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BOARD OF DIRECTORS MEETING MINUTES

August 30, 2018

Call to Order / Roll Call

President/CEO Margaret Fortune called the meeting to order at 5:31pm. Board Secretary Michelle Grace called the roll:

Eleanor Brown: PRESENT
Bertha Gorman: PRESENT
Ollie Watson: PRESENT
Quorum reached.

Paulette Brown Hinds: ABSENT
Scott Loehr: ABSENT

Announcement of Items to be Discussed in Closed Session

President/CEO Margaret Fortune announced the items to be discussed in closed session: Conference with Real Property Negotiators: Parcel numbers 014-0223-002, 014-0223-003 and 049-0050-018.
Meeting was adjourned to Closed Session at 5:34 pm.

Open Session – Call to Order

President/CEO Margaret Fortune reconvened Open Session at 5:53pm.

Public Report on Action Taken in Closed Session

President/CEO Margaret Fortune reported that the Board approved the lease amendment for parcel numbers 014-0223-002 and 014-0223-003. The Board also approved the Term Sheet for parcel number 049-0050-018.

Flag Salute

Dr. Rex Fortune led the flag salute.

Adoption of Agenda

Member Brown made a motion to approve the agenda. Member Watson seconded.

Roll call vote:

Brown - AYE Gorman - AYE

Watson - AYF

BROWN RATE

Motion carried

Public Comment

None heard

Approve June 14, 2018 Meeting Minutes

Member Brown made a motion to approve the June 14, 2018 meeting minutes. Member Watson seconded.

Premier Brew

Brown - AYE Gorman - AYE

Watson - AYE

BROWN - ATE
Motion carried

Ratify 2018-19 Student-Parent Handbooks for Charter Schools

Chief Operating Officer Michelle Grace presented the item. The organization currently has four Student-Parent Handbooks: Rex & Margaret Fortune Early College High School, Ephraim Williams College Prep Middle School

Hardy Brown College Prep, and one handbook that serves Alan Rowe College Prep, Fortune School, Hazel Mahone College Prep and William Lee College Prep. An extensive handbook review and revision took place during the summer of 2017, therefore, fewer revisions were needed this year. School leader, directors and senior staff reviewed the 2018-19 handbooks and offered feedback. In addition, Fortune School's legal counsel also provided feedback as appropriate. The bulk of the revisions, other than minor housekeeping items, were related to the fine tuning and/or expansion of the infraction definitions connected to the Discipline Matrix. At the Leadership Retreat in July, 2018, Cabinet-level staff created professional development around the handbooks in an effort to ensure all staff knows to refer to the handbook as issues present themselves. This professional development was delivered to all staff across the organization at Summer Symposium 2018, focusing on the major themes that occur across all campuses including, but not limited to dress code, cell phones, honor roll, complaint process, human rights policy, discipline matrix and reviewing the Commitment to Excellence Contract. The 2018-19 school year will focus on ensuring students, parents and staff are fully aware of and following the guidelines described in the handbook that govern the daily operation of the schools.

Member Brown made a motion to ratify the 2018-19 Student-Parent Handbooks for charter schools. Member Gorman seconded.

Roll call vote:

Brown - AYE

Gorman - AYE

Watson - AYE

Motion carried.

Approve Resolution: Closure of Two Bank Accounts – Five Star Bank

Chief Financial Officer Bonnie Bensen presented the item. When Hardy Brown College Prep first opened, Five Star Bank funded the loan for the tenant improvements in the Carousel Mall. As Fortune School of Education's financing needs have grown and changed, Fortune School of Education has developed a relationship with Umpqua Bank who has made it part of their business model to build a portfolio that includes charter schools. Fortune School of Education has a line of credit through Umpqua Bank; in order to open the line of credit Fortune was required to open a bank account with Umpqua. All apportionment payments are deposited into the Umpqua account, and it has become the business banking account for the organization. As a result the bank accounts that Fortune held at Five Star Bank are now inactive. Any remaining funds in the Five Star Bank accounts would be transferred to Umpqua Bank, and the Five Star Bank accounts would be closed.

