

NEVADA COUNTY BOARD OF EDUCATION

Regular Meeting

Wednesday, April 20, 2016

3:00 p.m.

Nevada County Superintendent of Schools

Houser Conference Room

112 Nevada City Highway, Nevada City, CA 95959

MINUTES

1. Meeting called to order

2. Establish quorum

Trevor Michael	Present
Tracy Lapierre	Present
Larry Meek	Present
Shelly Sexton	Present
Bob Altieri	Present

3. Salute to the flag

4. Adoption of the Agenda

Michael suggested moving Agenda Item 13.E. *Notice of Intent to Revoke and Notice of Facts in Support of Revocation for Escuela Popular Instituto Campesino de Cesar Chavez (EPIC)* to after Agenda Item 10. A. and before Agenda Item 10. B; remaining as an Action Item.

On a motion by Sexton and seconded by Lapierre, the agenda was amended, moving Agenda Item 13.E. *Notice of Intent to Revoke and Notice of Facts in Support of Revocation for Escuela Popular Instituto Campesino de Cesar Chavez (EPIC)* to after Agenda Item 10.A. and before Agenda Item 10.B.; remaining as an Action Item. The motion carried unanimously (5-0).

On a motion by Altieri and seconded by Meek, the agenda was adopted as amended. The motion carried unanimously (5-0).

5. Opened public forum – Recognition of members of the audience wishing to address the board.

Michael requested that public comment for FIELD/EPIC be made during the FIELD/EPIC agenda item.

No public comment was made.

6. Closed public forum

7. Closed Session – the Board entered into closed session at 3:07 PM

A. Conference with Legal Counsel – Existing Litigation
(Gov. Code 54956.9(d)(1)) (one case)

Name of Case: City of Grass Valley v. Cohen et al. (C078981), Sacramento County No. 34201380001580CUWMGDS

- B. Conference with Legal Counsel - Pending litigation
(Gov. Code 54956.9(d)(2)) (two cases)

8. Open Session – the Board reconvened at 4 PM

A. Report out from closed session

- i. Conference with Legal Counsel – Existing Litigation
(Gov. Code 54956.9(d)(1)) (one case)

Name of Case: City of Grass Valley v. Cohen et al. (C078981),
Sacramento County No. 34201380001580CUWMGDS

No action taken.

- ii. Conference with Legal Counsel - Pending litigation
(Gov. Code 54956.9(d)(2)) (two cases)

**In the claim of *Doe vs Bitney* – the claim was rejected
unanimously.**

No action taken in the second claim.

9. 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 March 9, 2016 (*page 1*)

B. During the first quarter of 2016 January-March, there were no complaints filed to be reported, pursuant to Williams Uniform Complaint Procedures (*E.C. 1240(H): Board Policy 1312.3 – Uniform Complaint Procedures*) (*page 7*)

On a motion by Meek and seconded by Sexton, the consent agenda was adopted as presented. The motion carried unanimously (5-0).

10. Information/Discussion Items

A. Capitol Public Finance Group: Information regarding Financing Options for 380 Crown Point Circle

Supt. Hermansen introduced Jeff Small of Capitol Public Finance Group, a Registered Municipal Advisor.

Small walked the Board through a PowerPoint presentation detailing funding options. Government agencies are fortunate in that Federal Tax law allows borrowing on tax-exempt rate; and a lower rate for public facilities; subject to the debt limit. Small described lease-purchase financing structure; terms of financing; the cost of issuance; loan payment schedule; and prepayment options.

Small also detailed a repayment plan, noting that the debt service can be paid from rental savings. The annual payment is based on amount borrowed.

The Board had a thoughtful discussion over financing; and expressed a desire for a prepayment option. Financing the full purchase price vs 95% was discussed.

Action Item 13.E was moved here as amended at adoption of agenda.

13. E. Shall the Nevada County Board of Education approve the Notice of Intent to Revoke and Notice of Facts in Support of Revocation for Escuela Popular Instituto Campesino de Cesar Chavez (EPIC)? *(page 49)* –

Michael advised that today's meeting was not the revocation; the meeting in May would be a Public Hearing and June would be that decision. Villarino translated this to the audience.

Supt. Hermansen reviewed the Response to the Notice of Violations and the Second Interim budget report provided by the Charter School; and based on the evidence provided, summarized for the Board an assessment of whether EPIC has remedied the violations identified in the Notice of Violations.

