

**STATE OF WASHINGTON
CHARTER SCHOOL COMMISSION**

Thursday, May 22, 2014 – 10:00 a.m. to 5:00 p.m.

South Seattle Community College

Georgetown Campus

Building C: Room C122

6737 Corson Ave S

Seattle, WA 98108

MINUTES

Attendance:

Trish Millines Dziko, Kevin Jacka, Dr. Margit McGuire, Raymond Navarro, Dave Quall, Steve Sundquist, Dr. Roberta Johnson Wilburn

Absent: Cindi Williams, Larry Wright

Staff: Joshua Halsey, Executive Director; Aileen Miller, Assistant Attorney General; Colin Pippin-Timco, Executive Assistant

CALL TO ORDER

Roll Call

Chair Steve Sundquist called the meeting to order at 10:00 a.m. Attendance was taken. The following Commissioners were present: Kevin Jacka, Dr. Margit McGuire, Raymond Navarro, Dave Quall, Steve Sundquist, and Dr. Roberta Johnson Wilburn. It was determined a quorum was present to proceed with the meeting.

Approval of the April 24 Commission Meeting Minutes

The Commission did not approve the minutes from the April 24th meeting because only two of the six Commissioners present (Commissioner Jacka and Commissioner Sundquist) had been present at the April 24, 2014 Commission meeting. Chair Sundquist tabled the approval of the minutes until the June 10, 2014 Commission meeting.

NEW COMMISSIONER INTRODUCTIONS

Chair Sundquist informed the Commission that Commissioner McGuire had been reappointed to a four year term by the Speaker of the House, Representative Frank Chopp.

Chair Sundquist introduced Commissioner Navarro, Jr. who had been appointed by Governor Inslee to serve out the final year of Commissioner Cato's term, as she had stepped down in April. Chair Sundquist noted that Commissioner Navarro, Jr. currently sits on the Yakima School District Board of Directors, and is the director of Academic Achievement Programs at Central Washington University. Commissioner Navarro, Jr. related that his parents had instilled the value of service to others in him at an early age, and he intended to carry on this value with the Commission to provide quality education to all students in Washington State.

Chair Sundquist introduced Commissioner Wilburn, who had been appointed by Governor Inslee to a four year term. Chair Sundquist noted that Commissioner Wilburn was currently the Associate Dean of Graduate Studies in Education & Diversity Initiatives at Whitworth University. Commissioner Wilburn related that she had worked in education for over 30 years. As well, Commissioner Wilburn noted that, though her husband was

currently the president of the Spokane chapter of the National Association for the Advancement of Colored People (NAACP) – an organization whose national arm is currently embroiled in a lawsuit against New York State charter schools – both she and her husband saw the importance of high-quality, public charter schools in Washington State.

PUBLIC COMMENT

Lisa Macfarlane of WA Charters and Democrats for Education Reform, and Mitch Price of Washington State Charter School Association (the Association), presented testimony regarding the Commission’s 2014 Request for Proposals (RFP). They noted that language added to the RFP to solicit responses only from schools opening in the 2015-16 school year may be in conflict with RCW 28A.710.160, and that a longer lead up time would be important to establishing high-quality public charter schools. Both presented that, though most states with established charter law use language similar to the Commission’s RFP, Washington State presented a unique challenge to operators wishing to establish charter schools – with no start-up funds available and no established charter school system, operators need an extended planning period for acquiring and renovating facilities. Mrs. Macfarlane and Mr. Price noted that an amendment to the RFP would promote transparency and prevent an onslaught of approved operators filing for extensions after authorization.

CHAIR REPORT – STEVE SUNDQUIST

Chair Sundquist related to the Commission that he had attended the first day of the Association’s first annual charter school conference on Thursday, May 8, 2014. Commissioner Dziko participated on a panel on Friday, May 9, 2014 and Commission contractor, Dr. Cathy Fromme, along with William Haft of the National Association of Charter School Authorizers (NACSA) introduced the Commission plan and preliminary work regarding the creation of a performance framework.

Chair Sundquist noted that authorized operator, First Place Charter School, had held a fundraising breakfast early in May.

Chair Sundquist reminded the Commission that the Executive Committee had taken the responsibility of onboarding new commissioners; Chair Sundquist had visited both Commissioner Navarro, Jr. and Commissioner Wilburn in their respective workplaces in lead-up to the May meeting to begin the process of onboarding. Chair Sundquist encouraged commissioners to submit suggestions of materials and experiences that helped inform them of their Commission duties.

