

## **BOARD OF DIRECTORS MEETING MINUTES**

### **November 15, 2018**

#### **Call to Order / Roll Call**

President/CEO Margaret Fortune called the meeting to order at 5:00 pm. Board Secretary Michelle Grace called the roll:

Paulette Brown Hinds: ABSENT

Eleanor Brown: PRESENT

Bertha Gorman: PRESENT

Scott Loehr: ABSENT

Ollie Watson: PRESENT

Quorum reached.

#### **Flag Salute**

Dr. Rex Fortune led the flag salute.

#### **Adoption of Agenda**

Member Gorman made a motion to adopt the agenda.

Member Watson seconded.

Roll call vote:

Brown: AYE

Gorman: AYE

Watson: AYE

Motion carried.

#### **Public Comment**

None heard.

#### **Approve Minutes from October 18, 2018 Meeting**

Member Watson made a motion to adopt the October 18, 2018 Board Meeting minutes.

Member Brown seconded.

Roll call vote:

Brown: AYE

Gorman: AYE

Watson: AYE

Motion carried.

#### **Approve State Indicators School Dashboard**

Matt Taylor, Director of Data, Analytics and Strategy presented the item. The dashboard is an online tool that shows how local educational agencies and schools are performing on state and local indicators included in the state's school accountability system. The Board of Directors is required to review local indicators annually. Fortune staff reviewed the priorities and gathered the relevant data to support whether or not the priorities were met for each indicator. Priority 1 – Basic Services and Conditions: priority MET. Priority 2 – Implementation of State Standards: priority MET. Priority 3 – Parent Engagement: priority MET. Priority 6 – School Climate: priority MET. Priority 7 – Access to a Broad Course of Study: priority MET. Narratives describing the evidence to support a designation of “met” for each priority was provided to the Board for review. If approved by the Board of Directors, the information will be posted to the state's website, and ultimately, the information will be posted to the California School Dashboard.

Member Watson made a motion to approve the State Indicators School Dashboard.

Member Gorman seconded.

Roll call vote:

Brown: AYE

Gorman: AYE

Watson: AYE

Motion carried.

### **Approve 2017-18 Audit Report**

Chief Financial Officer Bonnie Bensen introduced Arthur Ngo from Crowe (formerly Crowe Horwath) who presented the 2017-18 Audit Report. The Audit Report contains Fortune School of Education's financial statements. Fortune School of Education is unique in that it is a not-for-profit organization that also operates charter schools that are governmental entities. The audit was conducted in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. No adjustments were made to the financial statements. As part of the financial audit, tests of compliance with state laws and regulations were performed. In addition to the Audit Report, a separate letter to the Board was presented which documents required communications regarding the auditor's responsibilities, the planned scope of the audit and the nature of interactions with staff. Fortune School had a clean audit with no audit findings.

Member Brown made a motion to approve the 2017-18 Audit Report.

Member Watson seconded.

Roll call vote:

Brown: AYE

Gorman: AYE

Watson: AYE

Motion carried.

### **Approve 2018-19 First Interim Budget**

Chief Financial Officer Bonnie Bensen presented the item. Average Daily Attendance (ADA) has been revised to reflect fall census enrollment. First interim projections are that expenses will exceed revenue. Budget adjustments have been made across the organization to reduce the deficit, and the fund balance will more than cover the projected deficit. An organizational priority around reaching enrollment targets while maintaining the quality of the academic program is being discussed for 2019-20. Projected enrollment for 2018-19 was 1923 students; actual enrollment is 1548, which had reduction implications on ADA. Efforts to generate revenue included: enrolling forty-six new students from campus wait lists; opening an Early Start Transitional Kindergarten class at Fortune School and Hardy Brown College Prep; and Low Performing Student Block Grant projections have been added to the budget. In addition to revenue-generating efforts, staffing was realigned to reflect enrollment. Expenses that qualify as grant expenditures have been moved into the respective grant. Facilities projects that are not essential to student safety or to the implementation were placed on hold and will be reevaluated for completion in 2019-2020. Multi-year projections for 2019-2020 and 2020-2021 were also provided to the Board. President/CEO Margaret Fortune read a letter to the Board of Directors that was sent to all staff regarding budget adjustments and staffing realignment. Detailed budgets by site, an overall budget summary, and student demographics were provided to the Board, along with proposed roll out of enrollment, by school, for 2019-2020.

Member Gorman made a motion to approve the 2018-19 First Interim Budget for Fortune School of Education, Hardy Brown College Prep, Fortune School, William Lee College Prep, Alan Rowe College Prep, Ephraim Williams College Prep, Hazel Mahone College Prep, Rex & Margaret Fortune Early College High School

Member Brown seconded.

Roll call vote:

Brown: AYE

Gorman: AYE

Watson: AYE

Motion carried.

### **Higher Education Update**

Dr. Kristy Pruitt, Director of Teacher Education, provided the Board of Directors with an update on Higher Education. Fortune School of Education continues to move through the accreditation process with the California Commission on Teacher Credentialing. At the Commission's November 7, 2018 meeting, FSE received provisional approval for its School Leadership Program. Two remaining programs, the Education Specialist and the General Education Program, will be heard on a future agenda for provisional approval consideration. The next step, after provisional approval has been received, is for a team from the Commission to visit FSE's programs in action. In the state, members of FSE's staff are representing FSE throughout California at various conferences and trainings. Dr. Dominic Zarecki, Senior Data Analyst, and Dr. Kristy Pruitt presented at the California Educational Research Association Conference on the impact of school culture (Pruitt) and ability grouping (Zarecki).

### **Curriculum and Instruction Update**

No report presented.

### **President/CEO's Report**

Margaret Fortune, President/CEO, shared the annual report, prepared by Francie Heim, Charter Oversight Consultant, that was presented at the Sacramento County Board of Education (SCBE) Meeting on November 13, 2018. An analysis was prepared by Fortune staff that accompanied the annual report to the SCBE, as well as a report from Rachel Perry, Director of Research and Evaluation for the Sacramento County Office of Education (SCOE). All of these reports were shared with the Fortune Board of Directors. A significant point made in SCOE's report states that "the performance gap between Fortune students and students in the county and state that existed in 2015 is closed". At this meeting, the SCBE approved the temporary site for Fortune Middle School, slated to open in Fall, 2019 to temporarily co-locate with Rex & Margaret Fortune Early College High School at the current Bruceville Road location in Elk Grove. In addition, the SCBE approved the permanent site for Fortune Middle School and Rex & Margaret Fortune Early College High School, located at the intersection of Big Horn Boulevard and Bilby Road in Elk Grove. The permanent campus is slated to open in Fall, 2020.

Next Meeting: February 21, 2019 at 5:00 pm at Fortune School, 6829 Stockton Blvd., #305, Sacramento, CA 95823.

There being no additional business, the meeting was adjourned at 6:31 pm.

Submitted by:

  
Board Secretary