



**Governing Board of Trustees
SPECIAL BOARD MEETING AGENDA
Thursday, February 5, 2015, 5:00 PM**

Ledyard Hakes ♦ Dawn Ovrom ♦ Lee Pontes ♦ Maria Simon ♦ Lou Smith
Student Board Representative: Lauren McBride
Superintendent/Secretary: Jeffrey Felix Recording Secretary: Maria Johnson

1.0 CALL TO ORDER OPEN SESSION

- 1.1 Pledge to the American Flag
- 1.2 Approval of the Agenda: Any changes for the agenda must be made at this time

2.0 COMMENTS FROM THE AUDIENCE (Agenda and Non-agenda items)

Anyone wishing to address the Board on agenda, non-agenda, and/or Closed Session items may do so. Individual speakers will be limited to three minutes. Total public input on any one subject will be limited to twenty minutes, and may be extended at the discretion of the Board President. Comments on an agenda item will be taken when the agenda item is discussed by the Board. Comments on non-agenda items will be held before the Consent Motion if there are three yellow cards or less per topic. If there are more than three yellow cards per topic then the comments from the audience will be held until the end of the agenda.

3.0 ACTION ITEM

- 3.1 Adopt Proposed Change to Board Goals

4.0 GOVERNING BOARD WORKSHOP

- 4.1 The Governing Board invited the Directors of the Coronado Pathways Charter School to discuss the Charter

5.0 ORGANIZATIONAL BUSINESS

- 5.1 Future Agenda Items/Board Member Comments
- 5.2 Next Regular Board Meeting, Thursday, February 19, 2015, 4:00 PM

6.0 CONVENE TO CLOSED SESSION

- 6.1 Conference with Legal Counsel, Anticipated Litigation, Government Code Section 54956.9 (one case)

7.0 RECONVENE TO OPEN SESSION

- 7.1 Report Any Action Taken in Closed Session (No Action is Anticipated)

8.0 ADJOURN

Individuals who require special accommodation (American Sign Language Interpreter, accessible seating, documentation in accessible formats, etc.) should contact the Superintendent or designee at least two days before the meeting date. In compliance with Government Code section 54957.5, non-exempt writings that are distributed to a majority or all of the Board in advance of a meeting, may be viewed at 201 Sixth Street, Coronado, CA 92118, or at the scheduled meeting. In addition, if you would like a copy of any record related to an item on the agenda, please contact Maria Johnson, Executive Assistant to the Superintendent/Board, at (619) 522-8900, ext. 1025.

AGENDA – February 5, 2015

3.0 DISTRICT ORGANIZATION AND BOARD OPERATION

3.1 Adopt Proposed Change to Board Goals (Action)

Background Information:

On October 15, 2009, the Governing Board adopted the following goals for 2009-2010 through 2014-2015:

1. Discern the unique characteristics of 21st century students and implement plans to educate students using online instructional techniques and digital tools
2. Communicate the District’s fiscal prudence and stress the need for additional significant financial support in order to sustain and expand student success
3. Improve the content and frequency of communications with and among stakeholders by using both digital and face to face methods
4. Promote character education community-wide and model high morals while promoting a culture of respect and high aspirations for all stakeholders
5. Develop and maintain a focus on evaluation methods for all goals, programs, employees, and services

At a Special Board Meeting Workshop held on January 12 and 13, 2015, the Board came to a consensus on the following goals for the 2015-2016 through 2019-2020:

Draft of Proposed Change to Goals:

1. Integrate personalized learning with assessment methods that will prepare all students for academic and vocational success.
2. Communicate openly, freely, and accurately to engage and involve all shareholders.
3. Maintain safe and supportive schools where students and staff thrive.

Financial Impact:

None.

Superintendent’s Recommendation:



That the Board adopt proposed change to Board Goals.

Moved _____ Seconded _____

Ayes _____ Noes _____ Absent _____ Abstain _____ Student _____

AGENDA – February 5, 2015

4.0 DISTRICT ORGANIZATION AND BOARD OPERATION

4.1 Sustainability of the Coronado Pathways Charter School and Options for the Continuation of the Charter and Related Services (Discussion)

Background Information:

This paper is intended to provide clarifying data on the responsibilities of both Boards named above. The CUSD Governing Board has a fiduciary role in allowing Pathways Charter School to continue operation, and the Island Charter Schools, Inc. (ICS) Board of Directors has the responsibility of operating the non-profit organization. ICS has full control over the employment of staff and the contracting of services for Pathways Charter School. The CUSD Governing Board only has control over whether to continue the charter, which can only be ended as a result of the charter not performing according to the terms of the charter or contract. CUSD has no responsibility for funding any part of the charter.

CUSD fostered operations of Pathways Charter with funding that was held on the bookkeeping records of the charter. As a result of mitigating staffing expenses from Kevin Nicolls, the Executive Director of Pathways Charter who also serves as the Palm Academy Principal, I believe that CUSD has reached a point of no net debt owed to the district through the 14-15 fiscal year.