The only new information provided since the previous board meeting of the Second Interim Budget.

The Board must now determine whether or not to issue the Notice of Intent to Revoke (NIR). Should the Board not issue the NIR, the process stops now. Should concerns still remain, the process would move forward. All timelines are defined in Ed Code.

Public comment was heard from several students in the audience speaking out in favor of EPIC; thankful for their program to further their education and opportunities that have been given to them to better their future. Villarino and students translated.

Joyce Montgomery, Education, Policy and Finance Specialist, with Charter School Development Center, has been hired by EPIC to help improve their business practices; giving them tools so they are able to meet expectations. Montgomery is in favor of EPIC and against the Notice of Intent to Revoke.

EPIC teachers also expressed their support for the charter school noting that they serve a unique population who are unintentionally ignored. The adult students are hardworking; passionate; and determined to get an education. They wish to see the program continue.

Villarino advised they have made significant progress in all areas of concerns and asked the Board not to revoke. Villarino reported that in a follow-up review, CDE top Administrator of Adult Education, Chris Nelsen, along with Russ Winkle, College & Career Division Administer, visited the Tehachapi site. Villarino is committed to doing whatever it takes to continue to be successful.

Villarino stated the Board has two choices: start the process to close a program that serves hundreds of people; or vote to let them continue to make improvements.

Delilah Martinez provided a handout showing pre-test/post-test Learning Gains in 2014-15.

Liz Villarino worked with NCSOS Consultant Terry Ryland to provide assumptions in the original budget. Further statements supporting why assumptions were made the way they were in the Second Interim were provided to the Board.

Joyce Montgomery noted that there were adjustments made by NCSOS regarding apportionment penalty for non-credentialed teachers. An assumption made that there is a penalty which would change the fund balance on the second interim. There is nothing in the state audit guide that places a penalty of apportionment on teacher credentialing for charter schools. There is a difference of opinion amongst some auditors, but it's the auditor that would determine this at next year's audit. After that happens, the school can appeal. If there is a possibility of a penalty it wouldn't be for years to come. School districts have that build in, but not charters.

Michael asked Supt. Hermansen about the core dispute of fiscal mismanagement. The past history of potential non-collection of EPIC ADA funds means that the original budget was no longer applicable; and Second Interim revised at this time contains assumptions that the monies they expect may not be forthcoming.

Supt Hermansen clarified that some of the differences are that one time funds were carried over year to year; assumptions that the certificated salaries were much lower, as they had part time and subs most of the year; but then they now have declared there are fully credentialed teachers so cost should go back to budget cost. NCSOS wasn't made aware of assumptions of reductions in staff.

Ryland clarified that conditions of apportionment that must be met for a day of attendance to be counted, include having credentialed teachers and offering the minimum of instructional minutes. No penalty, just don't claim them. It's more of a matter of how it's reported and counted. Districts don't report things that are above what would be claimed and wait for an auditor. You self-govern yourself. NCSOS contacted the CDE for clarity, and this is a self-reporting issue, not a penalty from auditor or state.

Villarino questioned, does this rise to the level for the Board to revoke.

Altieri noted the greatest concern deals with potential insolvency in Second Interim. Ryland's report indicated that, in her opinion, the district is indeed insolvent. Regardless of how we feel, we have a responsibility as authorizer of the charter. We are a public body and must respond in accordance with the law. If indeed our estimates are correct, he can't vote to allow this to continue. It would be against the principles as to why we are here. There is no question that EPIC has done an outstanding job in providing information.

Supt. Hermansen feels the charter has responded to a number of concerns and they have put forth a great effort; but if you're not allowed to accept ADA when there is a non-credentialed teacher in the class and if indeed you're not allowed to accept ADA when you're not offering the appropriate number of instructional minutes then according to our calculations the charter is insolvent. The question is whose responsibility is it that they repay? After conversations with the CDE and our attorney, it's self-correcting and self-reporting. Villarino had discussions with the Charter Development Center and understood they were required to repay that. The question becomes how is it enforced and who makes it happen.

Sexton would phrase the question the opposite: Does the Board have the right to ignore fiscal malfeasance and the lack of reporting ADA correctly and in a legal manner that is supported by Ed Code? As a public body can we ignore that?

The Board and Villarino continued with a discussion about whether the charter school is responsible to disallow the ADA for non-credentialed teachers and lack of instructional minutes or whether the State steps in to direct them to disallow.

