

**Special Meeting of the
High Desert “Partnership in Academic Excellence” Foundation, Inc. Board of Directors**

**Minutes
February 25, 2016**

1.0 Call to Order

Chairman Bud Biggs called the meeting to order at 8:04 a.m.

2.0 Roll Call

Foundation Board Members David Bains, Duberly Beck, Regina Bell, Bud Biggs, Buck Goodspeed, Andrew Jaramillo, Scott Johnson, Robert Lovingood, Kirt Mahlum, Kevin Porter, Tom Rosenbaum, Donna Siegel, and Russell Stringham were present.

Foundation Board Members Jose Palafox, Marcia Vargas and Rick Wolf were absent.

Staff members Ryan Dorcey, Teresa Dowd, Darren Dowd, Guadalupe Girard, Lisa Lamb, Stacy Newman, Jim Quinn, Paul Rosell, Jim Southwick and Gordon Soholt were also present.

3.0 Public Comments: None

4.0 Ground Rules: Facilitator/Consultant Dr. Pat Caldwell went over the ground rules for planning.

5.0 Presentation: Overview of Strategic Planning: Dr. Pat Caldwell presented an overview of strategic planning and that it involves future thinking, should be visionary, and it is proactive not reactive.

6.0 Discussion/Action Items on Current Issues:

.01 The Finance Committee gave an update on LCER’s current financial condition. They have been working with LCER staff on the cost overages of the AAE consolidation project. Russ noted that the project is \$2 million over and that overages included the light at Apple Valley and Tuscola Rd. and the sewer line move. He said that the Finance Committee was not aware of the situation and that they would like to have a 3rd party review the contracts and change orders. There were 47 change orders that were not brought to the Finance Committee. Anything unbudgeted over \$50K should come to the Finance Committee. We are moving forward and putting more policies and procedures in place. Jim will be providing monthly updates to the Finance Committee and a new form is being developed that would require a Finance Committee signature for anything unbudgeted over \$50K. This has not impacted the budget for this year and we will be looking into ways to restructure the debt. Jim distributed financial information sheets showing where we stand and noted that we follow financial accounting practices, which are different than school accounting.

Jim Quinn also updated the Board that we had been approved for financing for the original amount, and when the additional funds were needed he restructured the financing to include those. It is now financed by a 5 year lease with a prepayment penalty of \$700K. It was suggested to have counsel review the Tetra contract.

.02 President/CEO’s Reports on Board-Designated Objectives

- Staffing/Reorganization – a power point was shared showing that students and staff have doubled since 2007 and admin has increased from 6 – 9. Russ asked about the

PR/Fundraiser position. We have not filled that position but hired a grant writer as a consultant. A report on her activities will be provided in the report to the monthly finance committee as well as in the quarterly board packet. The committee has asked for a list of consultants and what we are paying them.

- Use of Facilities with Emphasis on Thunderbird – this was tabled to Monday’s meeting.
- Bringing Faculty to Parity in Compensation – We are striving to increase salaries and close the gap. We will never be able to pay as much as the big districts that have 40-50 in class sizes. We have to stay unique. We also provide more on site support. We are costing out offering a step or stipend for having a BCLAD or other difficult to fill positions. NSAA and AAE are under the same CMO (LCER) so salary schedules are the same. To separate the salary schedules could open us up to unions. We are also looking at differential pay for teachers on leave, student loan grants, improving the leave and benefit package, absorbing health insurance increases and addition additional years to the salary schedule. We will look at direct line expense and pursue and bring back costs. Robert suggesting recruiting by offering to pay the last 2 years of college in return for a 5 year teaching commitment. Please email Stacy any additional ideas for recruiting.
- Revenue Growth Opportunities – offering 1 TK class of 25 at AAE and NSAA would bring in \$386K annually after the first year’s costs. We are looking at increasing ADA by filling grade levels. Additional ideas included a land bank, cell phone towers, sell off unusable property, lease agreements, fundraising and an affinity credit card program.

Gordon let the Board know about the Board Governance summit at the annual CCSA conference which is being held in Long Beach on March 15.

03. NSAA – Lupita presented on NSAA and invited the Board to visit anytime. The President of CCSA, Jed Wallace, and his staff visited NSAA yesterday. Also we have received another term of accreditation from WASC and are aligning their recommendations with LCAP, LCFF, Title I and Title III. Lupita provided a handout on the NSAA dual immersion program, classes and other programs.

A power point was shared with NSAA concerns. It is very difficult to recruit and retain students as a dual immersion school. The lower grades are fuller and the upper grades have less. It is difficult to fill open spots in the upper grades as they must be biliterate.

Test scores are low. The new testing system, CAASPP, was implemented last year. It is based on common core standards and last year defined a baseline. Scores do not give a true reflection of what is happening in the school. We also don’t have any similar schools to compare to in California. We use internal assessments to measure growth. A consequence is that the authorizer is going to look at test scores when it is time to renew the charter, and the worst case scenario is that we wouldn’t be renewed.

Facilities are a concern as we have 12 years left on a lease with the land owned by the city and county. The lease also specifies we must provide facilities for head start so we are looking at putting in a parking lot to help with their parking situation. We are waiting for their proposal on this. We will also be attempting to renegotiate the terms of the lease. Dr. Morales let us know there is no option to relocate to CSUSB but they are open to partnering with us in other ways. CCSA has offered to assist us in applying for Prop 39 or SB 740 funds.

There are several issues staff would like the board to discuss. These were tabled to Monday's meeting.

4.0 Organizational Structure of the Foundation/LCER – This was tabled to Monday's meeting

- Foundation Structure
 - LCER
 - Committees
 - Fundraising

5.0 Need to Revise Bylaws – This was tabled to Monday's meeting

6.0 President/CEO Evaluation Process and Instrument – Stacy Newman distributed the SOP the personnel committee has been working on. At the March Board meeting, board members will receive an official evaluation document to work on. The committee will tally the votes and create a consensus rating. The Exec Team will be completing an evaluation as well for informational consideration. Line items are from the CEO job description or board policy. Please email Stacy with any questions.

7.0 CONSENT AGENDA:

- .01 Foundation Board Member Job Description**
- .02 School Board Committee Job Description**
- .03 Finance Committee Job Description**
- .04 Personnel Committee Job Description**
- .05 Fundraising Committee Job Description**

Item .01 was pulled and tabled to Monday's meeting. On a motion by Kirt Mahlum, seconded by Kevin Porter, vote 13-0, the Foundation Board of Directors approved Consent Agenda items .02 - .05.

8.0 ADJOURNMENT: Chairman Biggs adjourned the meeting at 12:30 p.m.