

**Regular Meeting
Wednesday, January 18, 2012**

2:00 p.m.

**Nevada County Superintendent of Schools
Houser Conference Room**

112 Nevada City Highway, Nevada City, CA 95959

Minutes

I. **Meeting called to order** at 2:00 p.m. by Voss

II. **Established quorum**

Altieri	present
Meeks	present
Slade-Troutman	present
Michael	present
Voss	present

III. **Salute to the flag** led by Holly Pettitt

IV. **Additions to the Agenda** – none.

V. **Adoption of the Agenda**

On a motion by Slade-Troutman and seconded by Altieri, the agenda was adopted as presented. The Motion passed unanimously.

VI. **Opened public forum** – Recognition of members of the audience wishing to address an agenda item may do so at this time or at the time the agenda item is heard.

Mr. Thompson, the landlord of 117 New Mohawk, Nevada City, California, advised he has signed a listing with a broker. He will keep us updated, and hopes we remain as tenants.

VII. **Closed public forum**

VIII. **Presentation**

A. FY 2010-11 Audit Report –

Jeff Jensen, of Crowe Horwath LLP (Previously of Perry-Smith. Effective November 1, 2011 Perry-Smith merged with Crowe Horwath), presented the 2010-11 audit report to the Board.

There were no audit adjustments; no uncorrected statements. The internal controls and federal compliance opinion were unqualified. State compliance received a qualified opinion as there was one minor finding. In the area of attendance, Bitney College Prep Charter School's ADA was overstated which required a revision of attendance reporting to the state.

Slade-Troutman questioned election costs, noting that \$125K was budgeted. Supt. Hermansen advised that some election costs are still being negotiated. Slade-Troutman would like to know the actual costs.

IX. **Approval of the Consent Agenda**

These items are expected to be routine and non-controversial. They will be acted upon by the Board at one time without discussion, unless a Board member or citizen requests that an item be removed for discussion and separate consideration. In that case the designated item(s) will be considered following approval of the remaining items.

A. Approval of minutes of the Regular meeting of December 14, 2011

- B. Approval of Resolution 12-02, Rules & Regulations Governing the Purchase of School Supplies & Equipment (Roll Call Vote)
- C. During the fourth quarter of 2011 October-December, there were no complaints filed to be reported, pursuant to Williams Uniform Complaint Procedures (E.C. 1240(H); Board Policy 1010 – Uniform Complaint Procedures)

On a motion by Altieri and seconded by Slade-Troutman, the consent agenda was approved. The motion passed unanimously.

X. **Action Items**

- A. Shall the Nevada County Board of Education accept the FY2010-11 Auditors Report as presented at the regular Board meeting of January 18, 2012?

On a motion by Altieri and seconded by Michael to accept the FY2010-11 Auditors Report as presented at the regular Board meeting of January 18, 2012. The motion passed unanimously.

XI. **Public Hearing**

- A. The public hearing was opened regarding the renewal of the petitions of Countywide benefit Charter for Nevada City School of the Arts; Bitney College Preparatory High School; Sierra Montessori Academy; and Yuba River Charter School (EC §47605(b)) at 2:30 p.m. by Voss.

Public comments strongly supporting all four charter schools were presented to the board.

- B. The public hearing was closed at 2:42 p.m. by Voss.

XII. **Discussion Items**

Supt. Hermansen introduced the charter school directors, noting how each was very responsive through the petition renewal process. We are proud and honored to be their sponsor. As we go through each petition there will be an opportunity for discussion. The State Board of Education adopted new charter renewal regulations. Charters are required to meet an academic performance goal. All requirements were included in the petitions. Supt. Hermansen, Donna Fitting, and Stan Miller reviewed each petition; met; and made comments on each school.

A. Initial review of petition for renewal of Countywide benefit Charter for Nevada City School of the Arts (NCSA).

Supt. Hermansen noted that NCSA has met the requirements for Academic Performance.

Director Holly Pettitt appreciated the petition process; it was thorough and made her think and ponder where to take the school, as a map would.

Slade-Troutman stated she had attended a play and, by chance, met a parent of NCSA who stated he was very impressed with the school. Hearing this unsolicited comment out in the community was nice.

Michael noted the ELA and Math scores have consistent performance by grade level with an upward curve: Why? Director Pettitt feels they are a result of not focusing on the state testing or standards. The school is small; kids are happy; held and loved. There is no pressure on them; the test is just another thing to do.

Michael questioned revenue projection for Transitional Kindergarten. Director Pettitt advised the budget would not be affected.

B. Initial review of petition for renewal of Countywide benefit Charter for Bitney College Preparatory High School (BCPHS).

Supt. Hermansen noted that BCPHS has met their Academic Performance for the past two years and their renewal petition was complete. Enrollment and facilities have stabilized and are currently experiencing a small amount of growth. There are no budget issues except the state deferrals. Bitney also had a WASC review this year.

In describing how state deferrals affect cash flow of Charter Schools; Fitting explained traditional school funding captures property taxes, while Charter schools are wholly dependent on State aide and do not have a District of Residence to draw against. Fitting is working with the County Treasurer working out a plan to enable Charter schools to receive short term financing from NCSOS.

Michael congratulated Director Herring on Bitney's diverse student body.