Chair Sundquist reminded the Commission that Charter Board Partners would be expanding to Washington State to help recruit, train, and support board members for approved charter schools. Chair Sundquist related that he would be speaking at the organization’s initial meeting on June 7, 2014.

EXECUTIVE DIRECTOR REPORT – JOSHUA HALSEY

Update on 2014 Solicitation Process

Mr. Halsey informed the Commission that the first of two webinars for charter school applicants had been held on Monday, May 19, 2014. The webinar served as a high-level overview of the application process, as well as the application itself. Mr. Halsey reported that 12 individuals were present at the webinar, and that a follow up webinar on Wednesday, June 18, 2014 would provide a more detailed view of the application process, as well as the application itself.

Mr. Halsey informed the Commission that Commission staff would release the Request for Qualifications (RFQ) for Charter School Application Evaluators on Friday, May 23, 2014. The RFQ seeks a mix of local and national experts to review applications, engage in capacity interviews with applicants, and create non-binding

recommendation reports for commission review. Mr. Halsey presented a list of 25 individuals that the Commission had identified during the previous solicitation process, and noted that the evaluation teams would be composed of two national and two Washington State-based evaluators; the Commissioners were encouraged to suggest additional qualified individuals

Mr. Halsey continued, addressing the testimony given at the beginning of the meeting by Mrs. Macfarlane and Mr. Price regarding the 2014 RFP. Mr. Halsey reminded the Commission that they had passed a resolution at the Commission's March 27, 2014 meeting modifying the 2014 RFP to address only schools wishing to open in the 2015-16 school year. Mr. Halsey noted that he had been contacted by representatives from Green Dot Public Schools and Summit Public Schools on Monday, May 19, 2014; he disagreed with the urgency implied by Mrs. Macfarlane and Mr. Price, and stated because of the short time between contact from the representatives and the Commission meeting, counsel and Commission staff were not in the position to make a recommendation. Mr. Halsey reminded the Commission that the June 10, 2014 meeting was but two weeks away, offering time enough for counsel and Commission staff to research and provide a recommendation.

Chair Sundquist noted that there was precedent to notice a special meeting in regards to the modification. Chair Sundquist stated, that he was surprised by the recommended urgency in the testimony. Chair Sundquist suggested that Mr. Halsey and Mrs. Miller draft a recommendation for the Commission. Commissioner McGuire moved to empower Mr. Halsey and Mrs. Miller to research and draft a recommendation for the Commission for the matter concerning modifying the RFP to allow schools wishing to open after the 2015-16 school year to apply; Commissioner Wilburn seconded – the motion passed unanimously.

Commissioner Dziko arrived at 11:12 a.m.

Memorandum of Understanding (MOU) with NACSA: 2014 Solicitation Process

Mr. Halsey reminded the Commissioners that at the April 24, 2014 Commission meeting, they had requested and MOU between the Commission and NACSA regarding the 2014 Solicitation Process. Mr. Halsey presented the MOU, noting that Commission staff would be taking on an increased level of ownership in the solicitation process; NACSA would offer support services for staff, as well as take the lead on drafting due-diligence reports for existing operators.

Chair Sundquist asked for clarification of language regarding NACSA's role in the due-diligence reports, as well as providing candidates for the national experts to compose the evaluation teams. Mr. Halsey stated that NACSA would provide due-diligence reports both for existing operators and in response to requests from the Commission, and would post the evaluator RFQ to its national website.

Commissioner Jacka moved to approve the MOU; Commissioner McGuire seconded – the motion passed unanimously.

Charter School Contract Amendment

Mr. Halsey presented language amending section 4.14.1(g)(2) of the approved charter school contracts. The proposed language would change the date that approved schools would have to provide proof of payment and performance bonding from ten days after the signing of the contract, to August 1st in the year the school intended to open.

Chair Sundquist moved to modify the contract with Excel Charter School section 4.14(g)(2) to read '...by August 1, 2015;' Commissioner Dziko seconded – the motion passed unanimously.

Chair Sundquist moved to modify the contract with First Place Charter School section 4.14(g)(2) to read ‘...by August 1, 2014;’ Commissioner Wilburn seconded – the motion passed unanimously.

Chair Sundquist moved to modify the contract with Green Dot Charter Middle School section 4.14(g)(2) to read ‘...by August 1, 2015;’ Commissioner McGuire seconded – the motion passed unanimously.

Chair Sundquist moved to modify the contract with Rainier Charter School section 4.14(g)(2) to read ‘...by August 1, 2015;’ Commissioner Jacka seconded – the motion passed unanimously.

