

CHARTER SCHOOL COMMISSION MEETING MINUTES

Thursday, January 26, 2017 | 10:00 a.m. to 5:00 p.m.

Technology Access Foundation
605 SW 108th Street, Seattle, WA 98146

Attendance:

Elizabeth Cohen, Trish Millines Dziko, Kaaren Heikes, Dr. Stacy Hill, Dr. Margit McGuire, Raymond Navarro, Dave Quall, Steve Sundquist, and Cindi Williams.

Leadership Team: Joshua Halsey, Executive Director; Cathy Fromme, New School Application Director; Nadja Michel-Herf, Director of School Quality and Accountability; Sandy Green, Executive Assistant

Guests from SOAR Academy: Dr. Thelma Jackson, Board Chair; Lihi Rosenthal, Acting Executive Director; Elizabeth Sanchez, School Leader

Call To Order:

Roll Call

Chair Sundquist called the meeting to order at 10:12 a.m. The following Commissioners were present: Elizabeth Cohen, Trish Millines Dziko, Kaaren Heikes, Dr. Stacy Hill, Dr. Margit McGuire, Raymond Navarro, Dave Quall, Steve Sundquist, and Cindi Williams. It was determined that a quorum was present to proceed with the meeting. At 3:06 pm Stacy Hill and Raymond Navarro left.

Chair Sundquist noted that the agenda had a misprint in time; therefore, adjusted the Legislative Update report to be only 30-40 minutes.

Consideration of the November 17, 2016 Commission Meeting Minutes

Meeting Minutes for the November 17, 2016 Commission Meeting Minutes were reviewed and approved. Steve Sundquist moved to approve the minutes. Kaaren Heikes and Dave Quall seconded. Motion carried, with no opposes. Trish Millines Dziko abstained.

Public Comment

There was no public comment provided.

Chair Report

Chair Sundquist reported on the ongoing appointment process and stated that it requires significant work to keep the Commission at full strength. OSPI's designee, Dan Grimm, resigned in December. The Commission is waiting for Superintendent Reykdal to name his designee. Steve is working with Senator Joe Fain to fill the other open seat. There is a person in the pipeline for consideration, though we need to have more potential candidates in the pipeline to move forward smoothly. If you know people in your network interested in serving on the Commission, Steve said he is happy to meet with them to explore their interest.

Executive Director Report

Welcoming Nadja Michel-Herf, Director of School Quality & Accountability

Executive Director Halsey introduced Nadja Michel-Herf, who began her tenure as the Director of School Quality & Accountability for the Commission on December 12, 2016. Nadja brings a wealth of charter authorizing and oversight experience to the Commission. Nadja informed the Commission that she was the Assistant Director of the Indianapolis Mayor's Office (an authorizer) and focused on finance and overseeing schools' academic performance, and had a role in renewal decisions and alternative decisions to get schools on the right track.

General Updates

On December 6, Aileen Miller and Joshua presented to a group of retired teachers at the WEA office in Tumwater to engage and address several misconceptions that attendees had regarding charter public schools.

On January 10, Josh presented an overview of the Commission and its function to the House Education Committee, and on January 17 presented an overview of the Commission and its legislative priorities to the Senate Early Learning and K-12 Education Committee. The hearings went well and several follow-up meetings have been scheduled with Representatives and Senators.

On January 25, Joshua met with Senator Mark Mullet, who encourages the Commission to be more proactive and to communicate that Washington charter schools are serving a student population that is 79% non-Caucasian and 19% qualify for SPED services. The current enrollment numbers in our portfolio as of January 13th are as follows:

- 1,100 total students
- 21% of students are white
- 19% are SPED
- 65% qualify for Free and Reduced Lunch

Washington charter schools are not "creaming" students, and they are very diversified. This will be helpful to communicate.

In close collaboration with the National Association of Charter School Authorizers and the Washington State Charter Schools Association, Joshua designed and initiated a comprehensive stakeholder feedback

process in order to solicit feedback for improvement regarding the draft Academic Performance Framework (APF). He has facilitated stakeholder engagements, with an additional four interactive webinars scheduled for later this month for participants to learn more about the APF. An online survey with support documents was posted to the Commission's website and distributed via the listserv. The online survey remains open through January 31. Once all the stakeholder engagement is completed and the survey closed, the feedback will be compiled and presented, along with recommendations, to the Commission at the February or March meeting. During the March and April meetings, Whitney Spalding-Spencer will assist with the process of adopting the APF.

Joshua announced that the regular WA state driver's license will not be sufficient identification information for air travel beginning in 2018. Barring any federal action, beginning January 22, 2018, Sea-Tac Airport will require a passport or enhanced driver's license to check in.

Joshua announced that Liz Lewis-Lee, OSPI Systems Administrator Network Operations, will attend the February 16 meeting to provide an overview of state-issued emails, and that this will be a good opportunity to ask questions, such as interfacing a state-issued email with other email accounts.

