

Utah State Charter School Board Meeting
Minutes
August 17, 2006
North & South Board Rooms
Utah State Office of Education

APPROVED

Members present: Julie Adamic, Scott Smith, Sonia Zisumbo, John Pingree, Barbara Killpack, Brian Allen
via phone conference

Members excused: Eric Smith

Staff present: John Broberg, Marlies Burns, Gary Belliston, Jo Schmitt

Others present: Ray Timothy, Larry Newton, Janene Bowen, Kent Godfrey, Macray Curtis, and
representatives from Summit Academy

Work Session

Chair Scott Smith explained the ranking system that would be used in ranking or scoring the 15 new charter school applications. Each Charter School Board Member would score each charter school application and rank them according to those they approve for recommendation and a ranking of 16 for a school he or she felt was not ready for operation. Average of all the rankings will determine first, second and third choices. Mr. Smith stated the Charter School Board Members would be coming up with three groupings which would be 1)the top three choices, 2)those schools that will not need to reapply, but were not being guaranteed a charter, and 3)those schools that will need to revise their applications and reapply. Chair Scott Smith informed the State Charter School Board that Member Eric Smith has recused himself from the meeting and will not be involved with any of the ranking of the applications.

Member Julie Adamic questioned if any of the schools had considered converting to charter status, if they would count as any of the three schools that will be recommended for approval. Chair Scott Smith informed her that legislators have stated conversion schools will be counted towards the five charter schools that will be allowed a charter for the 2007-2008 school year. Deputy Superintendent Ray Timothy informed the SCSB that Granite School District has stated they will not grant a charter to any applicant.

Director John Broberg updated the State Charter School Board regarding R277-470 - Charter Schools. Mr. Broberg stated the State Board of Education is requesting the State Charter School Board to recommend language changes concerning satellite sites. He stated the Law and Policy Committee of the State Board of Education approved the section concerning expansions, but did not address satellite sites. There are no regulations in writing concerning satellites. Chair Scott Smith informed the State Charter School Board there is a need to determine what is an expansion of a school and what is considered a satellite site.

Deputy Superintendent Ray Timothy informed the State Charter School Board that the State Board of Education is not convinced they want satellite sites at all, but has received input from the State Charter School Board, with Chair Scott Smith as representative, that the SCSB has an interest in supporting that concept. The Law and Policy Committee of the State Board of Education would like to have recommended verbiage from the SCSB on how to amend the rule, with a version supporting satellite campuses or another version where satellite campuses are excluded. The Law and Policy Committee would like the concepts presented to the entire State Board of Education, not just the committee itself.

Member Brian Allen requested clarification as to what the State Board of Education is requesting of the State Charter School Board regarding expansions or satellite campuses.

Deputy Superintendent Ray Timothy stated there is no provision for satellite sites in the rule. Because the urgency of needing the board rule in place, the State Board of Education approved the rule as it was, but they want the State Charter School Board to make recommendation of the wording, to include what would take place, how to insure parental involvement, how to prevent mini-districts.

Member Barbara Killpack requested more information regarding satellite schools and how parental involvement will be handled.

Member Julie Adamic questioned if there has been a timeline set for feedback and direct language concerning the expansion/satellite issue of R277-470. Deputy Superintendent Ray Timothy stated that the rule would stand until the SCSB proposes an amendment.

Call to Order

Chair Scott Smith called the meeting to order.

Approval of Minutes

Motion was made by Member John Pingree and seconded by Member Sonia Zisumbo to approve the minutes from the July 20, 2006 State Charter School Board Meeting.

Member Barbara Killpack questioned Chair Scott Smith regarding his comments made at the State Charter School Board Meeting in July, of the relationship of the State Charter School Board with the State Board of Education and State Charter School staff not being reflected in the minutes. Chair Scott Smith informed Ms. Killpack he did intend those comments be included in the minutes of July 20, 2006, and would have them added.

Also, Member Barbara Killpack commented she would like to receive the reader's notes and comments for new charter school applications along with the revised applications for charter approval. The motion was carried unanimously, with changes.

Charter School Teacher of the Year

Member Julie Adamic introduced Diane Ballard, a teacher at John Hancock Charter School, who represents Utah's Charter Schools for the State Of Utah's Teacher of the Year Award. Ms. Adamic shared many qualities of Ms. Ballard. She takes responsibility for every child. Not just every child in her classroom, but for every child enrolled at John Hancock Charter School; she has served as the school's Special Education Director; works with teachers to build bridges to help communicate special needs issues within the classrooms; she sees the positive in a student's growth; she builds self confidence in the students so they have positive experiences. Ms. Ballard is always fine tuning her program and is a true team player, not only with the school staff, but with the students as well.

