

STATE CHARTER SCHOOLS COMMISSION MEETING

January 28, 2015, 10 a.m.

State Charter Schools Commission

East Twin Tower, Room 1470B, Atlanta, Georgia 30334

Meeting Minutes

1. The meeting was called to order by Chairman Charles B. Knapp. Chairman Knapp verified that a quorum existed and that all members of the commission were present.
2. Also present were Commission staff members Bonnie Holliday—Executive Director, Gregg Stevens—General Counsel, Lauren Holcomb—Director of Organizational and Resource Development, Katie Manthey—Business and Operations Manager, Terence Washington – Finance and Operational Accountability Manager, and Morgan Felts, Associate General Counsel & Petitions Manager.
3. Approximately 25 members of the public also attended the meeting including charter school staff and representatives and charter school business representatives. Representatives from GCSA were also present.
4. After calling the meeting to order, Chairman Knapp took a point of privilege to announce that he will not be returning for another term as an SCSC commissioner due to his recent appointment by Governor Nathan Deal as chair of the newly formed Education Reform Commission. Chairman Knapp thanked SCSC staff and commissioners for their dedication and service over the last two years, and he explained that his service to the SCSC would officially end following the election of a new SCSC chair.
5. Next, Chairman Knapp called for nominations of a new SCSC chair. Commissioner Hogg nominated Commissioner Rippner for the role, and Commissioner Perez provided a second. During discussion, several commissioners thanked Chairman Knapp for his service and voiced support for the motion nominating Commissioner Rippner. Upon conclusion of the discussion, the motion passed unanimously with Commissioner Rippner abstaining.
6. Chairman Rippner then presented former Chairman Knapp with an official commendation issued by Governor Deal in appreciation for his service to the SCSC. Director Holliday also provided Chairman Knapp with a gift on behalf of the commissioners and staff. Former Chairman Knapp then departed the meeting.
7. Chairman Rippner then called for nominations for the Vice-Chair position. Commissioner Lewis nominated current Vice-Chair—Paul Williams—for the role, and Commissioner Perez seconded the motion. Chairman Rippner called for a vote, and it was unanimous with Commissioner Williams abstaining.

8. Next, Chairman Rippner called for approval of the meeting minutes from the November 19th SCSC meeting. Commissioner Perez made a motion to approve the minutes, and Commissioner Lowden provided a second. The minutes were unanimously approved.
9. Chairman Rippner then asked Director Holliday to review the portion of the agenda pertaining to agency-wide updates. Director Holliday recognized a new SCSC intern, Phillip Grant. Mr. Grant is a doctoral student at the University of Georgia and will intern with the SCSC through the spring of 2015.
10. Director Holliday then recognized the accomplishments of several SCSC schools and individuals, including: The Utopian Academy Glee Club for performing at the Governor's Inauguration Ceremony; Pataula Charter Academy Superintendent and Principal, Kylie Holley, for her appointment by Governor Deal to the Governor's Education Reform Commission; Scintilla Charter Academy for their groundbreaking ceremony that took place on January 21, 2015; DuBois Integrity Academy for their upcoming groundbreaking ceremony scheduled for February 10, 2015; and Mountain Education Charter High School for being one of three finalists in the running for the GCSA Charter School of the Year Award. Director Holliday also recognized several commissioners for notable achievements, including: former Chairman Knapp for his appointment to lead the Governor's Education Reform Commission; Commissioner Lowden for leading the Governor's Inaugural Prayer Service; and Commissioner Hogg for his involvement with Communities in Schools (CIS) of Walton County which recently received an award from the National CIS organization.
11. Next, Director Holliday provided an update on the staff's progress with regard to topics covered at the SCSC's Governance and Policy Retreat that took place on September 4-5, 2014 at Brasstown Valley Resort. She announced that the SCSC received the first draft of Phase I of the virtual school impact study from Public Impact and NACSA. The final Phase I report will be released in February and Phase II of the research will commence thereafter.
12. Director Holliday also provided an update on legislative affairs and noted that the SCSC will be seeking statutory authority to establish a 501c3 again this year.
13. Director Holliday then apprised commissioners of staff outreach efforts around the state. Staff members recently visited civic and community meetings in Mitchell and Baker Counties to share information about charter schools and the SCSC.
14. Next, Lauren Holcomb provided an update on recent SCSC trainings. Recent trainings included two Petitioner Boot Camps for prospective petitioners (Dec. 11th and Jan. 27th), and the second school Governance Training (Feb. 5th-6th) at Callaway Gardens. Ms. Holcomb reminded all who were present that attendance at the school governance training is statutorily required for all state charter school governing board members. Ms. Holcomb announced that the second installment of the Charter School Financial Certification Program will take place Feb. 25-27. Commissioners asked for recommendations for consequences for board members who do not attend the mandatory governance training.
15. Chairman Rippner then asked for an update on academic accountability. Director Holliday announced that a complete set of CCRPI scores will be released by GaDOE in February 2015 and the SCSC's 2014 value-added performance analysis will be released in March 2015.