Authorized Charter School Updates

Paula Kitzke, Special Education Program Review Supervisor, continues to work closely with each of the Commission-authorized and operational charter schools, as well as representatives from the True Measure Collaborative. She has also conducted a full-day new school orientation regarding Special Education Policies and Procedures for the three charter schools that are opening next fall.

Nadja and Joshua are in the process of conducting the second round of charter school board observations. The board observation outcomes are a component of a body of evidence the Commission uses to determine a charter school's performance in regards to the Organizational Performance Framework. Joshua stated that the charter school boards are very engaged.

The onboarding of authorized, but not yet operational, charter schools continues. The onboarding process is designed to facilitate the integration of charter schools into the systems and processes at OSPI, as well as Commission systems and processes.

Joshua stated that the six (6) operational charter public schools submitted their 1st quarter financial reports on January 14 and asked Nadja to provide a summary of the financial reports during the organizational oversight agenda item.

New School Application Updates

Joshua reminded commissioners that the Application for schools opening in 2018-2019 was released earlier on December 6, 2016. Staff conducted a short overview Webinar on December 14th and three (3) full-day *Application Orientation* trainings. The orientation engagements are designed to support

prospective charter school applicants. The purpose of the full-day orientation is to deepen understanding of:

- The Commission’s expectations as articulated in the New Charter School Application;
- How applications will be evaluated;
- The purpose and format of the Capacity Interviews and Public Forums; and
- Changes that have occurred to the Application since the 2015 cycle.

Orientation Date	Location	# Attendees
December 15, 2016	Olympia	9
January 3, 2017	Yakima (Cancelled due to lack of interest)	0
January 5, 2017	Seattle	11
January 11, 2017	Vancouver (conducted virtually due to severe weather in Vancouver/Portland)	4

All orientation engagements have been conducted for this application cycle, with a total of 24 attendees. The Commission received very positive evaluations regarding the usefulness of the orientations and information provided. Notice of Intent (NOI) forms are due February 17, 2017, with full application due on March 31.

Commission 1st Quarter Financial Summary

Executive Director Halsey provided a PowerPoint Presentation that summarized the Commission’s 1st quarter financial report and stated the Commission is in a good spot. The alignment of FY revenues and expenses is positive. Though we have underspent YTD, there are costs coming up: new staff and benefits; new school application process, including paying external evaluators; ongoing litigation costs; and the RFP for the automation/streamlining of how the Commission does oversight (CEDARS). OSPI will score the RFP.

Agency Rules Consideration

The Commission held a public hearing on December 6, 2016 to receive oral comments on the proposed changes to agency rules. There were no oral comments provided and the limited written comments received basically said to keep up the high standards and did not result in changes to the proposed rules. A CR-103 (Rule-Making Order) has been prepared for filing. Rules become effective 31 days after the filing date. Steve moved to adopt the final rules and to file a CR-103 to make the final rules permanent. Trish seconded. Motion carried, with no opposes and no abstentions.

Commission Travel Policy Consideration

The Commission’s Travel Policy has been updated to clarify staff and Commissioner roles and responsibilities when traveling on official Commission business. After reviewing the proposed Travel Policy, Steve moved to adopt the revised Travel Policy and to revisit the policy if it is not meeting the Commission’s needs. Cindi seconded. The motion carried unanimously. No opposes. No abstentions.

Commission Bylaws Consideration

At the October Commission meeting, a discussion on the revised bylaws resulted in the Commission requesting that Joshua conduct a more thorough and comprehensive update to the bylaws. After consulting with Aileen Miller, the substantial changes made were the removal of Rules of Order and to go back to having the terms for officers be from May 1 through April 30, because it coincides with Commissioners' terms. Kaaren Heikes moved to adopt the updated bylaws. Betsy seconded. Motion carried unanimously. No opposes. No abstentions.

Having approved the bylaws, Steve recommended that the Commission have an officer election. He is currently acting chair, Cindi is the acting vice chair, and Trish is the acting at-large. The three officers of the Executive Committee help Joshua form the agenda for meetings. Joshua also looks to the committee for counsel on administrative matters. The committee is not a body that is empowered to make policy between meetings; rather, they refer those issues to meetings of the full Commission. The next election is in April. Steve recommended the Commission affirm, today, the current officers. Though this is not required, it is prudent to do. Kaaren Heikes moved that that the Commission formally make the acting executive committee the official executive committee, as a committee and as individual officers. Margit seconded. Motion carried with no opposes, no abstentions.

Lawsuit Challenging Constitutionality of Charter School Act Update

Joshua reminded the Commission that the parties to the charter school lawsuit have agreed to a summary judgment briefing schedule with a hearing on January 27, 2017 at 1:30 pm. In a summary judgment motion, the moving party argues that the issues being litigated are purely legal (rather than factual) and can be resolved based solely on briefs and arguments at the hearing. Both parties understand that regardless of outcome, the lawsuit will be appealed to the Supreme Court.