Member Watson made a motion to approve the resolution to close two bank accounts at Five Star Bank in Sacramento, California. Member Brown seconded.

Roll call vote:

Brown - AYE

Gorman - AYE

Watson - AYE

Motion carried.

Approve 2018-19 Consolidated Applications: Hardy Brown College Prep and Fortune School

Chief Financial Officer Bonnie Bensen presented the item. The Consolidated Application allows Fortune School of Education to apply for federal program funds. One of the application requirements is for the Board of Directors to be notified when an application is filed. Fortune School of Education is applying for Title I Funds and Title II Funds for the 2018-19 school year.

Member Watson made a motion to approve the 2018-19 Consolidated Applications for Hardy Brown College Prep and Fortune School. Member Gorman seconded.

Roll call vote:

Brown - AYE

Gorman - AYE

Watson – AYE

Motion carried.

Facilities Update

Chief Financial Officer Bonnie Bensen presented the item. A potential permanent site for Rex and Margaret Fortune Early College High School has been identified. Fortune is working with Turner Impact Capital, LLC to acquire the site. The eight acre site is located at the future intersection of Bilby Road and Big Horn Boulevard in Elk Grove. Currently Big Horn Boulevard does not go to Bilby Road, however, there are plans for Big Horn Boulevard to be extended. The site is in close proximity to the Cosumnes River College Elk Grove Center where RMFECHS students take a portion of their college coursework. The housing developer that owns the

larger part of the parcel is excited to have a high quality school coming to the neighborhood. The property is currently in escrow; the Conditional Use Permit process with the City of Elk Grove is underway. The developer is responsible for the site work and has started the infrastructure (roads, streets, curbs, etc.). Architectural renderings of the planned site were shared with the Board. Rex and Margaret Fortune Early College High School will open in the new location in Fall, 2020.

Update: Reallocation of Special Education Funds

Chief Financial Officer Bonnie Bensen presented the item. The Board of Directors approved the resolution to reallocate Special Education Funds at the June, 2018 Regular Meeting. The El Dorado County Charter SELPA allocates funds to each of the Fortune School of Education charters: Hardy Brown College Prep and Fortune School. As Fortune School of Education is one Charter Management Organization, there is a process that allows the reallocation of funds between the two charters. The Board of Directors approves the resolution in June annually; after the year-end books are closed, an update is provided to the Board if an allocation takes place. There are fewer students receiving Special Education services at Hardy Brown College Prep than in Sacramento. \$7825 in state Special Education Funds and \$16,771 in federal IDEA funds were reallocated from Hardy Brown College Prep to Fortune School to help cover Special Education expenses across the six Sacramento charter schools.

Approve Unaudited Actuals for 2017-18 for Rex and Margaret Fortune School of Education

Chief Financial Officer Bonnie Bensen presented the item. The Accounting Department implemented a new software system: Escape. Financial statements, one for each of the funds, was provided to the Board along with a one-page summary of the organization as a whole, comparing second interim projections with year-end actuals. Fund 1: Charter Management Organization and Higher Education; Fund 4: Hardy Brown College Prep; Fund 5: Sacramento Charter Schools (One CDS code: Fortune School). Financial statements include revenue sources, expenditure detail by object code, and the ending fund balance for each of the respective funds. Rex and Margaret Fortune Early College High School had to undergo a tenant improvement project to create a kitchen for food service. During the time the tenant improvement was underway, meals were transported from Alan Rowe College Prep which met the health department's regulations, but did not meet the Department of Education's criteria in order for meals served to be reimbursed.

Overall, revenues exceed expenses in the amount of \$377,804.

Member Watson made a motion to approve the 2017-18 Unaudited Actuals for Rex and Margaret Fortune School of Education. Member Gorman seconded.

Roll call vote:

Brown - AYE

Gorman - AYE

Watson - AYE

Motion carried.