Chair Sundquist moved to modify the contract with SOAR Charter School section 4.14(g)(2) to read ‘...by August 1, 2015;’ Commissioner Dziko seconded – the motion passed unanimously.

Chair Sundquist moved to modify the contract with Summit: Olympus Charter School section 4.14(g)(2) to read ‘..by August 1, 2015;’ Commissioner Wilburn seconded – the motion passed with one abstention: Commissioner Dziko.

Chair Sundquist moved to modify the contract with Summit: Sierra Charter School section 4.14(g)(2) to read ‘..by August 1, 2015;’ Commissioner Navarro, Jr. seconded – the motion passed with one abstention: Commissioner Dziko.

Sample Charter School Contract Changes

Mr. Halsey presented the following changes to the Sample Charter School Contract, posted as part of the Charter School RFP on April 15, 2014

1. Added Table of Contents
2. Corrected numbering in sections 4 and 7
3. Removed identifying information in section 4.3.2
4. Amended section 4.3.3 (a-c) to read:
 - a. The School shall implement the educational program and curriculum consistent with the program and curriculum presented in the Application.
 - b. The School may revise and amend the educational program and curriculum at its discretion and without requiring approval from the Commission or amendment to this Contract provided that such revisions or amendments do not indicate a material change to the school’s mission or its pupil performance standards.
 - c. Material revisions and/or amendments to the educational program and/or curriculum shall require the Commission’s approval.
5. Amended section 4.4.1(a) to read:
 - a. Annually, the School and Commission must set performance targets designed to help the School meet **its mission-specific educational and organizational goals**, applicable federal, state, and Commission expectations. Once agreed upon, those performance targets shall be incorporated into the contract through amendment.
6. Amended section 4.14.1(g)(1)(i) to read:

Fidelity bonding secured pursuant to this contract shall name the Commission on behalf of the State of Washington as the beneficiary and the amount of coverage shall be for the amount of each year's allocation based on projected enrollment.

7. Amended section 4.14.1 (g)(2) to read:

The School shall obtain and maintain for the term of this contract a Payment and Performance Bond of not less than 100% of the total amount expected to be paid to School by the State of Washington under this Agreement. **School will provide proof of such bonding by August 1, 2015.** The copies or certifications shall show the bonding coverage, the Commission on behalf of the State of Washington as designated Beneficiary, who is covered, and the amounts. The School shall remain solely responsible for the costs associated in securing the bond. The School may draw upon this bond for the purposes of covering damages incurred as a direct result of School's failure to meet its material obligations hereunder. The bond must be conditioned on the School's faithful performance of the Contract; the Commission must be entitled to collect on the bond if the School breaches the terms of this contract, or is terminated, revoked or closed.

Chair Sundquist moved to approve the Sample Charter School Contract as amended; Commissioner McGuire seconded – the motion passed unanimously.

STRATEGIC PLANNING

The Commission engaged in a Strategic Planning session with Dr. Fromme. Dr. Fromme reviewed the agenda for the current meeting's session, informing the Commission that they would review the mission, values, and vision established in the last session, and conclude today's session with further identifying the Commission's Strengths, Weaknesses, Opportunities, and Threats (SWOT).

Dr. Fromme presented the Commission's mission as revised by Commissioner Williams and Mr. Halsey:

'To authorize high quality public charter schools and provide effective oversight and transparent accountability to improve education outcomes for at risk students'

Dr. Fromme presented the Commission's values as revised by Commissioner Williams and Mr. Halsey:

Cultural and Community Responsiveness

Accountability/Responsibility

Excellence and Continuous Learning

Student-Centered

Transparency

Innovation

Collaboration

Dr. Fromme encouraged the commission to develop descriptions of values to guide the Commission in their application. There was much discussion around the first value, with Chair Sundquist noting that operators should match their services with the needs of the community. Commissioner McGuire continued, stating that operators should recognize community assets, and operate from a strength-based model in developing community relationships.

Commissioner McGuire asked if the values could be reordered. Dr. Fromme affirmed.

The Commission broke for lunch at 12:00 p.m., and returned at 12:35 p.m.

The Commission decided on the following language to guide its application of the value 'Cultural and Community Responsiveness:'

'By valuing and matching services to diverse community strengths, assets and needs'

The Commission opted to move forward in reordering the values as follows:

Student-Centered

Cultural and Community Responsiveness

Excellence and Continuous Learning

Innovation

Accountability/Responsibility

Transparency

Innovation

The Commission encouraged Mr. Halsey to engage in further revising with Commissioner Williams to guide the Commission's application of the values.

