigley mentioned he plans to support it but is also concerned about the things mentioned above. He noted that it’s incredibly hard to create economies of scale if you have under 200 students. He asked what the Management Company is doing from a financial perspective. The Management team mentioned they need to get to a higher level of enrollment before charging a fee and do not have plans to update it this upcoming year and the year following that.

Motion: Mr. Dave Machado moved to approve ALA Charlottes’s enrollment expansion request.

Second: Dr. Rita Haire

Recused: Hilda Parlér

Discussion:

- Mr. Sanchez noted it is important they look at the concerns that are still present today including things mentioned by him and other board members.
 - Mr. Quigley said that what Mr. Sanchez said is resonating with him but also said that it’s easier for schools with a management company working with the school. Dr. Haire agreed and commented that she too was shocked on the lack of board members present.
- Mr. Machado said he supports this due to the increased support from the community.
 - Mr. Friend agreed with all previously dictated statements.
- Mr. Sanchez said that he thinks the standard of their building (facility, transportation, budget, etc.) is something the school has worked on with OCS in the past, but it is not consistent to the standard other schools are held to and thus could create unfairness.
- Dr. Danielsen brought in students and reiterated that the CSRБ would be standing in the way of what the parents – and potentially children – want for their education.

- Dr. Haire asked if the OCS stressed a board member was online. Ms. Baquero mentioned that there was only a ‘strong recommendation’ to have a board member present. Mr. Sanchez said that he finds it odd that they could be on the call with those who own the charter without having anyone who owns the charter on the call.
 - Ms. Baquero mentioned that amendment requests must be accompanied by a cover letter from leaders.
- Mr. Quigley asked what the recommendation is on this amendment and Ms. Baquero said they don’t make recommendations on amendments.
- Mr. Sanchez asked if there was any historical data that would give any precedent / guidance in their situation. Ms. Baquero said that last month, 2 amendments were presented that had similar situations.
 - Dr. Haire mentioned that normally – a few years ago – she has experienced a quick amendment process since it is a minor adjustment. However, she is aware – and Ms. Baquero agreed – that the board may not have seen the urgency of this change.
 - Ms. Baquero also mentioned the history of ‘growth’ amendments prior to the most recent legislative change last year.
- Mr. Gay mentioned that all those amendments submitted had to have board approval noted in the minutes and shared with OCS/DPI staff.
- Mr. Friend wrapped up the conversation and brought the board to a vote after expressing his reasons for his support.
- Dr. Haire, Mr. Friend, and OCS went over what school was denied/approved last month.

Vote: 6 :3 approved

Nay : Mr. Eric Sanchez, Mr. Alex Quigley, Mr. Todd Godbey

- Passed Failed

Bonnie Cone Classical Academy – LP Enrollment Expansion (1:51:54)

- Ms. Whetzel introduced their amendment and gave the history of the school, location of the school, and the educational background of the school. She then went into the details of the amendment and cited reasons why the school believes they should be approved.

Discussion from the CSRБ

- Members of the school leadership introduced themselves and Mr. Friend asked why they are asking for this and if they think they can satisfy the demand of the area.
 - A school leader responded that internal data is looking good for growth and performance and that this has been a big focus of the school and Charter One. She also listed investments that she believes have contributed to this growth/success.
- Dr. Haire asked if they could speak to the differences between Bonnie Cone Classical and Bonnie Cone Leadership.
 - A school leader explained the difference and mentioned that one opened this year. They and Dr. Haire discussed the implications of this, the data backing up their claims, and why they weren’t worried about the additional school.
- Mr. Friend asked about the grades of the applicants and a school leader mentioned that it is primarily kindergarten.