C. Initial review of petition for renewal of Countywide benefit Charter for Yuba River Charter (YRC).

Supt. Hermansen congratulated Director Buckley, YRC met their Academic Performance for the past two years; all components of the petition were in place. Their 15 years of history is very interesting. Their budget is solid and cash flow issues currently not an issue but will become more challenging. The move to Nevada City Elementary went smoothly.

Michael also complimented Director Buckley on their diverse student body. Buckley credits the Waldorf style as it is international. Buckley also mentioned they have 60 students on a wait list.

D. Initial review of petition for renewal of Countywide benefit Charter for Sierra Montessori Academy (SMA).

Supt. Hermansen handed out an updated Budget to reflect the decline of 15 students; as well as a Revised Staff Recommendations Summary. SMA has struggled with leadership, budget and facilities. They now have an excellent facility. We commend the staff in being responsive to all the petition requirements; it's difficult to keep a school of less than 100 going. The students continue to score highly. The recent decline of 15 students has affected their stability and severely impacted the financial outlook. The current budget does not provide assurance of fiscal stability.

Director Henry Bietz explained the decline of 15 students were for varying reasons: half left the area; a quarter couldn't afford the gas to get there; and the other quarter were effected with their new discipline policy as they were issues carried over from the previous year which needed to be addressed.

Bietz advised their budget is very conservative and feels their ADA will increase; they already have an additional 3 students. They had an \$82K deficit; which all but \$10k has been eliminated. He believes they will have money at the end of the year relieving the cash flow issue. They will restructure to move forward if needed. They have not advertised to help increase enrollment as they couldn't guarantee a 5 year future. Bietz has plans for outreach to the Auburn area, as they have no Charter services. Their goal is to get through this year solvent and move forward. Bietz plans to stay on as director.

Clarification was made by Supt. Hermansen regarding the Staff Recommendation Revision noting "ADA projections" should read "Enrollment projections".

Bietz plans to make changes on paper; put into a document and meet with SMA Staff. They are aware NCSOS needs to see the adjustments.

Slade-Troutman stated that it is the Boards obligation to insure the Charters are in compliance with State demands.

Voss reminded all of the fast time-line; need to address the issues and come back to the board as soon as possible.

Michael asked if it was a reasonable point of action to withdraw the petition and have SMA submit their petition to Pleasant Ridge School District; if denied they would come back to our board on appeal. Bietz felt the process may be too long and they could lose families and plans to submit documents to NCBOE.

A short break was taken by the Board from 4:05 p.m. – 4:15 p.m.

E. First reading of Board Policy 6173, Education for Homeless Children; Administrative Regulation 6173, Education for Homeless Children

Stan Miller advised that due to a McKinney-Vento (Homeless Act) new grant consortium, a policy is required to be in place in order to apply. We are applying on behalf of all Nevada County school districts.

XIII. **Reports**

A. Board member reports

1. **SARB, Meeks** – meeting next week
2. **Budget Review Committee, Slade-Troutman/Meeks** – Slade-Troutman inquired about the current expenditures for Fund 101 – Elections. Fitting replied that the election bills are complex; they run countywide, not just by district.

Slade-Troutman asked about the \$87K left in deferred maintenance. Fitting explained that in 2008/9 Flex was granted for 5 years, is now extended, however it used to be restricted State funds. Deferred maintenance is for possible TKM Roof. There was also a large bid to excavate the NCSOS property to stop annual floods into the buildings.

Slade-Troutman asked if we could use the money for a shortfall. Fitting explained that it could be used.

Slade-Troutman would like the salary schedule.

Discussion was held as to the purpose of the Budget Review Committee and how the meetings would best work for the Board and Staff. A budget overview would be provided in advance by Fitting. It was suggested to meet prior to the 1st Interim; 2nd interim; and budget development.

3. **Legislative, Voss** - none
4. **NCSBA, Michael** – Discussion of reserving the Miners Foundry for Teacher of the Year was held. CSBA Governance/Brown Act Training will be held on January 19, 2012.
5. **Individual Board member reports** – none.

B. **Superintendent's Report**

1. **Governor's 2012/13 Budget report** – Supt. Hermansen and Fitting attended the Governor's Workshop. The State of the State address is today. There are many unknowns. There are six viable tax initiatives, and it is best if just one goes to the voters. It is the hope that the Governor's initiative will pass. If not, there will be a \$370/per student cut.
2. **Statement of Conscience** – Letter created by Santa Barbara County Board of Education was shared.

C. **Staff Reports**

1. **Business Services, Fitting** – School district budgets are complete and ready to submit by January 2012. Eight received positive opinions; two received qualified

opinions. As the districts brace themselves for more budget cuts planning for the upcoming year will be challenging.

2. **Educational Services**, *Miller* - none

D. **Future agenda items**

1. Redistricting: Rearranging Trustee Areas Based on Federal Decennial Census
2. 2nd Reading and Final Adoption of Board Policy 6173, Education for Homeless Children.
3. Renewal of the petitions of Countywide benefit Charter for Nevada City School of the Arts; Bitney College Preparatory High School; Sierra Montessori Academy; and Yuba River Charter School (EC §47605(b))
4. Nevada County Board of Education Goals – CSBA Standards – Voss and the board are interested. Supt. Hermansen will obtain the Professional Governance Standards.

XIV. **Correspondence**

A. Nevada County Board of Education Meeting Calendar for 2012, as approved.

XV. **Adjournment** – at 5:03 p.m.

Approved: _____
James Voss, President

Date: February 8, 2012