16. Next, Terence Washington provided an update on financial and operational accountability. Mr. Washington noted that staff recently conducted compliance monitoring visits to Atlanta Heights and Fulton Leadership Academy. Mr. Washington also noted that four schools have not yet submitted audit reports which were due on October 1. Mr. Washington stated that staff has given schools a Feb. 15th deadline to submit any outstanding audit materials. Several commissioners expressed concern that schools remain noncompliant with audit obligations and requested SCSC staff to continue to hold schools accountable for financial reporting requirements.
17. Chairman Rippner then asked for a legal compliance update. Gregg Stevens provided updates on two state charter schools – Cirrus Academy and Byron-Peach Charter High School. Mr. Stevens explained that in late November 2014, the SCSC was notified of changes in the governing board membership of Cirrus Academy as well as the resignation of its school leader and the intended departure of its educational service provider and curriculum provider. As these changes represented significant departures from its petition and requirements of its charter contract, the SCSC notified the school that its opening would be suspended until such time that the school was able to demonstrate compliance with its charter contract. Mr. Stevens went on to explain that since November, the Cirrus board has worked cooperatively with SCSC staff and has made great progress toward remedying identified governance issues. Unfortunately, however, an additional issue arose in January 2015 regarding the 501(c)(3) status of Cirrus’s education service provider String Theory Schools (STS). Mr. Stevens discussed that STS recently received a determination from the IRS that requires STS to appoint the majority of the governing board members at Cirrus Academy as a condition of its non-profit status. Because this structure is inconsistent with Georgia law and SCSC expectations, Cirrus Academy was forced to sever its relationship with STS. Mr. Stevens noted that this type of IRS guidance is creating issues for newly-formed nonprofit education service providers nationally. He also noted that Cirrus Academy board plans to extend their planning year through 2015-16 and to request a charter amendment to open in the fall 2016 rather than 2015.
18. Mr. Stevens also provided an update on the federal desegregation order impacting Byron Peach County High School. Mr. Stevens stated that a motion to intervene has been filed in federal court that, if approved, will allow the school to begin negotiations with the Department of Justice to open in fall 2015.
19. Morgan Felts then continued the legal compliance update and noted that the SCSC recently issued new guidance on conducting charter school lotteries. This guidance is currently posted on the SCSC website. Ms. Felts also noted that SCSC staff will bring the updated 2015 petition application to commissioners for approval at the February SCSC meeting. Once approved, the petition application will be released at the end of February 2015. The submission deadline for petitioners will be May 2015.
20. At this point, Chairman Rippner asked Director Holliday to explain the process items on the SCSC agenda. Director Holliday asked that commissioners approve the staff recommendation to waive the FY15 administrative withhold of one percent for Utopian Academy so as to partially offset the legal expenses incurred by the school August 2014 in an effort to resolve an

unanticipated conflict with a local municipal government. Commissioner Williams made a motion to approve and Commissioner Hogg seconded. The motion was approved unanimously.

21. Next, Director Holliday asked that commissioners approve the staff recommendation to establish the SCSC Emergency Operations Grant Fund. The SCSC would utilize this grant fund to provide assistance to state charter schools that experience budget shortfalls caused by exceptional and unforeseen external or dynamic events outside the school's control. The Emergency School Operations Grant Fund would not be used to assist schools that fail to properly account for routine school operations, and it would not be used to assist school-level budget shortfalls resulting from accounting mistakes, general errors in judgment, or a lack of understanding regarding the state charter school funding formula. Because the SCSC will fund the Emergency School Operations Grant with money that would otherwise be available for the administrative operation of the SCSC for the Emergency School Operations Fund, no new or additional funding will be withheld from schools or appropriated by the General Assembly. Commissioner Williams made a motion to approve, and Commissioner Hogg seconded the motion. During discussion, Commissioner Lowden recommended that SCSC staff base eligibility for the grant, in part, on a school's legal, operational, and academic standing. Commissioner Perez also noted the need to ensure schools understand that these funds will be only be made available in the event of a true emergency. The vote to approve the creation of the Emergency Operations Grant Fund was unanimous.
22. Next, Gregg Stevens asked that commissioners sign the Affidavit of a Public Officer and the 2015 Conflict of Interest Policy.
23. Director Holliday then noted the Governor's proclamation in honor of School Choice Week, and she announced that the GCSA Leadership Conference is planned for Thursday, January 29th and Friday, January 30th.
24. Chairman Rippner called for additional items from the commissioners, and there were none.
25. Chairman Rippner then called for public comment. Monica Henson from Provost Academy updated commissioners on the status of the school's audit and announced that Provost graduated 46 students this winter. Sheldon Hart from Cirrus Academy thanked the SCSC for supporting the school's decision to extend its planning year.
26. There being no further business before the SCSC, Chairman Rippner asked for a motion to adjourn. Commissioner Lowden offered a motion, and Commissioner Williams provided a second. The motion was unanimously approved, and the meeting was adjourned at approximately 11:30 a.m.