- A different school leader mentioned there are partnerships with the other Bonnie Cone to make sure that students have continuity of education.
- Dr. Haire asked about the teacher retention rate. A school leader responded said that the issue last year has been fixed with various changes and listed the large number of teachers staying this year.
- Mr. Sanchez – citing growth data from the last two years – asked what is being done at the school to help those who need it most to succeed.
 - The school leader responded with enrollment data; programs meant to help minority students. She and Mr. Sanchez mentioned other things that the school is doing to help make the process / year easier for parents and students.
 - Mr. Sanchez asked if there is not a challenge of getting kids to the school due to the distance between the middle school and the high school. A school leader cited that ~80% of students plan to go through the system into K12 and that the data leading up to EOG’s is higher than ever before. Another school leader backed up her claim.
 - Mr. Sanchez asked what the demographics of the other school is, and a school leader mentioned the two are similar.
- Dr. Haire asked if Bonnie Cone Classical had a higher enrollment and a school leader said that it was due to the school being K8.

Motion: Dr. Rita Haire moved to approve Bonnie Cone Classical Academy’s enrollment expansion request.

Second: Dr. Bart Danielsen

Discussion:

- Mr. Sanchez noted that he feels better about the trajectory of the school after their talk, but overall feels as though the board is approving schools without the data to back it up. He explained his feelings on this matter and used some data to back up his feelings.
- Dr. Haire mentioned CSRБ did just give them a 7-year renewal.

Vote: 6:3

Nay: Mr. Eric Sanchez, Mr. Alex Quigley, Mr. Todd Godbey

- Passed Failed

Remote Academy Amendment Applications: Ms. Julie Whetzel, OCS Consultant

Ascend Leadership Academy

- Ms. Whetzel introduced the amendment and gave the history of the school, location of the school, and the educational background of the school. She then went into the details of the amendment and cited reasons why the school believes they should be approved. She also touched on the outline of how discussion would go for the 3 schools before the board today.

Questions from the CSRБ

- None

Opening Remarks from the School

- The Director of the school introduced himself and gave his credentials. He also mentioned that he has a few board members on the call as well. He gave the demographics of the school and their targeted demographics for the remote program – including students in the military. He also presented some statistics of their school. He noted the need and demand for the school in their community and the need for the remote program as well.
- The Director went over the proposed plan for separate cohorts for remote students and in-person students, and other rules that CSRБ members mentioned in questioning to other RCA's. He additionally mentioned the curriculum and plans to address challenges that may arise from implementing this model.

Questions from the CSRБ

- Mr. Friend asked to have the separate cohorts piece reiterated and the Director mentioned that it would be two separate cohorts. Mr. Friend also asked if students would be able to participate in activities and the Director said that yes, they would be able to participate in activities.
- Mr. Friend asked what procedures they'd have on their end to hold 'Edgenuity' accountable. The Director stated they are hiring a new staff member to be the go-between for the two.
- Ms. Parlér noted how well prepared they are and that they should get a lot of applications from military students.
- Dr. Haire asked about the device policy and the Director noted that there would be enough devices purchased but if kids wanted to use their own device, they'd be able to. Dr. Haire also asked about the staffing, budgeting, and software and the Director mentioned they do have a flat fee. He mentioned the application process these students would have to go through including if they wanted to transfer between schools.
- Mr. Friend asked if they just have middle school, and the Director gave the grades served. Mr. Friend asked if they've done any survey of interest and the Director noted that they didn't want to be speculative, but it was their plan to gauge interest if they were approved.
- Mr. Friend – noting the proposals – said he wouldn't be surprised if more students apply than what they predicted.
- Mr. Friend asked what other experience their team has – outside of COVID – running a program like this. The Director gave a response noting that the bulk of their experience came through COVID.

Closing Statement from the School

- The Director gave his closing statement and noted possible challenges in opening the application in June and getting this off the ground by August. He said they had the staff in place and training set up to make sure teachers and staff are trained and ready for launch. He also discussed some other potential challenges and how they plan to address them.

Deliberation from the CSRБ

- None

Motion: Dr. John Eldridge moved to approve Ascend Leadership Academy's Remote Academy Application.

