

## **Orange County Board of Education Special Meeting September 28, 2015 Transcript**

### Welcome

Hammond: Ladies and gentlemen, good evening and welcome to the Orange County Board of Education's meeting. Just a brief introductory here that normally we hold our meetings at 11:00 o'clock in the morning, not at 6 o'clock at night. And we hold once a month and we do ask that anyone that wants to address our board to please fill out a card. They are there in the back if you're not sure. We have staff, wonderful staff that will help you out with that. And it's just simply a request to address the board. Each person that does want to come on up that is given time, you're allowed a maximum of three minutes to address our board. Unfortunately you cannot give your time to somebody else so that person can get like six or nine minutes. Just can't allow for that. And we do ask that because it is a public meeting that you maintain some type of decorum. No outbursts; things like that. And of course our board agendas are always posted online by our staff and you can find them at the Orange County website. And we do thank you very much for attending our board meeting.

### Call to Order

And with that, for the benefit of the record this special meeting public hearing of the Orange County Board of Education is Called to Order.

### Invocation

And to begin things off, I'd like to invite up to give us an invitation Pastor Carl Gutierrez of the Rock of Salvation Christian Center. Pastor Carl, you have the floor sir.

Gutierrez: Thank you. Will you bow your heads with me please? Gracious Father, as we come before you today, first I want to thank you on behalf of all who are gathered here. Thank you for your many blessings. Thank you for all who are involved in the leading and development of our children. I pray for these leaders, this council, the Orange County Board of Education for their hearts and their mind that it may be well with them. What a great task this board has before them. The children, the encouragement and development of children. Let their words and action be life to many programs that are being established, renewed and revised. I ask Lord to enrich each member with wisdom, compassion, and passion, for the responsibilities and duty and not to take it lightly on who they serve. Fill them with joy as they impart themselves into discussion and the resolution of various topics. Give them wisdom to govern amid the conflicting interest of our times. Give them abilities and the boundaries to work together even when there is honest disagreement. And above all, help us to be a neighbor. To know families, not by numbers, not by creeds, not by demographics but by name. Help our board to be good listeners. Let our relationship continue to grow with the family so our board can make good decisions for our

children. I ask you Lord that you give each board member peace in their lives and joy in their work that they may make good decisions. I pray for the agenda that is set before them today. Please lead them and what benefits and those who they serve, the children. Let your will be done, I pray this in the name of Jesus. Amen.

### Pledge of Allegiance

Hammond: Alright. Following that up with our Pledge of Allegiance. Madam CEO. Would you care to lead us in the Pledge of Allegiance? Mrs. Trisha Blum, would you care to lead us in our Pledge of Allegiance?

Blum: Thank you for the honor. Please place your right hand over your heart. I Pledge Allegiance to the flag of the United States of America. And to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all. Thank you, you may be seated.

### Roll Call

Hammond: She's the CEO over at Albert Einstein. Alright. Miss Penny would you be so kind as to conduct Roll Call for us please.

Dunseth: Sure, Trustee Boyd?

David Boyd: Here.

Dunseth: Trustee Lindholm?

Lindholm: Here.

Dunseth: Trustee Hammond?

Hammond: Present.

Dunseth: Trustee Bedell?

Bedell: Here.

Dunseth: Trustee Williams?

Williams: I am present.

### Introductions

Hammond: Thank you very much. Nina do we have any introductions?

Nina Boyd: We do not.

## Agenda

Hammond: Ok. Agenda for our special meeting; adoption of the agenda. The chair seeks a motion in regards to the agenda that is set before us.

Bedell: So moved.

David Boyd: Second.

Hammond: Moved and seconded. Dr. Bedell, any discussion on it?

Bedell: Mr. Chairman we've had several hundred people here I believe to discuss vaccines, where does the Executive Committee see that on the agenda.

Lindholm: Um, that will come under the public comments section if Mr. President agrees. Where you see public comments for 30 minutes? That will be for the vaccine people who will be taken in the order of cards as submitted up to 30 minutes. Because we are here also for the Albert Einstein Academy appeal which is a special item on the agenda, that will have a public comment section if you look on the agenda that is passed out that will be specific and only to the Albert Einstein Academy appeal.

Bedell: So If I understand what you said, anybody who wants to deal with vaccines will be under public comments.

David Boyd: Right.

Bedell: That could also take Common Core and other issues, right?

David Boyd: It could. Absolutely.

Bedell: It's not just a vaccine item. Ok? It's not just a vaccine item.

Multiple Voices: (Inaudible)

Bedell: I just want to be sure the people understand that.

David Boyd: There can be no discussion on the vaccine issue. We can receive comments from the public but we as a board cannot discuss.

Bedell: And when you're not dialogue with these comments.

David Boyd: Right.

Hammond: Right. I mean we could discuss...

Lindholm: It's not agendized...