Charter School Requirements

Macray Curtis, Director of the Local Government Division of the State Auditor's Office, informed the State Charter School Board there had been a request for a legislative audit of the finances of charter schools. State Auditor, Austin Johnson requested Kent Godfrey and Macray Curtis clarify what the state auditor's office and state law require regarding charter schools, what kind of financial reports are made to the auditor's office, and the audits that are made of those charter school financial reports. Kent Godfrey, Education Specialist in the State Auditor's Office reminded the State Charter School Board of Utah Code 53A-1a-507(4)(a) and 53A-1a-507(4)(b) that states a charter school is required to submit the same reports as school districts and charter schools must file an audit to the state auditor's office six months after year end. Budgets are due to the state

auditor's office by July 15th of each year and also due to the State Office of Education. Financial reports must be audited by a CPA and submitted to the state auditor's office six months after year end, or December 31st. If any government entity, including charter schools, does not follow these deadlines, the auditor's office sends out a "60 day letter," a reminder that they are delinquent in the following reports, after the 60 days, if they still haven't responded, they have the authority by law to hold funds. The Office of Education will hold funds until the reports are received. Mr. Godfrey informed the State Charter School Board of the types of financial reports charter schools are required to file.

- Charter schools must have an annual audit in accordance with Government Auditing Standards.
- Most charter schools are established as non-profits who follow the Financial Accounting Standard Board (FASB) standards.
- Some charter schools are set-up as funds within a school district. They can either be shown as a separate column in the school districts financial statements or have separately issued statements that follow Government Accounting Standards or GASB.
- An audit includes an opinion that states that the charter school has materially complied with generally accepted accounting principles.
- State Legal Compliance Report is also required if the charter school receives at least \$100,000 from any state grant.
- A single audit (federal audit) would also be required if a charter received at least \$500,000 in federal funds.

Other required reports: Annual Financial Report (AFR)-required to be filed with the state auditor's office and the Office of Education (due October 1st) and the Annual Program Report (APR)-required to be filed with the Office of Education (due October 1st).

Mr. Godfrey informed the State Charter School Board that Utah's charter schools are following the guidelines and have the necessary audits completed.

R277-471 - Oversight of School Inspections

Larry Newton, Director of the School Finance and Statistics section at USOE, informed the State Charter School Board that municipal and county building inspectors have expressed concerns that school districts and charter school facilities are potentially being built without proper construction inspection oversight by the State Board of Education. Mr. Newton presented R277-471 and stated the top priority in any school construction and inspection is the safety and security of children.

Member Julie Adamic expressed her thoughts and concerns regarding rules and statutes with districts and charter schools being addressed separately, instead of together. Chair Scott Smith questioned why charter schools are not compared the same as districts, by having the same requirements and standards.

After much discussion, motion was made by Member Julie Adamic to recommend to accept lines 1 – 389 of R277-471, strike lines 390 – 579, and accept lines 580 – 621; and add language to Section 6 (line 232) by adding the words "and charter schools" throughout the entire section. A substitute motion was made by Julie Adamic to recommend merging Sections 6 and 7 so it references both school districts and charter schools with the exception where there are specific statutorily differences; the addition of the wording to include geological hazard and environment where the municipality or county may subject a charter school and district; and to strike Section 8. The substitute motion was seconded by Member Sonia Zisumbo. The motion was carried unanimously.

Motion was made by Member John Pingree and seconded by Member Barbara Killpack to revisit the motion made to R277-471. The motion was carried unanimously.

Motion was made by Member John Pingree and seconded by Member Julie Adamic to strike the words geological hazard and environment from R277-471. The remainder of the original motion stands as previously made. The motion was carried unanimously.

George Washington Academy Amendment

Director John Broberg presented the amendment to George Washington Academy's charter to change their seven member board of directors to include six members by appointment, and one member by vote of the parents, to coincide with board rule.

Motion was by Member John Pingree and seconded by Member Julie Adamic to approve for recommendation to the State Board of Education the amendment to George Washington Academy's charter. The motion was carried unanimously.