Second: Ms. Hilda Parlér

Discussion:

- Mr. Sanchez – noting his approval – reiterated that he wants to see what is in place for potential expansion and that he loves the growth/performance of the school.
- Ms. Parlér and Mr. Friend mentioned they are also in support and liked how they planned to implement this.
- Mr. Machado asked OCS if they are limited to their ADM regardless of what they have, and he and OCS went over what OCS believes the law is intended to mean.

Vote: Unanimous (Todd Godbey didn't respond)

- Passed Failed

Telra Institute

Opening Statement

- The Chancellor of Telra introduced himself and the board and gave an overview of their school – based in Charlotte. He also mentioned some of the things that attracted parents to the school while also describing some of the situations that may impact a child's ability to stay in school for the whole 5-day period.
- He mentioned the goals of their remote program and noted that the students in the remote academy would be treated and taught the same way as a student that was in-person. He mentioned they were able to pull this off as they did this during COVID.

Discussion from the CSRFB

- Mr. Friend asked if they would encourage students to come on campus and the chancellor said yes and they discussed the requirements for in-person education.
- Mr. Friend also asked if they were more focused on the local area and the chancellor said that yes since they wanted to be open to the people who may just “be one county away.”
- Mr. Friend asked if the students in the blended model will get to participate in the experiences that the in-person students receive?
 - The Chancellor said that yes, they would be able to join and it's all based on the logistical ability of the extracurricular.
- Mr. Friend asked if they have seats in their traditional brick-and-mortar to accommodate new students and the board said yes.
- Ms. Parlér asked who provides the technical support?
 - The Chancellor said that it will be the team that's already on campus that will handle all needs. He listed ways students can reach out in case things still aren't working.
- Ms. Parlér asked about hotspots and the chancellor said yes those will also be included.
- Mr. Machado asked if they have enrollment for their brick-and-mortar and the chancellor said they are on a waitlist for K-6 and have some spots for 7-8 due to how new they are. Mr. Machado asked if they would have a separate lottery for the blended model and the chancellor said that there would be a lottery for those students. He also asked if OCS could provide more clarity.
- Dr. Haire asked if they budgeted for 3 students and the chancellor said yes. Dr. Haire then asked what they would do with budget plans if they put a cap on the number enrolled. The chancellor gave those plans but mentioned that the cap is not because of budgetary restrictions/needs.
- Ms. Parlér asked how they got those numbers and the chancellor said it was mainly just based on how many students were interested this year.

- Mr. Machado asked if they are going to move / crossover between the two programs and would there be separate data collection for both schools. The Chancellor said that he would love to have students be able to crossover but wasn't sure if the current law allowed that. He also added that he assumed another test number would be added to their school but that they would track data.
- Mr. Friend added that he thinks they will be given a new number and stressed that it is going to be a lot harder to crossover if their school gets full.
- Dr. Danielsen asked what would happen if someone in the remote academy showed up full-time to school. The Chancellor gave an example of what may happen and said they have to plan as a school to accommodate these types of students. Stated they may need to put in requirements, but they would work out the kinks as things go.

Closing Statement

- None was given and the chancellor thanked them for their time.

Final thoughts from CSRБ

- Mr. Friend said he would approve this application and noted he thinks the problem is there will be a lot more interest than they think.
- Ms. Parlér said she agrees and supports the school and noted that she looks forward to working with OCS to make new guidelines and the like.
- Dr. Haire asked a budgetary question for staffing and the chancellor came back on and noted how it would work for them. Dr. Haire asked if this would be more like a stipend and the chancellor said yes.

Motion: Ms. Hilda Parlér moved to approve Telra Institute's Remote Academy Application.

Second: Dr. Rita Haire

Discussion:

- Mr. Friend reiterated his support.

Vote: Unanimous

- Passed Failed

North East Carolina Preparatory School

Opening Statement from the School

- The school Director introduced himself and his credentials and introduced the board members who are on the call. He gave an overview of his school and the impact it has on his community in Edgecombe County. He reiterated the need for this type of school due to the large demand for their school and noted they have the experience needed to create and carry out this type of school.
- He added their plan is to start at 25 students and they don't anticipate students needs to overwhelm the school as they are already a '1-1' school (giving out laptops, etc. to students).
- He also listed the staff they have in place and the ones they plan to hire for this school.

