

BOARD OF DIRECTORS MEETING MINUTES

April 26, 2018

Call to Order / Roll Call

President/CEO Margaret Fortune called the meeting to order at 5:04 pm. Chief Financial Officer Bonnie Bensen called the roll:

Eleanor Brown: Present

Paulette Brown-Hinds: Present

Bertha Gorman: Present

Scott Loehr: Present

Ollie Watson: Absent

Quorum reached.

Pledge of Allegiance

President/CEO Margaret Fortune led the flag salute.

Adoption of Agenda

Member Gorman made a motion to adopt the agenda.

Member Brown seconded.

Roll call vote:

Brown: AYE

Brown Hinds: AYE

Gorman: AYE

Loehr: AYE

Motion carried.

Public Comment

Hardy Brown College Prep parent Toni Stovall addressed the Board. Ms. Stovall shared concerns she has with the school principal. Hardy Brown College Prep parent Rayshionna Carter addressed the Board. Ms. Carter shared a concern that arose during a parent trip to Sacramento.

Approve Minutes from February 22, 2018 Meeting

Member Brown made a motion to approve the February 22, 2018 meeting minutes.

Member Brown Hinds seconded.

Roll call vote:

Brown: AYE

Brown Hinds: AYE

Gorman: AYE

Loehr: AYE

Motion carried.

Approve Resolution: Add African American Students to Local Control Funding Formula (LCFF) – AB2635

President/CEO Margaret Fortune presented the item. This resolution is in support of Assembly Bill 2635. The language in this bill adds African American students, the lowest performing subgroup of students, as a high needs group under the Local Control Funding Formula (LCFF), thereby driving supplemental grants to the schools that serve them. This bill would identify the lowest performing subgroup not already receiving federal funding as a high needs group, without reference to race. As the initial lowest performing sub group's performance rises, the funding could go to the next lowest performing subgroup, meaning all low performing students and the schools that serve them could have the opportunity to benefit from this funding.

Member Gorman made a motion to approve the resolution to Add African American Students to the Local Control Funding Formula.

Member Brown Hinds seconded.

Roll call vote:

Brown: AYE Brown Hinds: AYE Gorman: AYE Loehr: AYE

Motion carried.

Approve Resolution: Renew Line of Credit – Umpqua Bank

Chief Financial Officer Bonnie Bensen presented the item. Fortune School of Education has a \$1.5 million dollar line of credit with Umpqua Bank. The line of credit is currently paid down, however, it must be renewed annually. The renewal is for a 12 month term, and the interest rate is prime plus .5 percent, with an annual loan fee of \$1000.00 to renew. This line of credit is used in the event of a cash flow issue that arises as a result of apportionments that come in after certain expenditures must be made. An example of an expenditure that the line of credit would be used to cover until the apportionment is received is payroll. Payroll is paid on the last day of each month, however, apportionments are not received until two days later.

Member Brown Hinds made a motion approve the Resolution to renew the line of credit with Umpqua Bank.

Member Brown seconded.

Roll call vote:

Brown: AYE Brown Hinds: AYE Gorman: AYE Loehr: AYE

Motion carried.

Hardy Brown College Prep Renewal Charter Petition Presentation

President/CEO Margaret Fortune presented the information item to the Board. Members received a copy of the renewal petition in their Board packet. The initial term of the charter for Hardy Brown College Prep was a three year term: 2010 – 2013. The first renewal was approved with a five year term: 2013-2018; we are coming to the end of that term. Hardy Brown College Prep is the highest performing charter school in the San Bernardino City Unified School District (SBCUSD). Hardy Brown College Prep was the first school in the Fortune network, and has the highest teacher retention rate in the Fortune network. Hardy Brown College Prep also has over 92% student persistence in the 2017-18 academic year to date, which is the highest in the network. Finally, 2016-17 parent survey results show that 97% of parents say that overall, they would rate their child's school environment as positive; 94% overall say they would rate the school culture as very positive; 95% overall would rate the school's academic program as very effective; 94% stated that parent education and involvement opportunities are helpful; 92% say that their scholar's administrative staff are respectful and professional. Next steps on the renewal petition will be a Public Hearing, scheduled for May 1, 2018. It is anticipated that the SBCUSD Board will vote on the renewal petition at their June 5, 2018 regular meeting. Hardy Brown College Prep enjoys a positive relationship with SBCUSD.