Meeting Roster

Executive Director Halsey met with the following individuals and organizations since the November Commission meeting:

- Aileen Miller, Washington State Office of the Attorney General
- Dierk Meierbachtol, Mike Woods, Doug Gil, Emily Rang, and Curtis Richardson, OSPI
- Jeannette Vaughn and Steve Gering, Spokane Public Schools
- Dan Grimm, former Commissioner
- Melia LaCour, Puget Sound ESD
- Deborah Northern, Community Center for Education Results (CCER)
- Telca Porras, Gates Foundation
- Gordon Linse and Valerie Lynch, Educational Consultants
- Sarah Bylsma, Graphic Designer
- Deb Merle, Governor's Policy Office
- Ronn Robinson, Geoduck Consulting

- Mitch Price, Bill Kiolbasa, and Tom Franta, Washington State Charter School Association
- William Haft and Whitney Spalding-Spencer, National Association of Charter School Authorizers (NACSA)
- Lyria Boast, Public Impact
- Lihi Rosenthal, Seneca Family of Agencies
- Travis Franklin, Spokane International Academy
- Dr. Thelma Jackson, SOAR Academy
- David Hruby, Educational Consultant

Soar Academy Presentation

Dr. Thelma Jackson (Board Chair), Elizabeth Sanchez (School Leader), and Lihi Rosenthal (Acting Executive Director) provided Commissioners an overview of SOAR's educational and operational model as a way to promote transparency and relationship development between SOAR and the Commission. Joshua made it clear that SOAR is not presenting due to any oversight issues; they volunteered to come. The presenters moved through a formal presentation and responded to Commission questions.

Charter School Oversight Overview: Organizational Oversight

Nadja provided an overview of systems and processes, including reporting timelines, that are used in oversight. The Organizational Performance Framework is a tool used to look at how schools operate and to determine if they are demonstrating fidelity to the contract. Charter schools have vastly different education programs, but they do all have to comply with rules and regulations. Nadja went over the six indicators in the framework that are used to monitor and evaluate compliance.

- Education program
- Financial management and oversight
- Governance and reporting
- Students, parents, and employees
- School environment
- Additional obligations

Nadja also provided a summary of the six (6) operational charter public schools' 1st quarter financial reports. Of the three areas that the Financial Performance Framework reviews, the focus at this meeting was on short term measures of financial health. (The Debt Default and Cash Flow measures on the first slide are not yet measurable.)

- Current ratio: This ratio informs the Commission as to whether or not a school can pay their bills over the next four months. All the schools would be meeting this standard if they were audited now. In response to Margit's question regarding why there is a large variance in the ratios (1.0% to 53.3%) amongst the schools, Nadja stated that schools had various grant amounts left from the previous year to be able to access this year. Rainier Prep had a lot of prior year grants, so their ratio is 53.3%. Steve informed the group that the slide presenting this information is a

however, depending on the appropriation process, the Commission might not be able to access it. The oversight account is based on the number of students in the school.

Steve reminded commissioners to check with Josh if you are talking with legislators, so we are all on the same page.

At 2:17 p.m., Chair Sundquist adjourned open session.

Executive Session

At 2:25 p.m., an executive session was held pursuant to RCW 42.30.110(1)(g) to review the performance of the Executive Director. Chair Sundquist reconvened the Commission into open session at 2:57 p.m. No final action was taken during the Executive Session.

Chair Sundquist stated that the Commissioners had given Joshua a strong and very positive performance evaluation in November, and wanted to increase his compensation accordingly. Joshua is currently making \$113,000, and the top of the salary band is \$114,444, which means there is only a 1.3% increase opportunity in the short-term. Steve moved that the Commission move Joshua's salary to \$114,444, effective on his most recent anniversary date, and pursue a higher salary band to position the Commission to consider future additional compensation adjustments. Trish seconded. Motion carried with no opposes, no abstentions.

2017 Executive Director Compensation and Goals Consideration

Joshua presented his proposed 2017 Performance Goals. After reviewing the goals, commissioners provided feedback. Trish suggested modifying the second goal as follows:

- *Effectively lead the commission to develop and adopt policies related to educational and racial equity in order to meet the Commission's mission and enable it to strengthen its authorization and oversight capacity.*

And Steve suggested modifying the fourth goal as follows:

- *Effectively manage the operational and financial performance of the Commission in order to meet the Commission's mission and enable it to strengthen its authorization and oversight capacity.*

Steve moved to adopt the five goals for Joshua for 2017 as modified. Margit seconded. Motion passed with no opposes, no abstentions.

Cindi stated that the five goals underrepresents Joshua's work. Margit stated that Joshua has fairly broad goals and would like to revisit them.

Next Steps

The following next steps were identified:

1. Next meeting is February 16th at Green Dot Destiny Middle School in Tacoma
2. Commissioner Appointments
3. Academic Performance Framework feedback
4. Update on state-issued emails
5. Officer elections in a couple of months with terms starting in May
6. Finish work on Executive Director's compensation
7. New Charter School Application solicitations

Margit suggested that the Commission think about developing an agenda that is shorter when there are commissioners that need to leave early. Steve asked that commissioners let Joshua and himself know what ideas they have for ensuring that full agendas are covered within the time available to Commissioners.

Meeting Adjournment

Chair Sundquist adjourned the meeting at 3:27 p.m.