Discussion from the CSRБ

- Mr. Friend asked what model they are using, and the Director said this would be a fully online model due to the large number of students who do similar classes at the nearby community college.
- Mr. Friend asked if they would be able to participate in traditional activities and the director said yes.
- Mr. Friend asked if the curriculum support would be giving the instruction and the director said yes.
- Dr. Haire asked for an overview of the program that a staff member oversaw. The staff member went over the history of her previous school and noted they had an 80-85% success rate in a school with 120 students. She stated they plan to implement a similar model with the high school students.
- Mr. Friend asked what would happen if a student wanted to go back into brick-and-mortar. The Director said that at first, they'll offer a semester commitment and said that they would work with the student to try and help them be successful.
- Mr. Machado asked if they'd have a separate lottery for these students and the director said yes. He also added that if there was more interest they would have to re-evaluate. Mr. Machado asked since it was a K-12 school would this only apply to high schoolers. The Director said yes.
- Mr. Friend asked how the school would hold the curriculum provider accountable to give the same experience students in the in-person setting have. The Director said there will be monitoring and if the teachers believe they are not getting what they deserve there would be accountability and communication with 'Edgenuity'.
- Dr. Haire asked if an item in the budget was the cost of the contract with the curriculum provider and if it was a flat fee. The Director said yes it was for the provider and that it would be a flat fee. He also added that they will have partnerships with the community as well not in their budget.
 - Dr. Haire commented they would have a large surplus if this goes through and that they might want to look at what to do with that should this pan out.

Closing Statement

- The Director gave his closing statement thanking the board for their time and reiterating how excited they are for the opportunity to help these families with this model.

Deliberation from the CSRБ

- Ms. Parlér said she supported their application.
- Mr. Friend gave an overview of 'Edgenuity' and their impact in NC's virtual schools. He also added that he asked the question of the school to make sure they were aware that the 'hands-off' approach is not a very good approach with this.

Motion: Mr. Bruce Friend moved to approve North East Carolina Preparatory School's Remote Academy Application.

Second: Mr. Dave Machado

Vote: Unanimous

- Passed Failed

Renewals 2024 Vote: Mrs. Jenna Cook, OCS Consultant

- Ms. Jenna Cook explained the voting procedure and rules pertaining to the voting procedure.

Children's Village Academy

- The Treasurer for CVA introduced himself and the board members present and gave an overview of the presentation. He gave an overview of the history of the school and noted they are comparable when looking at their local LEA.
 - He gave an update on the Internal Controls noting they have revised policies and procedures, hired legal consultation, seeking support from a charter school success company for effective school management. Stated they have accepted all recommendations given by DPI.
 - Reviewed updates related to board governance including trainings and expert consultation, establishing subcommittees to include community members, revised conflict of interest policies and procedures. They have paused all contractual agreements until the end of the school year and in a better financial position to afford the services.
- He then proceeded to give an ‘End of Year’ operational plan to ensure student success and repay the money owed to DPI for Federal Programs and any other financial commitments. Developing a budget to ensure financial stability and viability. Stated that CVA has not received 21st century grant reimbursements for this school year causing part of the financial instability.
- The principal of the school gave a presentation on oversight in governance noting that their audits over the last 3 years have been in compliance and that EC/Nutrition requirements are in compliance. She also noted that they are working to improve their academic performance, but it is comparable to the local LEA.
- The Board chair gave an impact statement citing support from the community and students/staff. She noted there is need to improve financial controls, enrollment, and academics, but asked for the CSRБ to renew their charter and give them an opportunity to do what was asked of them.

