

BOARD OF DIRECTORS MEETING MINUTES

June 13, 2019

Call to Order / Roll Call

President/CEO Margaret Fortune called the meeting to order at 3:30 pm. Board Secretary Michelle Grace called the roll:

Eleanor Brown: PRESENT

Paulette Brown Hinds: ABSENT

Bertha Gorman: PRESENT

Scott Loehr: PRESENT

Ollie Watson: ABSENT

Quorum reached.

Announcement of Items to be Discussed in Closed Session

President/CEO Margaret Fortune announced that the Board of Directors will hear a confidential student discipline matter in Closed Session: consideration of potential expulsion; Case #2019004, and will receive an update on anticipated litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: one case.

Public Comment on Items to be Heard in Closed Session

None heard.

Closed Session

President/CEO Margaret Fortune adjourned the meeting to Closed Session at 3:40pm.

Reconvene to Open Session

President/CEO Margaret Fortune reconvened Open Session at 4:20pm.

Public Report: Announcement of Action Taken in Closed Session

President/CEO Margaret Fortune announced that the Board of Directors unanimously approved in Closed Session the Administrative Panel's Finding of Fact regarding confidential student discipline matter Case #2019004. No other action was taken.

Flag Salute

President/CEO Margaret Fortune led the flag salute.

Adoption of Agenda

Member Gorman made a motion to adopt the agenda as published.

Member Brown seconded.

Roll call vote:

BROWN: AYE

GORMAN: AYE

LOEHR: AYE

Motion carried.

Public Comment

Former Butte County Superintendent Tim Taylor presented Margaret Fortune with a plaque acknowledging Fortune School of Education's work on behalf of the Butte County charter schools affected by the Camp Fire. Fortune School was instrumental in identifying temporary campuses to house the charter schools, securing and delivering supplies, reaching out to families to invite them back to school, and assisting with insurance and FEMA-related paperwork in order for the charter schools to reopen three weeks after the fire. Barbara Mandlebaum, Director of Curriculum & Instruction for Butte County Office of Education shared her gratitude for Margaret Fortune's leadership and the work of Fortune School on behalf of the charter schools in Butte County. Casey Taylor, Executive Director of Achieve Charter School and Mary Cox, Executive Director of Core Butte Charter School presented Margaret with a commemorative "Butte County Strong" t-shirt and decals for her leadership and tireless effort, and expressed their gratitude to the entire team for their support. Margaret acknowledged the members of Fortune School who were in attendance at the meeting and shared her gratitude to the members of the Butte County charter community for the opportunity to serve.

Approval of Consent Agenda Items

Member Loehr made a motion to approve the items on the Consent Agenda:

- Approve Minutes from April 25, 2019 Board Meeting
- Approve Minutes from May 6, 2019 Special Board Meeting
- Approve Resolution 2019-6-13-1: Special Education Reallocation of Funds
- Approve Resolution 2019-6-13-2: Education Protection Act Account Expenditures
- Ratify Form 990 for 2017-18
- Approve California Interscholastic Federation (CIF) League Representative: Derek Swafford
- Approve Board Meeting Dates for 2019-2020

Member Gorman seconded.

Roll call vote:

BROWN: AYE

GORMAN: AYE

LOEHR: AYE

Motion carried.

Approve Graduation Requirements – Rex & Margaret Fortune Early College High School

Mr. Odisa Nyong, Rex & Margaret Fortune Early College High School, introduced Ms. Akele Newton, School Counselor to present the item. Ms. Newton presented the graduation requirements for the Board's consideration. In order to earn a high school diploma from Rex and Margaret Fortune Early College High School, scholars must earn 230 credits and complete all coursework with a passing grade of "C" or better. All courses offered meet a-g requirements for high school graduation. As Rex & Margaret Fortune Early College High School students are concurrently enrolled at Cosumnes River College pursuing an associates degree, completion of a semester course at a junior college with a "C" or better will equate to 10 high school units.

Member Loehr made a motion to approve the Graduation Requirements for Rex & Margaret Fortune Early College High School.

Member Brown seconded.

Roll call vote:

BROWN: AYE

GORMAN: AYE

LOEHR: AYE

Motion carried.

Approve Single Plan for Student Achievement for 2019-20 for Hardy Brown College Prep and Fortune School

Matt Taylor, Director of Data, Analytics and Strategy, presented the item. The Single Plan for Student Achievement (SPSA) is required by the Federal government. The Plan requires stakeholder feedback.

Three times each school year, the School Site Council meets to review, revise and approve the SPSA. The goals in the SPSA: arts education, parent education opportunities and using data to drive instruction. The SPSA describes how funds are spent in relation to the goals. The SPSAs provided to the Board were approved by the respective School Site Council.

