

**MINUTES OF THE
UTAH STATE CHARTER SCHOOL BOARD MEETING**
Thursday, May 8, 2014 – Board Rooms
USOE

DRAFT

Members Present:

Chair Tim Beagley
Vice Chair Dean Brockbank
Member Laura Belnap
Member Robert Enger
Member Bruce Davis
Member Kristin Elinkowski
Member Howard Headlee

Staff present:

Marlies Burns
Jennifer Lambert
Janene Bowen
Jo Schmitt

Others present:

Kim Burningham, Teresa Theurer, Shelley Nordick, Michele Vlahos, Gary Nelson, Fred Donaldson, Tina Smith, April Stoddard, Berrett Stoddard, Madelyn Stoddard, Kim Goates, Madelyn Billinski, Debby Llewelyn, Kristi Oleson, Joylin Lincoln, Chet Barber, Julia Barber, Chris Diener, Carolyn Sharette, Valerie Herzog, Suzanne Christensen, Josh Christensen, Dallin Christensen, David Robertson, Azenett Garzen, Kim Dohrer, Matt Throckmorton, Jerrad Pullum, Teresa Peacock, Jan Whimpey, Richard Wolfgramm, Steve Crandall, Lita Sagato, Nia Tamoepeau, Lola Akeripa

Call to Order

Chair Tim Beagley called the meeting to order at 9:05 a.m.

Pledge of Allegiance

Chair Tim Beagley led the board in the Pledge of Allegiance.

Board Chair Report

Chair Tim Beagley informed the SCSB of three changes to the meeting's agenda: Liberty Academy withdrew their amendment request; Summit Academy's amendment request has been moved to the end of the agenda; American Preparatory Academy's amendment request has been moved to the beginning of the meeting.

Chair Beagley distributed a list of Charter School Graduation dates and invited board members to attend and participate to any or all that would fit with their schedules.

Also, there will not be a Charter School Board Meeting held in June; the next scheduled meeting is July 10. In the July meeting, the board leadership elections will be held.

Consent Calendar

MOTION: Member Robert Enger moved and Member Bruce Davis seconded to remove the Credit Enhancement requests from the consent calendar. The motion was carried unanimously.

Chair Tim Beagley informed the SCSB that the Credit Enhancement Authority receives applications from Charter Schools who want to receive a favorable credit rating on the loans for their buildings and asks the SCSB

to certify that they are in good standing. There are metrics in place, and if the schools meet all metrics they are given a letter of approval. At this time there are two schools, Venture Academy and Hawthorn Academy, which are requesting Credit Enhancement loans, but have one area of the metric they do not meet. It has been requested that the SCSB members discuss those areas, and determine if they would send a letter of approval to the Credit Enhancement Authority.

MOTION: Member Robert Enger moved to send letters certification for both schools to the Credit Enhancement Authority, with no exceptions. Because of no second, Member Enger withdrew his motion.

MOTION: Member Robert Enger moved and Member Kristin Elinkowski seconded to certify that all standards have been met, with commentary regarding one discretion that was initially not met, but due to discussions with representatives of the schools, the SCSB felt approval could move forward. After further discussion, the motion did not carry.

MOTION: Member Laura Belnap moved and Member Bruce Davis seconded to move forward with the unsatisfactory rating, with an asterisk for explanation. The motion passed with affirmative votes by Members Laura Belnap, Bruce Davis, Robert Enger, Chair Tim Beagley. Member Kristin Elinkowski voted in opposition.

MOTION: Member Bruce Davis moved and Member Robert Enger seconded to approve the consent calendar (Minutes of the SCSB meetings held April 10, 2014 and Amendment Request from Ogden Preparatory Academy). The motion carried unanimously.

Amendment request – American Preparatory Academy

Representatives from American Preparatory Academy informed the SCSB of their request to add 600 kindergarten students at the Draper #1 campus beginning in SY2016 (4,785 students total).

Chair Beagley informed the SCSB that American Preparatory Academy has come before them twice with this amendment request and has been approved twice; and has been denied twice by the USBE. He stated he doesn't feel the school needs to be approved again by the SCSB, but since the USBE denied the request, they need to appeal to them for approval. Chair Beagley asked Member Laura Belnap, who represented Charter Schools on the USBE at the times of denial, if she felt there is a difference on the USBE would give the SCSB reason to believe they have changed their opinion of the request. Member Belnap informed the SCSB she recalls part of the USBE concerns were regarding financing of kindergarten students; the difficulty of housing kindergarten students and high school students at same location, in regards to facility and transportation; what school or district kindergarten students would feed into for 1st grade.

Carolyn Sharette, representing American Preparatory Academy, informed the SCSB that this request is for an expansion of American Preparatory Academy-Draper #1 and not a request for a satellite school. She felt the objection by the USBE, from their view was because the request was connected with the high school satellite, so they have separated it out, and now the request is an expansion of an elementary.

Member Kristin Elinkowski commented that if APA has separated the request, it is a different request and the need to come before the SCSB would be necessary, before going to the USBE. Also, Ms. Elinkowski stated the SCSB has approved the concept of their request.

Chair Tim Beagley stated before the SCSB could start approving new schools, which includes expansions, they need a conversation regarding the number of student slots available in the coming years.

Update on enrollment and funding numbers for SY2015, SY2016, and SY2017

Director Marlies Burns informed the SCSB the final number for SY2015 is 9,651 students and they have approved 8,944 students, which gives a total of 707 remaining students. For the SY2016, state legislature has tentatively allocated funding for 8,450 new students. The SCSB has already approved 5,673 students for

SY2016. At this meeting, five schools are requesting 2,938 students, which is over the amount of students available.