Discussion from OCS / Federal Programs

- Ms. Cook gave an overview of OCS recommendations since late 2023 and mentioned they are still at non-renewal status. She went over comparability data and growth/performance list noting that although there is growth, they are still on CLP. She presented the compliance issues going back to October of 2023 and when presentations were made before CSRБ from Federal Programs and School Business. She mentioned required repayment of funds and that there were additional findings since the initial investigations.
- Ms. Brigman began her presentation by reviewing the FY23 21st CCLC summer mini grant program requirements, timelines, and compliance issues related to CVA including a change to summer programming dates with no amendment or approval by DPI as required, and a lack of documentation requested during a site visit by DPI.
- Ms. Buck shared findings for the 21st CCLC Summer Mini Grant regarding compliance issues. She noted that some were able to be resolved while others – such as the background checks – were not. She went over previously sent email discussions between DPI and CVA based on date and noted that still some of the concerns were not resolved.
 - She went over the items that were still not in compliance. She reiterated the sign-in and sign-out sheets were required and that some issues were still not resolved related to attendance.
- Shared that on April 9th they did an unannounced visit to CVA and noted discrepancies in the number of students put in the system for attendance vs. who was there / present for the full amount of time in the day. She stated the system said 112 students were present for April 9th and that was inaccurate based on DPI count.
 - She also added there were issues with the number of hours students were receiving instructional support and said these were out of compliance with federal requirements as well.

- Ms. Brigman went into details on attendance and the number of hours students received support/programming. She stressed this was all tied to funding and gave the requirements that were needed to get 2nd and 3rd rounds of funding. She said that based on these metrics CVA did not qualify for the 3rd round of funding based on the official attendance reported to USED. She reviewed the student attendance data over the last several months and noted that on April 9th 112 students were listed as in attendance by CVA. However, NC DPI representatives who were on site recorded 67 students who attended the duration of the program on April 9th.
 - DPI staff asked the 21st CCLC staff from CVA for the attendance sign in and sign out sheets. DPI representatives were told that students sign for an after-school snack before the regular school day ends and that is what is used for 21st CCLC attendance.
 - She also mentioned that the program director is no longer with the school and the new program director hasn't input anything into the system for February / March as of the April 9th visit.
 - She mentioned that CVA staff confirmed attendance on April 9th was an accurate representation of daily attendance on a regular basis which is far less than what is reported in the system.
 - DPI staff did meet with the new program director and the principal and walked them through the attendance system. Discussed the importance of entering the attendance data for February and March. CVA representatives stated they were unable to produce the sign in/out sheets for February.
 - She also stated there were attendance sheets in March that were produced but no staff signatures on them to verify their authenticity.
- Ms. Brigman and a team of other DPI staff made another unannounced visit on April 16th and told CSRFB the number of observed students (72 total observed students in attendance). She discussed the conversations had with the program director and the principal regarding entering the attendance data in the system. The principal reported that she asked the previous program director to enter the data since they were on a time crunch to get it entered. Ms. Brigman then mentioned that at the previous visit, CVA did get an overview of how to enter data by DPI staff and that a non-21st century staff member shouldn't have access to student's personal data. Ms. Brigman stated the number of students in attendance entered the system is still much higher than what was observed on site on multiple occasions. Concerns were also addressed with the CVA principal related to the academic day recorded in PowerSchool. PowerSchool shows the academic day ends at 3:30 but the distribution of after school snacks starts happening around 3:00, which is also the time the grant application states that 21st CCLC programming starts. Ms. Brigman stated that even if they did use the snack signing sheet for attendance, it was still less than what has been entered into the system.
- Ms. Pask began a presentation on updates to the fiscal review findings of noncompliance.
 - Ms. Pask gave an overview of the data requested for funds received in this program including documentation of 3 specific invoices which had strong red flag indicators of fraud. December 1st an initial finding letter was sent to CVA which indicated questioned costs in the amount of just over \$287,000. Additional findings resulted in a February 5th follow-up letter which indicated questioned costs of over \$162,000.
 - Ms. Pask mentioned that additional findings were addressed/added in this letter and that CVA appealed the decision of DPI leading to a settlement agreement between DPI and CVA on March 26, 2024.
 - Ms. Pask went over 7 'failure' points regarding internal controls. She noted that some improvements have been made by CVA in internal controls but when tested by DPI staff there were still deficiencies and concerns.
 - She then gave a historical perspective of failure in control and that there has been concerns raised going back to FY 17.