2017-18 Smarter Balanced Assessment Consortium (SBAC) Data Presentation

Matt Taylor, Director of Data, Analytics and Strategy, presented the item. Smarter Balanced Testing in English Language Arts (grades 3-8), math (grades 3-8) and science (grades 5 and 8) was completed in May, 2018 across the organization. Students took a science field test; results are not yet available. Fortune achieved a 10 point growth in math from 2017 to 2018. In 2017, 27% of Fortune students met state standards in math; in 2018, Fortune increased to 37%. Looking at charter schools in the Sacramento area, purely based on growth, schools in the Fortune network hold four of the top six spots in the county. Four of the five schools in Sacramento achieved double digit growth in Math, and three of the five schools had double digit growth in English Language Arts. Fortune School as a system in Sacramento County is the third highest performing. Fortune School (Stockton and 65th) is the highest performing charter school in all of Sacramento County regardless of race, income or socio-economic status in Math, and third in English Language Arts. Fortune achieved a 4 point growth in English Language Arts from 2017 to 2018. In 2017, 35% of Fortune students met state standards in English Language Arts; in 2018 Fortune increased to 39%.

Curriculum and Instruction Update

Wes Pepper, Director of Curriculum and Instruction, presented the item. The Arc of the Year is continuing into its second school year. The Arcs of the Year are Arc Zero: Adult Culture and Culture Training. This

happens before the school year starts to prepare teachers for the start of the school year. Arc One: Culture. This takes place the first month of school, and includes the first 10 days of instruction which are devoted entirely to developing culture. Arc Two: Rigor. One of the longer arcs, it focuses specifically on rigor. Arc Three: Crescendo. This is the “high point” of the academic year, focused on state testing. Arc Four: Building for Next Year. This arc allows for planning and preparation for the next school year. Professional development team norms across the organization are: Be Prepared, Be Present, Participate and Ask Questions. Team mindsets are: Say Good Morning, Mind Your Volume and Language, Be on Time, Bring Solutions, Go to the Source, Mistakes Happen – Just Own Them. The culture of best practices looks like We See It: we model all of our best practices; We Name It: we name the criteria for success in all of our best practices; We Do It: we practice perfect to ensure we are at our best when we are in front of students. Observation and feedback is a critical component of the Culture piece. Principals have a rubric they use to measure culture in the classrooms which provides a systematic way to provide constructive feedback to teachers. At the October Board Meeting, the Rigor Arc will be the focus of the Curriculum and Instruction presentation.

Higher Education Update

Dr. Helen Anderson-Clark, Coordinator of Field Supervision, presented the item. Pre-Service 2018 concluded in July. This 160-hour “bootcamp” for aspiring teachers was held in Sacramento and Concord. Pre-Service provides candidates with the basic knowledge, skills and mindsets that are critical for success in teaching. This year, the Instructional Planning course was built in throughout all of the standing courses in order to tie each concept back to planning. Based on the quality of the lesson planning that was conducted during Pre-Service, this programmatic change was a positive one. Pre-Service candidates who were recommended to the District Intern Program are busy securing employment, and some have already begun their teaching careers. They will begin their formal coursework the first week of October. Year Two District Interns return to their formal coursework the first week of September. Topic Seminars will be introduced into the District Intern Program in 2018-19. Topic Seminars are one-time seminars that cover a wide range of topics that are pertinent to beginning teachers. Experts in the field will serve as guest lecturers to reinforce the material that is being delivered by faculty in the District Intern Program. Practicum has also been redesigned for 2018-19. Practicum bridges the theory of coursework to the practice in the classroom. Historically, Practicum was imbedded in the coursework. This year, Practicum will consist of two artifacts that will be reviewed and reflected on that are separate from the coursework but that ties back to the content. Another new component of Practicum will be for teachers to have the opportunity to do observations of their students in settings other than the classroom, and to observe other teachers who have exemplary skills. These new components will provide a meaningful way for teachers to self-reflect as they work toward mastery in the classroom.

President/CEO's Report

President/CEO Margaret Fortune invited the Board Members to tour the schools. Fortune School’s annual report to the Sacramento County Board of Education will take place at SCOE’s November meeting. Staff is working with oversight consultant Francie Heim to provide updated information for her report. The next meeting of the Fortune School of Education Board of Directors is scheduled for October 18, 2018, at Hardy Brown College Prep.

There being no additional business, the meeting was adjourned at 8:06 pm

Submitted by:

Michelle Grace
Board Secretary