But it appears that the charter may not meet its goal of “breaking even” in the 15-16 school year, especially if all costs of operation are paid by Pathways Charter, due to enrollment substantially lower than original projections. The CUSD Governing Board has shown great concern over this possible structural deficit and it is for this reason that I have brought this information to both governing bodies in a venue that will encourage open and accurate discussion so that the needs of our mutual learners may be met in a successful manner.

Summary:

The good news is that the enrollment number at Pathways Charter is increasing; Average Daily Attendance (ADA) for the most recent State reporting date is 41.46, up from 21.46 last year. While a charter school normally needs a minimum of 200 students to insure continued operations, Kevin Nicolls and his staff may reach ongoing financial sustainability at 125-150 ADA due in part to excellent cost control. The other part of that reason for sustainability is that CUSD charges very little for rent and services. Pathways Charter pays only \$0.22 per square foot in rent, with no utility or custodial costs. The charter has also benefitted from a low cost curriculum model, low special education costs, and the start-up federal grant funding.

The bad news is that the enrollment at Pathways Charter has not been realized to full the extent desired by all parties and reaching that 125-150 ADA may be years away. Kevin has stated that San Diego Unified has a similar program, operating for a decade, at only 85 ADA. While Pathways Charter enrollment is not where we need it to be, the program has been an academic success, with all shareholders working together to establish the charter and build the academic model of personalized learning that we all desire.

It is my opinion that the original reasons for creating a charter school in Coronado have been achieved. We have:

- Piloted a new education model that can be replicated and sustained by CUSD, especially at the secondary level.
- Offered an intervention model for students that can allow for all students at CHS to take advantage of a personalized education similar to that offered at Palm Academy.
- Offered credit recovery and summer school for CHS students in a way that was not thought possible as a result of the state cuts that occurred at the beginning of the Great Recession in 2008.
- Allowed more students to attend the Coronado School of the Arts (CoSA), which was a desire of the program and the Foundation that supports the program.

Proposal:

Since Pathways Charter has reached these educational goals, I believe the Pathways model is now ready to be incorporated within the operations of CHS and eventually CMS. CHS Principal Jenny Moore and Kevin Nicolls have agreed that increased course flexibility and online options, with blended learning based on the Pathways model, can be a part of the CHS menu of options for students as soon as 2015-16. The same can be said for blending Multi-Tiered Systems of Support (i.e. Response to Intervention) concepts from Pathways Charter and Palm Academy into the way we will eventually approach personalized learning for all CUSD students.

The launch of Pathways Charter has taken significant effort and resources to bring it to the point where the educational benefits of the Pathways model can now be realized within the CHS instructional structure. We created a charter school from scratch without having people with charter experience running the school. We thought we could learn as we grew and we did. But that learning has been expensive due to low enrollment, and we have no guarantee of avoiding future financial problems. It is the perfect time to assimilate the programs under the CUSD umbrella of educational services.

In order to allow for both organizations to fulfill their fiduciary and legal responsibilities, I propose four distinct options for the CUSD Governing Board and the Island Charter School Board of Directors to consider:

- 1) Continue with the same Executive Director and the same model of paying salaries at the CUSD level. Pathways Charter staff have a great talent for working with kids, but enrollment must increase. Also, paying district-level salaries is not the typical model for successful charters. Due to the expiration of the federal grant, this option carries the risk of Pathways Charter not being able to pay its bills without CUSD terminating the charter as a result of fiscal instability. If the Pathways model is created at CHS, the two schools will directly compete against each other.
- 2) Hire a new Executive Director and structure the Executive Director salary based on charter ADA, or a form of commission for salary. Employee salaries should be based upon the same level as typical charter school levels. This will mean a drop of nearly 20% in salaries. This mitigates the CUSD financial risk to a greater degree but there is still an associated risk if enrollment doesn't increase. If the Pathways model is created at CHS, the two schools will directly compete against each other.

- 3) Bring in an outside charter management company to run Pathways Charter under its existing charter. The ICS Board would remain in place and contract out the management responsibility. This option might not be sufficiently advantageous to an outside charter management company unless ICS directors were completely in sync with that company regarding instruction and operations.
- 4) Close Pathways Charter and dissolve the ICS corporation. The Pathways model would then be incorporated into CHS for the 2015-16 school year. This option will keep the original Pathways educational dream alive and allow for significantly expanded learning opportunities for all CUSD students, at no financial risk to CUSD. Students will take advantage of the additional services that CHS provides and will give graduates a diploma from Coronado High School, a prestigious jewel for college placement.

None of these options are easy. But it is clear is that continuing the status quo will have significant risks since not all costs and resources used are currently realized in the charter budget.

Future of Charter Schools in Coronado

Recently a charter petitioner has approached CUSD administration about obtaining a new charter approval. But the timing is short for implementation in the fall of 2015-16. This new charter likely needs approval by March 2015 to open Fall 2015. The outside entity would create a new non-profit corporation that would operate the newly created school. We have been approached by a nationally recognized charter school organization that would market mostly to students outside of the CUSD boundaries. Assuming that CUSD can work with the new charter to share educational goals that will continue to benefit CUSD as it expands innovative learning opportunities, this option has little to no financial risk for CUSD. It actually brings the promise of greater financial rewards from the oversight and facilities fees that CUSD would charge if the new operation's petition was approved.