Commissioner Dziko departed at 1:00 p.m.

Dr. Fromme presented the Commission's vision as revised by Commissioner Williams and Mr. Halsey:

'Foster effective innovation and ensure excellence so that every student has access to and succeeds in a high quality public school'

The Commission discussed the proposed vision. Chair Sundquist suggested removing 'effective' to ensure unbridled innovation; Commissioner Navarro, Jr. suggest replacing 'succeeds' with 'thrives' to ensure quantifiable growth. After these amendments, the Commission decided on the following vision:

'Foster innovation and ensure excellence so that every student has access to and thrives in a high quality public school'

Dr. Fromme presented the following strengths and weaknesses elicited during the April 4, 2014 meeting; the Commission converted the weaknesses:

Internal Strengths	Internal Weaknesses
Human Capital 1. Varied/Diverse experiences & expertise 2. Make up of Commission—personalities- bonded, 3. Executive Director – Josh/Colin/Eileen 4. Strong- Sound legal counsel 5. Strong governance – board 6. Strong Chair (Steve) x 2! 7. Humility 8. Can do attitude 9. Lifelong learning 10. Outcome focused 11. Integrity of Appointers in appointing Appointees- Strong Commissioners 12. Positive response to discourse	Human Capital <ul style="list-style-type: none"> • Insufficient staff • Limited experience • Depth of Knowledge—Charter schools • Reactive instead of pro-active • Evolving Commission membership, changing personalities, bonds, etc.
Financial Capital	Financial Capital <ul style="list-style-type: none"> • No money/funds
Physical Capital 1. Facility	Physical Capital 2. Communication Capacity & Bandwidth 3. Technology 4. CSC website is on Gov. website
Social Capital 1. Collaboration-Relationships 2. Team bonded 3. Problem solve 4. NACSA 5. Positive response to discourse	Social Capital 6. Access- reach out to communities of color 7. Limited political support
Operations 1. Charter law 2. Transparency of process 3. Strong RFP 4. No Provisos in budget	Operations <ul style="list-style-type: none"> • Crazy insane timelines

The Commission the converted the weaknesses:

Weakness	Conversion
1. Insufficient Staff 2. Limited Experience in Charter School Environment 3. Communication Capacity 4. Technology 5. Website functionality 6. Lack of funding	1. Prioritize and partner with those with capacity. Sound hiring 2. Network, In-Service (PD), and sound hiring 3. Dedicated communications staff 4. Adequate and functional technology 5. Develop own website 6. Acquire adequate and diverse funding

<ul style="list-style-type: none"> 7. Access to communities of color 8. Limited political support 9. Challenging timelines 10. Reactive instead of proactive 11. Evolving commission membership 	<ul style="list-style-type: none"> 7. Developed plan and resources 8. Abundant political support 9. Normalization and clear plan for mitigation 10. Proactive 11. Proactive integration
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Dr. Fromme led the Commission in an analysis of outside opportunities and threats:

Opportunities	Threats
<ul style="list-style-type: none"> 1. Emerging players in the sector, i.e., WA Charters 2. Fall elections 3. LWV Lawsuit 4. Continuing diversity in WA 5. Opportunity for new relationships 6. Further advance of technology in education 7. Brand new market of education 8. ESD development of back end systems 9. Innovation 10. Market innovation 11. Closer connection to public schools 12. Charter District Compact 13. State Charter Cap 14. Pushes conversation of income inequality 15. Outside education of un/misinformed lawmakers 16. Opportunity to highlight innovative schools 17. Well written statute 18. Major political figures who come out in favor of charters 	<ul style="list-style-type: none"> 1. Fall elections 2. LWV Lawsuit 3. Continuing economic weakness 4. Political footballing 5. Lack of strong academic outcomes in charter schools 6. Uneven research 7. Lack of start-up funds for operators 8. Lack of understanding of what charter schools are 9. Pressure from groups opposed to charter schools 10. Overregulation and micromanagement 11. Facilities 12. Inability for charter school teachers to apply to state retirement system 13. Unavailability to students of lower income 14. Inability for charter schools to access risk management pool 15. SPED 16. Political atmosphere of education 17. Push for increased charter school governance 18. State Charter Cap 19. WA State charter experience began with a fight for the statutes life 20. Misinformation on charter schools 21. Rumors around approved charter schools 22. Nefarious incidents at approved charter schools 23. Disconnect between non-profit corporation and public school audit requirements 24. Spotty government practice in non-profit corporation oversight 25. Number of applications and thoroughness 26. Impact of closing a school