Summit Academy Amendment

Jill Neff, Director of Summit Academy presented to the State Charter School Board the school's request for expansion to include 100 students per grade level, from grades K-9 for school year 2007-2008, to total approximately 1000 students. Member Julie Adamic inquired how many students the school has enrolled per grade level and which grades are served in the school at this time. Ms. Adamic was informed the school has 75 students per grade level, grades K-7. Chair Scott Smith inquired where they plan on the expansion to be located. Ms. Neff informed the State Charter School Board they would like the expansion to be as close to the present campus as possible. The expansion would include an additional new structure in the immediate vicinity where the school is now located; to house grades 5th – 9th grades.

Deputy Superintendent Ray Timothy reminded the State Charter School Board the draft version of R277-470 addressed expansions, being very specific on distances from existing facility. The rule has been approved on third reading, and needs to go through public comment. Dr. Timothy informed the State Charter School Board that the State Board of Education wants them to be certain for an expansion to take place that the school could accommodate the expansion within the existing facilities; or that necessary structures will be completed, meeting all requirements of the law, by the proposed date of operation.

Member John Pingree inquired if the school was at student capacity and why they were asking to extend two additional grades. Ms. Neff stated the school is at capacity, currently with 2000 names on a waiting list; and that the student body and parents have requested them to expand to 8th and 9th grades to be able to remain at the same school.

Janene Bowen, from Jordan School District, stated the district was aware that Summit Academy was interested in expanding to 9th grade, but were unaware of their plan to expand one class per grade. Ms. Bowen also stated the district is questioning the request; whether it an expansion or a satellite request. She also stated the concerns of alignment of courses offered in the same years Jordan School District offers the classes, concerns of understanding how to staff differently and meet highly qualified requirements, and how adding secondary courses effect budgeting.

Director John Broberg made the statement, prefacing it is an assumption, if Summit Academy has two sites, but different grade levels in each site, that is considered an expansion; if there are two sites, but same grade levels exist in each, that is considered a satellite.

Member Barbara Killpack stated her concern about making recommendations to the State Board of Education for Summit Academy's amendment without the State Charter School Board having an opportunity to make their determination between an expansion and a satellite school.

Motion was made by Chair Scott Smith and seconded by Member Barbara Killpack to table Summit Academy's amendment request until the September meeting for further discussion and determination. Member Julie Adamic requested clarification of having Summit Academy's amendment addressed at the same meeting as determining expansion vs. satellite. She was informed that the amendment would be addressed in the same meeting. Deputy Superintendent Ray Timothy stated having it put on the agenda to clarify what you want to recommend for satellite sites vs. expansion to do that as a work session and come to a consensus and feel confident with that, then address Summit Academy's amendment. The motion was carried unanimously.

American Preparatory Academy

Motion was made by Member Julie Adamic and seconded by Barbara Killpack to table American Preparatory Academy's amendment until the September Charter School Board Meeting. The motion was carried unanimously.

Recommendations of New Charter Schools

Chair Scott Smith discussed the process of ranking the fifteen applications for new charter school recommendations to the State Board of Education. Each Charter School Board member ranked their top three choices; then without having a set number, chose those applications they felt were complete and would not need to reapply; finally, a ranking for those applications that would require additional work and therefore need to reapply.

Member Barbara Killpack asked for clarification whether any conversion school would be considered one of the five schools legislation has allowed for the 2007-2008 school year. Chair Scott Smith stated that any school the State Charter School Board approves for recommendation, through conversion or being a new school, it would be considered one of the five charters legislation has allowed for school year 2007-2008. Ms. Killpack also questioned if districts have had interest in chartering any of the schools that are applying for charter status. Director John Broberg informed Ms. Killpack the only school he is aware of is Canyon Rim Academy, they have contacted Granite School District requesting a charter and they have been informed the district will not award a charter to Canyon Rim Academy.

The results of the ranking, having been averaged by all scores: 1)Guadalupe Schools, 2)Karl G. Maeser Preparatory Academy, 3)Canyon Rim Academy.

Chair Scott Smith stated that although Edith Bowen Laboratory School was not one of the top three schools that were granted an approval recommendation, the school is a quality school, their history, background and the ability they have to succeed speaks for itself. The school expressed the possibility they may be able to put off being a charter school for a year and be considered for the 2008-2009 school year.

Motion was made by Member Julie Adamic and seconded by Member John Pingree to accept the ranking to recommend Guadalupe Schools, Karl G. Maeser Preparatory Academy and Canyon Rim Academy for approval of charter status to the State Board of Education. The motion was carried unanimously.

Adjourn

Motion was made by Member Barbara Killpack to adjourn at 1:45 p.m.