Fortune School of Education 403(b) Retirement Plan Audit Report Presentation

Chief Financial Officer Bonnie Bensen presented the information item to the Board. Fortune School of Education participates in a 403(b) Retirement Plan. Any employee who works 20 or more hours per week is eligible to participate. Fortune School of Education matches up to 4% of an employee's contribution to the plan. Because the number of employees eligible to participate in the plan has reached 100, the plan must undergo an audit. The 2016-17 year was the first year Fortune School of Education met the 100 eligible employees threshold. Crowe Horwath who performs Fortune School of Education's annual financial audits performed the audit on the 403(b) Plan. No inconsistencies were found. The Board received a copy of the 403(b) Plan audit report.

Rex & Margaret Fortune Early College High School Facility Update

Chief Financial Officer Bonnie Bensen presented the information item to the Board. The high school is currently in a temporary facility on Bruceville Road in Elk Grove. Fortune School of Education, in partnership with Turner Agassi, have been working to locate a parcel of land on which to build the permanent location of the high school. A 13-acre parcel located in the southeast policy area of Elk Grove has been identified as promising. Fortune School of Education has a signed letter of intent with the developer and the final details of the purchase agreement are close to being completed. The timeline is to have the campus ready for the first day of school in August, 2019. The campus will be designed to accommodate 800 students, and in the first five years of occupancy a new middle school will be co-located on the high school property. The high school will operate in the 2018-19 school year at its current temporary facility. The city of Elk Grove is in support of the project. A rendering of the campus was provided to the board.

Higher Education Update

Dr. Kristy Pruitt, Director of Teacher Education, presented the Board with an update. Fortune School of Education went before the California Commission on Teacher Credentialing on April 12, 2018 and received provisional approval Initial Institutional Approval (IIA). FSE's program standards are currently under review with the Board of Institutional Review (BIR). Once the review is complete and the BIR concludes that the program is appropriately aligned, FSE will achieve program independence as its own program sponsor. This has been a lengthy process and a great deal of work has gone into achieving the goal. The 2017 school leadership cohort will be presenting their Educational Leadership Projects (ELP) in June as they near program completion. The ELPs are focused on Fortune's organizational priorities. Pre-Service 2018 begins in June. Candidate interviews are underway for both the Concord and Sacramento campuses. Pre-Service Kick Off is June 5, 2018 at UC Davis.

Curriculum and Instruction Update

Wes Pepper, Director of Curriculum and Instruction, presented an update to the Board. All schools in the Fortune network are in arc 4 of the academic year: Crescendo. Teachers have been receiving explicit professional development on raising rigor to a college ready bar, which is one of FSE's organizational priorities for 2017-18. Performance Task Wednesdays have replaced early release Wednesdays. Students in testing grades remain on campus until 4:00 pm during Crescendo in order to receive more instruction. Saturday School was offered for students to have the opportunity to work on performance tasks. One component of Crescendo is Error Analysis Reteach. In this component, results from daily quizzes are examined to identify the most common error as well as an exemplar. With that information, the teacher leads the students through a discussion where they compare the answers and engage in dialogue about why the exemplar is correct, as well as discussing strategies around not repeating the error made. In practice, it is a very student-centered classroom diving deep on the work that is needed in order to get the correct answers. Smarter Balanced Assessment Consortium (SBAC) testing will take place in May across the organization. Matt Taylor, Director of Data & Analytics, shared an activity that was conducted with principals across the organization to develop predictions around SBAC scores. Current predictions are a 5% gain in ELA and a 3% gain in math. Last year, California grew .5% in ELA and was flat in math; last year Fortune grew 5% in ELA and 2% in math. Fortune appears to be on pace to continue its growth in 2018.

President/CEO's Report

President/CEO Margaret Fortune presented her report to the Board. Fifth grade scholars from across the organization attended the annual Cal Poly San Luis Obispo field lesson on April 19, 2018. Scholars enjoyed an overnight stay and visited the Learn by Doing Science Lab on the Cal Poly campus. 150 scholars participated in this year's field lesson. Ten middle and high school students will be attending Cal Poly's EPIC summer camp in June. Cal Poly generously provided ten scholarships for scholars to attend.

Board Secretary Michelle Grace shared that Cal Poly San Luis Obispo will be recognizing Margaret Fortune's work by bestowing an honorary doctorate to her at the June Commencement.

There being no additional business, the meeting was adjourned at 6:52 pm.

Submitted by,

A handwritten signature in black ink that reads "Michelle Grace". The signature is written in a cursive, flowing style.

Michelle Grace
Board Secretary