- Ms. Brigman reiterated concerns that Ms. Pask raised and said it was concerning that of the funds they reviewed, 44% of them were questionable. She said this has led her to still have concern over financial management and there is a concern for fraudulent activity as well. She stated there was the belief that funds would be paid by May 8th but CVA’s attorney reached out to request a modification of the settlement agreement. DPI is expecting full repayment on May 8th

Questions from the CSRБ

- Mr. Friend asked if they were anticipating the funds to be fully repaid by May 8th and Ms. Brigman said yes and that was also why they couldn’t access 21st Century funds.
- Mr. Friend asked if they have heard of the payment schedule before today and Ms. Brigman said they had heard of the request made by CVA on Thursday but since this was going on for so long, and CVA has had ample opportunity to get this corrected, they denied it in consultation with DPI legal.
- Mr. Friend asked if they were given any reasoning behind headcount discrepancy. Ms. Brigman said the program director told her she isn’t entering the data and other items mentioned throughout the presentation.
- Dr. Haire asked how they could be approved for a program of 200 if they only listed 150 ADM. Ms. Brigman gave the rules surrounding this and they had feeder schools (3 in total) that gave potential to serve 200 students.
- Ms. Parlér asked what they observed in the program during their site visits. Ms. Brigman said that the quality was not high quality and that a lot of the activities observed were kids playing basketball or doing their homework – and not what they listed by the school for enrichment. Ms. Pask added that it seemed – on her visit – that it was more like a free-for-all and that it was an extension of the school day. Overall, she said it appeared very unstructured and that very few students were working on science/other enrichment activities. Ms. Brigman confirmed this was a similar finding that she had when she went as well.
- Dr. Haire asked if the program director in DC was the same one entering in the data for CVA and why that was the case. Ms. Brigman said that what they were told was since she knows the system extremely well and the new program director didn’t feel comfortable with the system, Ms. Jones asked Dr. Grady to continue inputting them into the system due to the time crunch.
- Mr. Friend yielded time to Ms. Jones for clarification on some of the points raised.

Clarification by Ms. Jones/CVA

- Ms. Jones mentioned they do see a drop off in April and that on the days they made their surprise visits they were very short-staffed – more so than normal – and things had to be adjusted to accommodate that. She also said there were enrichment activities and that she didn’t understand why those weren’t observed. She also said that she modified the program to include remediation due to not knowing what renewal looks like or the opportunity for summer school to try to get some extra time in for remediation. She reiterated the lack of confidence of the new program director and that it was hard for her – as the principal – to also learn in tandem with the program director to try and fill in the gap from the previous program director and enter in the data without extensive training. As a result, she decided to have the previous program director enter the data. She said in hindsight that may have not been the best decision.
 - She also mentioned that the presentation given by DPI staff during their site visit was an overview, but they didn’t see it as a training day.
 - She also mentioned that she didn’t have the opportunity to go back and look at the data that was entered into the system vs. what was seen in attendance but noted that all appropriate parties were forwarded the information as well.

Ms. McFadden Presentation

- Ms. McFadden said that a new April 2024 allegation was received by staff members who said they were going to be paid via 1099 as an independent contractor status. In conversation with Ms.

Jones, she said the board did agree to have those payments via 1099 for the month of March for some staff but there was nothing in writing to show staff agreed to this before the change was made thus making them out of compliance. She said that some had salary reductions of 20% and the CVA board has ended up making them whole again and giving back the money.