Member Loehr made a motion to approve the 2019-20 Single Plan for Student Achievement for Hardy Brown College Prep and Fortune School.

Member Gorman seconded.

Roll call vote:

BROWN: AYE

GORMAN: AYE

LOEHR: AYE

Motion carried.

Approve Local Control and Accountability Plan (LCAP) for 2017-2020 and LCAP Annual Update for 2018-19 for Hardy Brown College Prep and Fortune School

Matt Taylor, Director of Data, Analytics and Strategy, presented the item. Under the Local Control Funding Formula (LCFF) all Local Education Authorities (LEAs) are required to prepare an LCAP. Fortune School's LCAP encompasses all six Sacramento county charter schools. The LCAP covers a three-year cycle of reporting. The 2018-19 LCAPs speak to the same goals as the two prior LCAPs. In 2019-2020, a new cycle will begin and the goals may change. The eight state priorities covered in the LCAP: student engagement, student outcomes, parental involvement, course access, implementation of Common Core, basic services, student achievement and school climate. Updates on each of the goals are provided, as appropriate. Stakeholder feedback meetings were conducted through Site Council Meetings and Stakeholder Meetings which were scheduled at all campuses and were open to the public. Member Loehr made a motion to approve the Local Control and Accountability Plan (LCAP) for 2017-2020 and LCAP Annual Update for 2018-19 for Hardy Brown College Prep and Fortune School

Member Brown seconded.

Roll call vote:

BROWN: AYE

GORMAN: AYE

LOEHR: AYE

Motion carried.

Approve Local Control and Accountability Plan (LCAP) Federal Addendum: Every Student Succeeds Act (ESSA) for Hardy Brown College Prep and Fortune School

Matt Taylor, Director of Data, Analytics and Strategy, presented the item. This document describes how Fortune School and Hardy Brown College Prep spend Title I and Title II funds. This reporting is required by the Federal government, and serves as a verification that regulations were met related to allowable expenditures.

Member Loehr made a motion to approve the Local Control and Accountability Plan (LCAP) Federal Addendum: Every Student Succeeds Act (ESSA) for Hardy Brown College Prep and Fortune School

Member Gorman seconded.

Roll call vote:

BROWN: AYE

GORMAN: AYE

LOEHR: AYE

Motion carried.

Approve Resolution 2019-6-13-3 for Umpqua Bank Line of Credit Annual Renewal

Chief Financial Officer Bonnie Bensen presented the item. The resolution is for the \$1.5 million dollar line of credit with Umpqua Bank to be renewed for the 2019-2020 school year. This line of credit is utilized as a resource in the event there are cash flow needs that arise.

Member Brown made a motion to approve Resolution 2019-6-13-3 for Umpqua Bank Line of Credit Annual Renewal

Member Loehr seconded.

Roll call vote:
BROWN: AYE
Motion carried.

GORMAN: AYE

LOEHR: AYE

Board Review of Comparable Compensation Data for Charter School Chief Executive Officers, Chief Financial Officers, Chief Operating Officers

Bonnie Bensen, Chief Financial Officer, presented the item. As a 501(c)3 corporation, the Internal Revenue Service requires that compensation of executives be reviewed in open session by the Board and that comparable compensation information be provided to the Board. Three steps must be taken in order to remain in compliance. Step one is to review comparable compensation data. A table comparing compensation for the Chief Executive Officer, Chief Financial Officer, and Chief Operating Officer was provided to the Board. This salary level proposed in this comparison contemplates that the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer positions would receive the same 3% salary increase as all employees in the organization. The survey data provided compares other charter schools' compensation in the western region.

Approve Resolutions Regarding Executive Compensation for President/CEO, Chief Financial Officer, Chief Operating Officer

Bonnie Bensen, Chief Financial Officer, presented the item. Step two in the executive compensation process is to approve the resolutions regarding executive compensation. There is a resolution for each of the required positions; the resolutions confirm that the three-step process for each position has been followed.

Member Loehr made a motion to approve Resolutions Regarding Executive Compensation for President/CEO, Chief Financial Officer, Chief Operating Officer
Member Brown seconded.

Roll call vote:
BROWN: AYE
Motion carried.

GORMAN: AYE

LOEHR: AYE

Approve Compensation for President/CEO, Chief Financial Officer and Chief Operating Officer

Bonnie Bensen, Chief Financial Officer, presented the item. This is the third step in the process, which calls for the approval of the President/CEO, Chief Financial Officer, and Chief Operating Officer's compensation for 2019-20, as stated on the Comparable Compensation Data table provided to the Board.

Member Gorman made a motion to approve compensation for President/CEO, Chief Financial Officer and Chief Operating Officer including the monthly vehicle allowance for the President/CEO.

Member Loehr seconded.