The Commission elected to prioritize and convert the following threats in the following ways:

Threats prioritized	Threats converted
<ol style="list-style-type: none"> 1. Fall Elections 2. LWV Lawsuit 3. Lack of strong academic outcomes for charter schools 4. Lack of start-up funds for operators 5. Inability for charter school teachers to apply to state retirement system 6. Lack of understanding of what charter schools are 7. Funding Model- How a school closure impacts CSC funding (staff) 8. Lack of ability for CS to access the risk management pool (opposition to develop a whole new market) 9. Charter school facilities access 10. Political environment around education- right now , not positive in general 11. So many apps - not as thorough as we need to be 12. CS are an opportunity for political point scoring 13. Multiple audits (i.e non-profit and public school) 14. Continuing economic weakness (win-lose mentality) 15. A major blow -up at one of our schools 16. Spotty governance in no-profit sector 17. The research is stil out on public schools (uneven) 18. There is pressure on the legislature by those opposed to charter schools 19. Charters could become un-level playing fields -access (transportation, sped, resources) 20. Charter and traditional public schools not connected 21. Over-regulation/micromanagement pushes CS toward traditional public school model 22. Push for CS governance 23. Question to keep the same, remove or expand the CS cap 24. Rumors around CS success 	<ol style="list-style-type: none"> 1. Work to elect supportive officials, Educate candidates 2. Play good defense 3. Create a different story for CS in WA, Obtain more precise data, align with law and at-risk students 4. Get Commission the authority to pursue grants and ensure equitable funding to charter schools 5. Push for Feds (IRS) to develop rules and provide guidance 6. Clear communication plan about CS in WA 7. Possible change in policy and statute

PUBLIC RECORDS & OVERSIGHT AND CORRECTIVE ACTION RULES ADOPTION

Mr. Halsey presented the draft Commission Public Records rules (WAC 108-50). Mr. Halsey noted that staff had received responses noting the inconsistency of language regarding the removal of documents from Commission headquarters; staff had remedied this with a minor deletion of language

Chair Sundquist moved to adopt WAC 108-50 as amended; Commissioner Jacka seconded – the motion passed unanimously.

Mr. Halsey presented the draft Commission Oversight and Corrective Action rules (WAC 108-40). Mr. Halsey noted that there had been several comments recommending that the Commission compel charter school operators to engage in a termination protocol. Mr. Halsey presented that there was no such statutory authority. Mrs. Miller noted that the remainder of the comments received focused on clarity of language, and that commission staff and counsel had drafted language to remedy areas where they agreed that the policy language needed to be improved.

Chair Sundquist moved to adopt WAC 108-40 as amended; Commissioner Wilburn seconded – the motion passed unanimously.

Commissioner Quall departed at 3:30 p.m.

PERFORMANCE FRAMEWORK

Mr. Halsey presented a high level overview of the Commission's authority to create a performance framework. He noted that the performance framework would be comprised of three components: academic performance and compliance, organizational performance and compliance, and financial performance and compliance. Mr. Halsey pointed out that the concept of utilizing a performance framework was relatively new in the nation, having been brought on in the last five years. That said, the Commission could expect an evolving process: the current meeting would serve as an overview, while Commissioners could expect more substantive elements of the financial compliance framework to be delivered in June or July, and elements of the academic compliance framework to be delivered in August or later.

Dr. Fromme presented on the Commission staff's progress in developing the performance framework. Dr. Fromme echoed Mr. Halsey's sentiment that a key decision point for the Commission would be the weighting of school-specific goals from the various approved schools. Dr. Fromme informed the Commission of the stakeholder engagement performed to date, and that scheduled for future dates. Dr. Fromme closed with the work plan for the coming months.

LEGISLATIVE AD-HOC COMMITTEE UPDATE

Chair Sundquist presented sentiments for the upcoming legislative session: The Charter School Act would no longer require a supermajority to amend, and with 2015 predicted to be a large year for education, the Commission would need to stay focused on building political relationships to become known as a great agency for authoring and overseeing schools.

Mr. Halsey presented an overview of Commission staff's plans for legislative engagement.

Chair Sundquist moved to empower Mr. Halsey to move forward with Commission staff's plan for legislative engagement; Commissioner McGuire seconded – the motion passed unanimously.

NEXT STEPS

The Commission has identified the following next steps:

1. Proceed with legislative engagement strategy
2. Draft rules for sharing citizen testimony
3. Amend bylaws if needed
4. Modify RFP, if necessary
5. Develop June's meeting agenda

The Commission adjourned at 4:50 p.m.