Joyce Montgomery stated the Charter School has three years to restate the ADA for the lack of instructional minutes. She stated she would be happy to work with CDE on this issue.

On a motion by Sexton and seconded by Altieri the Nevada County Board of Education approved the Notice of Intent to Revoke and Notice of Facts in Support of Revocation for Escuela Popular Instituto Campesino de Cesar Chavez (EPIC) The motion carried; 4 ayes (Sexton, Lapierre, Meek, Altieri); 1 nay (Michael).

Sexton excused herself from the remainder of the meeting due to a previous commitment.

11. Staff Reports

- i. Alternative Education, *Sanford* –
Sanford provided a handout detailing attendance; CAASPP Testing beginning the end of April; and summer school opportunity. Staff development day was on March 28 for CAASPP testing; ICS 100 FEMA on-line emergency preparedness training; social/emotional training; and career/technical curriculum training.
- ii. Educational Services, *Johns*
 - 1. LCAP Update – 3rd quarter progress report handout on goals was presented
- iii. Business Services, *Waddle*
A warm welcome was given to Darlene Waddle, Associate Supt. for Business Services. Waddle started April 18th, 2016
- iv. SELPA / Special Education, *Gallup* – unable to attend.

12. Superintendent's Report

A. 380 Crown Point Circle Update

Supt. Hermansen reported that escrow closed. An architect has been hired and is working with an engineer on the parking space options. The engineer discovered an area which can be carved out and 22 more spots can be made, bringing the total up to 84 spaces. This could mean an increase of \$100K roughly. Staff recommends moving forward with the additional parking spaces.

The Board directed Supt. Hermansen to look into the cost of 84 spaces; and bring an estimate to the board for review.

13. Action Items

- A. Shall the Nevada County Board of Education approve the proposal for Summer Learning Program at Earle Jamieson (*page 23*)

On a motion by Meek and seconded by Lapierre the Nevada County Board of Education approved the proposal for Summer Learning Program at Earle Jamieson. The motion carried; 4 ayes (Michael, Lapierre, Meek, Altieri); 1 absent (Sexton).

- B. Shall the Nevada County Board of Education approve *Request for Allowance of Attendance because of Emergency Conditions Form J-13A* for Launch for the date of March 7, 2016 (*page 25*)

On a motion by Meek and seconded by Lapierre the Nevada County Board of Education approved *Request for Allowance of Attendance because of Emergency Conditions Form J-13A* for Launch for the date of March 7, 2016 The motion carried; 4 ayes (Michael, Lapierre, Meek, Altieri); 1 absent (Sexton).

- C. Second Reading – BP 5141.21 and AR 5141.21 – Administering Medication and Monitoring Health Conditions (*page 31*)

Shall the Nevada County Board of Education approve BP 5141.21 and AR 5141.21 – Administering Medication and Monitoring Health Conditions?

On a motion by Meek and seconded by Lapierre the Nevada County Board of Education approved BP 5141.21 and AR 5141.21 – Administering Medication and Monitoring Health Conditions. The motion carried; 4 ayes (Michael, Lapierre, Meek, Altieri); 1 absent (Sexton).

- D. Second Reading – BP 3370, Travel Expenses (*page 46*)

Shall the Nevada County Board of Education approve BP 3370, Travel Expenses?

On a motion by Altieri and seconded by Lapierre the Nevada County Board of Education approved BP 3370, Travel Expenses. The motion carried; 4 ayes (Michael, Lapierre, Meek, Altieri); 1 absent (Sexton).

- E. Shall the Nevada County Board of Education approve the Notice of Intent to Revoke and Notice of Facts in Support of Revocation for Escuela Popular Instituto Campesino de Cesar Chavez (EPIC)? *(page 49)* –

Discussion and motion of this Agenda Item took place after Agenda Item 10.A and before Agenda Item 10.B as amended in adoption of agenda.

14. Board Reports

- A. SARB, *Lapierre*
- B. Legislative, *Sexton*
- C. NCSBA, *Meek*
- D. Charter Liaison, *Altieri*
- E. Individual Board Reports

15. Correspondence

- A. Classified School Employees of the Year *(page 73)*
- B. Countywide Speech Tournament Press Release *(page 75)*

16. Adjournment

Next Meeting Date: May 18, 2016: Board Budget Workshop 2 PM;
Board of Education Meeting 2:45 PM,
112 Nevada City Highway, Nevada City

Approved: _____
Trevor Michael, President

Date: May 18, 2016