- Ms. McFadden gave recommendations to the CVA board to make sure that taxes, insurance, and benefits weren't adversely impacted.
- During this review, Ms. McFadden noted that they found two independent contractors were also members of the State Health Plan which is out of compliance with state guidelines as contractors are not allowed to receive state health benefits. She said that everything has been reported and that implications would be based on how far back these contractors were receiving benefits.
- Ms. McFadden touched on previous findings and went over each allegation, key findings, implications/results, and recommendations shared during previous CSRБ meetings and current resolution status.
 - She added that after further digging, a former CVA treasurer was still signing checks even though they were no longer on the board or had an official connection to the school.
- Ms. McFadden then discussed allegations reported directly to NCDPI re-stating the allegations, findings, implications/results, recommendations, and current resolution status shared in previous CSRБ meetings.
 - She added updates to the \$95,000 loan provided by a board member to advance school operations and noted no evidence of documentation. She also added that a new loan was taken out by the school in 2022 from the board member and the board member and CVA worked out repayment (although no end / total amount was written down) with the individual. Ms. McFadden stated the first loan balance was forgiven leaving a balance from the other loan of around \$31,000 and that the payments would be able to be made beginning in FY 25.
 - Ms. McFadden also noted the lack of financial knowledge on the board was addressed with the addition of their current treasurer and financial trainings attended by the CVA board.
 - She stated the previous loan/moneys between CVA and Math and Esther have been stopped as of November 2023.
 - Repayment caused by inconsistencies in facility rent were waived by DPI.

Questions from the CSRБ

- Mr. Friend asked about the 1099 change and asked if staff was aware of this being discussed prior to the meeting taking place? Ms. Jones said they were made aware prior to the meeting.
- Mr. Friend – citing the board minutes – asked if it was an official vote to change their statuses and Ms. Jones said that it was not an official vote, but they discussed the change before agreeing on the terms that were previously discussed.
- Mr. Friend asked why more students were recorded than were there on April 9th. Ms. Jones said that she and the new program director didn't see what was submitted in the USED system and said that she couldn't personally answer that as a result.
- Mr. Friend asked if they are going to be able to pay the loan by May 8th and the Treasurer responded saying their goal is to keep the school operating and why they reached out to have a payment plan. Mr. Friend pushed again and asked if they would be able to repay the loan on May 8th and the Treasurer said they couldn't answer at this time. Mr. Friend said that is information that would be great to have considering they have an important decision to make here soon.
- Ms. Parlér asked how many employees received 1099s and Ms. Jones said it was 13 out of about 40. Ms. Parlér asked for an exact number and Ms. Jones said they would investigate it right now.
- Dr. Haire asked if someone could elaborate on the properties – what the arrangement was exactly – that they were paying the two months of rent to appears to be a church that is partly owned by the vice-chair of CVA. Can someone elaborate on what that arrangement was? The Treasurer

elaborated on this. Stated the properties themselves are the two schools and a church and the agreement was to make those payments to be in compliance with requirements that have been laid upon us. We have had, as many small businesses have hiccups along the way so there have been some calculations and maybe even some missteps along the way to try and keep us up and running to meet our primary mission of educating students. States they relied on CPA and other finance experts who led them to believe these were proper methods. Stated they are grateful for DPI and 21st Century to lay out ways to resolve this issue.