MOTION: Member Laura Belnap moved and Member Robert Enger seconded to hear all amendment requests and new school applications at today's meeting before making any recommendations to the USBE. The motion carried unanimously.

Amendment request – DaVinci Academy of Science and the Arts

Representatives from DaVinci Academy of Science and the Arts informed the SCSB of their amendment request to change the school's mission to include traditional, online, and distance instructional methods, and make technical corrections throughout.

MOTION: Member Bruce Davis moved and Member Kristin Elinkowski seconded to recommend approval to the USBE the amendment request and be placed on their consent calendar at their June meeting. The motion carried with affirmative votes from Chair Tim Beagley, Members Robert Enger, Bruce Davis and Kristin Elinkowski. Members Laura Belnap and Dean Brockbank abstained from the vote.

Amendment request – Syracuse Arts Academy

Representatives from Syracuse Arts Academy informed the SCSB of their amendment request to add a satellite school in Davis School District serving grades K-6 and 728 students beginning in SY2016.

Amendment request – Summit Academy

Representatives from Summit Academy informed the SCSB of their amendment request to add a satellite school in the south end of the valley in Canyons or Jordan School Districts serving grades K-6 and 700 students beginning in SY2016; add grade 7 and 100 students in SY2017; add grade 8 and 200 students in SY2018 (1,000 students total).

New charter application – iTech Academy proposes a new charter school in Jordan School District serving grades 7-12 and 260 students beginning in SY2016; add 40 students in SY2017; add 25 students in SY2018; add 25 students in SY2019; add 50 students in SY2020 (400 students total).

New charter application – Athenian eAcademy proposes a new charter school locations in Nebo, Morgan, Duchesne, North Sanpete, South Sanpete, Sevier, Millard, Juab, Ogden City, Provo City and Box Elder School Districts serving grades K-12 and 650 students beginning in SY2016; add 75 students in SY2017; add 75 students in SY2018 (800 students total); Athenian eAcademy also requests a waiver from R277-419 to have 144 days of school.

Report – Financial Performance & Sustainability measures and metrics

Director Marlies Burns discussed the spreadsheet that had been provided to the SCSB addressing financial performance and sustainability data of charter schools. Member Robert Enger addressed issues regarding debt to assets ratio, suggesting adding back in the accumulated depreciation for the school building into the asset, which makes it a more valuable and useful number. Member Enger also suggested eliminating the 700 expenses from the Function 26 calculation, which would normalize the data. Member Howard Headlee made suggestion that the SCSB allow any school, if there are one-time expenditures that are affecting the data, they could explain those expenditures for the purposes of the data analysis.

School report and Board Action – Pacific Heritage Academy

Representatives from Pacific Heritage Academy updated the SCSB of their progress of being removed from warning status for non-compliance with board rules based on the Distance and Online Education Programs

audit. The school is required to provide information on how they provide appropriate oversight and monitoring of third party vendors providing curriculum/instruction to its students. Also, the school is in violation of R277-404 by assessing students outside the school's testing window.

After discussion, **MOTION:** Member Bruce Davis moved and Member Laura Belnap seconded to continue warning status as it is, with the deadlines coming up in June. The motion carried unanimously.

School report and Board Action – Mana Academy

Representatives from Mana Academy updated the SCSB of their progress of being removed from warning status for non-compliance with board rules based on the Distance and Online Education Programs audit. The school is required to provide information on how they provide appropriate oversight and monitoring of third party vendors providing curriculum/instruction to its students. Also, the school is in violation of R277-404 by assessing students outside the school's testing window.

After discussion, **MOTION:** Vice Chair Dean Brockbank moved and Member Bruce Davis seconded to place Mana Academy on probation with the conditions outlined in the warning letter dated March 14, 2014 and to request a financial assessment be provided to the SCSB that shows how the long-term viability of the school would be impacted if these changes are made. The motion also included a deadline date of June 25, 2014. The motion carried unanimously.

MOTION: Member Laura Belnap moved and Member Bruce Davis seconded to recommend approval to the USBE the amendment requests from American Preparatory Academy, Syracuse Arts Academy and Summit Academy and the new charter school applications from iTech Academy and Athenian eAcademy.

SUBSTITUTE MOTION: Member Kristin Elinkowski made a substitute motion and seconded by Robert Enger to recommend approval to the USBE the amendment requests from American Preparatory Academy, Syracuse Arts Academy and Summit Academy. The motion carried unanimously. Member Howard Headlee requested to declare for the record a conflict stating his sister has a contact with American Preparatory Academy.

MOTION: Vice Chair Dean Brockbank moved and seconded by Member Howard Headlee to recommend approval to the USBE Athenian eAcademy as a new charter school to open in SY2016. The motion carried with affirmative votes from Vice Chair Dean Brockbank, Members Howard Headlee, Bruce Davis and Robert Enger. Member Kristin Elinkowski voted in opposition Member Laura Belnap abstained from voting.

MOTION: Member Howard Headlee moved and Member Robert Enger seconded to recommend approval to the USBE iTech Academy as a new charter school to open in SY2016. The motion failed with affirmative votes from Members Howard Headlee and Robert Enger and Vice Chair Dean Brockbank, Members Bruce Davis, Laura Belnap voting in opposition.

MOTION: Vice Chair Dean Brockbank moved and Member Bruce Davis seconded to deny iTech Academy's application for a new charter school. The motion carried with affirmative votes from Vice Chair Dean Brockbank, Members Bruce Davis, Kristin Elinkowski, Robert Enger and Laura Belnap. Member Howard Headlee voted in opposition to the motion.

Adjourn: Motion was made by Member Bruce Davis to adjourn at 1:55 p.m.