Hammond: ...it, it's not agendized, but we could under board member comments, you know, any board member could make a comment about the vaccine.

David Boyd: Could comment but again we can't discuss.

Lindholm: Sure.

Williams: Question.

Hammond: Yeah.

Disruption from the audience with applauding.

Hammond: I understand the passion but I would ask that again, please, to keep our decorum as it is. Outbursts unfortunately cannot be tolerated. If it happens again we'll have to ask the individual to leave. Dr. Williams?

Williams: So, as I'm looking at the agenda here, we're gonna have public comments on the Albert Einstein Academy after the vote?

David Boyd: Yes...No, we'll have a vote.

Williams: I'm looking at the public comments.

Bedell: No that's in general.

Williams: That's in general. Ok...

Hammond: Your public that's just opened up so that anyone can come before us for our first 30 minutes and discuss what they want. Then under the discussion format for recommendation #1, the third part there it says public comments and that's only for those who wish to speak about Albert Einstein. People for Albert Einstein could speak under the regular public comments.

Williams: Ok, so we have three opportunities for public comments then.

Hammond: Yes sir.

Williams: Very good. No more questions.

Hammond: Dr. Bedell, anything else?

Bedell: I'm fine.

Hammond: Mr. Boyd anything else?

David Boyd: No sir.

Hammond: Madam Vice President?

Lindholm: No.

Hammond: Alright. Chair will call for the vote on the adoption of the agenda. All those in favor say AYE.

Board: AYE

Hammond: Oppose? Abstain? Motion passes 5-0.

### Minutes

Hammond: Minutes, regular meeting September 2<sup>nd</sup>, the chair seeks a motion.

David Boyd: I'll move.

Hammond: Moved by Mr. Boyd.

Lindholm: I'll second it with an amendment.

Hammond: What is thy amendment?

Lindholm: The amendment is language on page 5, which typed page 5, written page 7, please add under item #10 where Lindholm opposed the item, add the language from the meeting which I commented at the time that I was opposed to a 29 page legal memo and I thought that was beyond the scope of the request. So with that amendment I would second it.

Hammond: Mr. Boyd do you agree to the amendment?

David Boyd: I have no problem with it.

Hammond: Alright. Then the minutes have been so moved and seconded with the one amendment. Madam Vice President do you have any other comment about that?

Lindholm: No.

Hammond: Mr. Boyd, any comment?

David Boyd: No sir.

Hammond: Any other comments? No? Seeing none, all those in favor of accepting the minutes as amended by Vice President Lindholm signify by saying AYE.

Board: AYE.

Hammond: Oppose? Abstain? Motion passes 5-0. And with that we'll go to regular public comments. We have 30 minutes and after these public comments are done, we will recess for about five minutes to help those that are only here for save vaccinations whatnot so that they can

leave and we will be focusing specifically on the Albert Einstein appeal. With that public comments Madam Vice President. Who is first up?

### Public Comments

Lindholm: And we're just taking them in the order that were submitted. There will be 30 minutes of comments. It is Summer Garner. If you'd like to come forward to the podium? Welcome! And right up here and Penny will explain how the timer works. Hi.

Dunseth: Actually the green starts with three minutes. When the yellow flashes you have one minute and when you have red the time is up.

Garner: Good evening board. My name is Summer Garner. I ran the SB277 referendum for Orange County the past three months. What we've done the past three months has been nothing short of amazing. We collected in 2 ½ months 30,000 signatures from parents and families of your county. In 2 ½ months. I just want that number to sink in with you. We collected further signatures for many counties across the state. Our parents want to be heard for a reason. Our children are not the property of the government. Our children are ours and we choose what goes into their body. Across the state parents are coming to know about this bill. And people are quite upset. I believe the media to say otherwise. There's not fair reporting on this. And we know because we hit the streets. And we taught people and showed people what was wrong with this bill. I encourage each of you to please do your research and that doesn't mean to sit and look at a bill and look at the legal terms. I want you to go back and do your research about what is really wrong. What's happening in this State of California? We have many bills that will be coming down the line and Senator Pan who put this bill forward has been quoted to hit us with civil penalties and even coming after the home schoolers. What is happening with this state? What is happening with this world? It's not acceptable. Please accept that there are many families that are troubled by this. And we need to think about that when we are addressing our kids. You guys are in charge of helping making our kids safe. And my children personally attend a charter school that has a high PBE rate and my children personally were affected by a vaccine. They were born premature and they carry chronic conditions. This means a lot to many of us. That means that this is not subjected to one child. This should be something that no children should be subjected to one size fits all bill. There are too many vaccines. They should be spread out. There are many things wrong with this bill. Please know that the parents of this state think otherwise of this bill and they need to be heard. Thank you.

Applause

Lindholm: Karri Lewis? Karri Lewis? Welcome.