- Ms. Peggy Carr intervened and stated she wanted to walk through areas of miscommunication and confusion. Stated the \$31,000 loan is not related to the 2008 loan and the \$31,000 loan in 2022 are not related. Stated there was no discussion around the donations given to the school that exceed the amount of interest that was paid. Stated it wasn't just her but others as well who gave out the 2008 loan. She said CVA did receive legal and financial advice on finding 3 that was discussed that it was not a loan, no money exchanged hands. Both the lawyer and the auditors did not see it as a loan. CVA has a plan to address this should they receive a renewal. She also said that she doesn't know why they are talking about a loan that was taken out over 10 years ago when they are talking about a more recent issue. States it was paid back years ago.
 - Ms. Carr also said that she did recuse herself from CVA board votes when needed and there was the desire to do so by all board members over the 27 years.
 - She also stated that she didn't understand why there was a discussion over utilities being paid when they stored equipment and other items there year-round.
 - She added that the school hasn't received any money and that she was surprised that there was so much investigation when there were no issues with the several previous years that the school did receive federal grant funding. Stated this is the first time she is hearing about this and believes there is a lack of clarity. Claims there has not been an opportunity to sit around the table eyeball to eyeball to discuss many of these issues that appear during discussion to their surprise. Has been a surprise to us although they are willing to step in and do what is right.
- Ms. Parlér received an answer from Ms. Jones that there were 33 employees total.
- Dr. Haire asked if the church started the school back in 1997. The treasurer said that the church was part of the properties that were purchased in 1997. He then went into the original mission and history of the school and noted that it still sits on former church property, but the school was not started by the church. Dr. Haire asked if this is why they have an agreement between M and E and CVA board members went over the buildings on campus. Mr. Harper stated that names may be similar, but they are not the same. Math and Esther Church is not the same as Math and Esther properties.
- Ms. Parlér added that the historical perspective was helpful in determining the overall noncompliance was an issue over time. Ms. Carr asked her to clarify and Ms. Parlér noted that what was on the screen showed that there was a historical perspective and these issues have happened over time and not in the last two or three years. Ms. Brigman re-presented the applicable slide and noted the amount reviewed beginning in 2017 and the "excessive" amount that was in question. This isn't the first time there have been issues financially or even programmatically. Items have been presented in the past and plans have been put into place to correct actions but doesn't mean they did not happen. Ms. Carr asked if there was an opportunity to sit down and discuss these numbers as she was unaware of all these items except for FY 20. FY 21 and FY 22 is new to me.
- Mr. Friend stressed that since this information was first presented, CVA has been very open and acknowledging they are under an intense amount of pressure. He reiterated that the fact that 40% of their staff losing their employment status is staggering considering there was no public agenda listing this would be a topic of discussion and there was no actual board vote on the matter.

Motion: Mr. Bruce Friend moved that the Charter Schools Review Board go into closed session pursuant to NC General Statute section 143-318.11a3 to consult with our attorneys in order to preserve the attorney client privilege between attorneys and the public body.

Second: Dr. John Eldridge

Vote: Unanimous

- **Passed** **Failed**
- Mr. Bruce Friend yielded 1 minute for CVA per their request.
 - Ms. Jones stated the 21st century historical data is inaccurate. Since 2020 the school has not had to make repayments to them; 40% of the employees were non-essential employees such as bus drivers, custodians etc. so they didn't have full time benefits; and said the response that they received regarding the \$152,000 payment was not "necessarily a no" when it came to repaying via a payment plan just that if they did partial payments nothing would be received from 21st Century grant until it was paid in full.
- Mr. Friend reiterated the renewal decision before the board and included opportunity for CVA to appeal the decision to the NC State Board of Education. Thanked everyone for the amount of time and effort on all sides for their work.

Motion: Mr. Bruce Friend moved that the Charter Schools Review Board not renew Children's Village Academy based on the opinion that they have failed to meet generally accepted standards of fiscal management as evidenced by the school has multiple findings from DPI's monitoring and compliance section including a lack of internal controls. Also a material violation of the conditions, standards, or protocols set forth in the charter and state and federal law and regulation including the school's findings of failure to follow federal guidelines from the Office of Federal Programs.

Second: Dr. John Eldridge

Discussion:

- Mr. Sanchez said he was going to vote for the motion because he doesn't think the school has the infrastructure to fix the issue, doesn't seem like they are owning their mistakes, doesn't seem like they're trying to improve it and it's sad because when you look at the last two years they could arguably have had their best academic year but yet they're not running the place in a way that would warrant this type of trust with public funds.

Vote: Unanimous

- **Passed** **Failed**

Director's Update: Ms. Ashley Baquero, Director, Office of Charter Schools

- Ms. Baquero gave an update on the June Meeting and asked for feedback from the school perspective on the Drivers Ed situation with charter schools.
- Mr. Friend congratulated and thanked Ms. Baquero for her annual report presentation in Boone.

Motion to Adjourn: Ms. Hilda Parlér

Second: Dr. Rita Haire

Unanimous

4:00 pm.