Roll call vote:
BROWN: AYE
Motion carried.

GORMAN: AYE

LOEHR: AYE

Approve 2019-2020 Operational Budgets for Fortune School of Education, including Hardy Brown College Prep and Fortune School Charters

Chief Financial Officer Bonnie Bensen presented the item. A budget summary was provided to the Board, projecting that revenues will exceed expenditures by \$244,858, providing enrollment targets are met. Projected enrollment for 2019-2020 is 1,834 students, which is an increase of 286 students

over the current school year. ADA is projected to be 94-95%, depending on the campus. The charter schools are fully funded under the Local Control Funding Formula (LCFF), which means the increase that is seen is the result of COLA (Cost of Living Adjustment), which is projected to be 3.26%. There are very few one-time expenditures in the 2019-2020 operating budget. Initiatives tied to Organizational Priorities will continue to be funded in 2019-2020: teacher retention, classroom culture observations, growth including the opening of three new schools and meeting enrollment targets, focus on improving TK-I student performance in English-Language Arts and math, and earn regional accreditation for Fortune School of Education. Budget highlights: teachers will continue to be compensated according to the salary schedules; the cost of the Induction Program for classroom teachers will be paid by the organization, staff who are not on the teacher salary schedule will receive a 3% salary increase, the organization will continue to cover 100% of the medical, dental and vision premiums for eligible employees and their families. New TK-I English Language Arts curriculum will be purchased, and the appropriate professional development for those materials is included in the budget. Principals, Master Teachers and classroom teachers will participate in Relay Graduate School of Education training. Athletics will expand with the addition of men's and women's volleyball; a Music Director will be added to develop a drum line and marching band; a half-time counselor will be added to the Special Education Department, the part-time custodial positions have been reinstated at the campuses, and additional funds have been earmarked for various media campaigns to recruit new students and highlight the schools. Various campus upgrades are included in the budget including access control systems, an outdoor eating canopy at William Lee College Prep, and playground striping. Member Brown made a motion to approve 2019-2020 Operational Budgets for Fortune School of Education, including Hardy Brown College Prep and Fortune School Charters. Member Loehr seconded.

Roll call vote:

BROWN: AYE

GORMAN: AYE

LOEHR: AYE

Motion carried.

Higher Education Update

Dr. Kristy Pruitt introduced the new members of the Higher Education team: Co-Deans Dr. Roque Neto and Dr. Angelo Williams. Dr. Pruitt concludes her service to Fortune School of Education in June, 2019. Dr. Pruitt's leadership and work on behalf of Fortune School of Education has positioned the organization's higher education programs in the final stages of earning Initial Institutional Accreditation from the California Commission on Teacher Credentialing, and to begin the work to earn regional accreditation from Western Association of Schools and Colleges (WASC). President/CEO Margaret Fortune thanked Dr. Pruitt for her work on behalf of the organization and wished her well in her new endeavor.

Curriculum & Instruction Update

Matt Taylor, Director of Data, Analytics and Strategy presented the item. Ninety-nine percent of scores have been recorded by the state, and the projected results for Fortune scholars system-wide are as follows: 47% met in Math – an improvement from 37% met in 2017-2018 = 10 points of growth; 48% met in English Language Arts – an improvement from 40% met in 2017-2018 = 8 points of growth. The state average for growth is .5 – 1%; Fortune scholars have shown substantial growth. Highlights of data by school: All schools are positive, meaning they held steady or improved over the year prior. In math, 4 of the schools had double-digit growth; the highest growth is seen at Alan Rowe College Prep with 19 points of growth. In English Language Arts, 3 of the schools had double-digit growth; the highest growth is seen at William Lee College Prep with 17 points of growth. Fortune School, which is the third highest performing charter school serving a majority of African American students in California grew 8 points in English Language Arts and 12 points in math. School-by-school

data was shared with the Board, and until the data becomes final, the overall results are subject to change slightly. Math results are due, in part, to Fortune's partnership with Achievement First, a very strong math program that has helped teachers learn how to think about math and to deliver the curriculum with fidelity. In English Language Arts, Master Teachers have strengthened the curriculum and have codified all of the best practices and created a process for teaching English Language Arts that is easy for teachers to follow. The work Fortune's Principals do with Relay Graduate School has helped Principals to conduct effective observation and feedback sessions with teachers, and build effective professional development opportunities that follow the "See It, Name It, Do It" model. The Board congratulated staff present for the significant growth and asked that their sentiment be shared with the school sites.

President/CEO's Report

President/CEO Margaret Fortune invited the Board of Directors to join the staff at the end of year SBAC Celebration BBQ on June 21, 2019 at 11:30 am at William Lee College Prep.

There being no additional business, the meeting was adjourned at 6:15 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