Lewis: Hi. Thank you board for hearing me. I'm Karri Lewis. I am the president and founder of Awake California. It's a grassroots group that is against forced vaccinations. And we have very good reasons to be against forced vaccinations. And I wanna start off with a quote for you

from Dr. Andrew Molden. “If penicillin shots and peanut butter sandwiches were mandated, many children would be harmed. Some would even die. If we cannot give penicillin or peanut butter to everybody safely, the logical progression of injecting live biologically active immunogenic particles cannot be safe for everyone either. There are certain people that are genetically predisposed to having vaccine induced reactions. They have this gene that’s called the MTHF, I think I’m saying, thank you. Thank you Gene. And they are predisposed to having vaccines reactions. Vaccines are told by the media, told by the government and the pharmaceutical companies; we’re all told that they’re safe and effective. I have news for you. They’re not. The government, the Federal Government has paid out over 3 billion dollars since the inception of the 1986 law that came down from the Federal Government that took away the, basically indemnified the pharmaceutical companies. So there is no liability. They have no reason to make these things safe. They just, it’s sad because they have every financial reason to mandate these things but the people have no recourse if there’s a problem or their children are injured. They’re basically at the hands of the government. We beg and plead and ask you politely to please see how important these PBE’s, these personal belief and religious exemptions are for our families and for our children to keep them safe. Nobody wants a vaccine injured child and I know you would not either. This is such an important issue. This is all about money. It is not about public health. And the truth needs to be told and the media is not allowing it to be talked about on our side. We’ve been finding it very troublesome that we can’t get our side out and our truth out about our vaccine injured children. There are even adults that have been vaccine injured as well. So, I appreciate it. Thank you for your time.

Applause

Lindholm: Shanda Ellsworth-Lobatos? Beautiful name.

Ellsworth-Lobatos: Thank you. Good evening. My name is Shanda Ellsworth-Lobatos. I am a mother of four. I am also an interventionist. I’ve worked with Special Needs children since 1999 in home. That means I’ve seen Schizophrenia, Autism, NOS, you name it I’ve seen it. My job has been to diagnose why a child is having a behavior. That’s the antecedent, behavior and the consequence. I’ve gone into homes where children have been diagnosed with autism. They have a sibling. On three accounts I’ve seen a sibling receive vaccination. Days later fever, regression, sickness. Now this is from 1999 to 2014. My only reason to be here is to say, until you’ve lived it seen it and visited these families and understand what they have endured, no one can say that vaccine mandates is one size fits all. It’s very imperative that everyone looks into understanding what this means. It’s very critical for everyone to do their research and not just see what’s on the news. It’s very scary because guess what? I’ve had seizures. I’ve had eczema. I have ADHD and I’ve struggled. But guess what? I was in the gifted program. I’ve cleaned out my diet. Meanwhile I have a four year old who has speech impediments. I struggle with him. He has tantrums and thank goodness I’ve had my training. I do not want to put any more toxins in his body cause I’m scared about what it might do. I beg of you to research what has occurred and understand that this is very crucial for you guys to look into this. Not only that,

take the time to go into these homes. Talk to these parents. Don't just look at a bill. Don't just look at the news. Go on to YouTube and look around and see all these injured children. Thank you very much.

Applause

Lindholm: Lisa Heyrend? Welcome.

Hammond: Go ahead.

Heyrend: So I can't say anything that everyone here hasn't said already. However, I do want to point out something about this law and it's very important. And it is the grandfather clause for the children. I have a seven year old who will be grandfathered in until 7<sup>th</sup> grade and a four year old who will not be able to attend Kindergarten with the same vaccine schedule as my seven year old. That puts me in a really hard spot. I would have to home school my child. I don't know how I could do that. We're a dual income family. And financially isn't possible. I do partially vaccinate my children. I choose as a parent to space that schedule out. I believe in vaccines. I believe there is validity to the herd immunity. I believe it's my right as a parent to delay a schedule based on family history. We have Lupus in my family; it's autoimmune. I want to protect my children. I wanna vaccinate them. I wanna vaccinate them according to an agreement with my doctor; with my children's doctor. And I believe that the law that we had last year covered that. BPE rates went down with the law that we had last year. It was sufficient. Vaccine rates went up. People were educated about vaccines with their doctors. I think that's important. It's an important law that we had. I think it was neutral for both parties. I want to be able to make that decision with my doctor for my children. I want other families to be able to do that. I think that the schedule we have is way too much. It's way too much. There's so many families on this journey that have been injured. What do we do with those families? Who's going to take care of those children when these parents are gone? I don't have vaccine injured children but my heart goes out to these families. I think it needs to be looked at. I think it needs to be addressed. We're here today to ask for your endorsement and help us keep a law that was already in place. We're not asking for anything. We're asking for a law that was already initiated in place. We want to keep that law. We didn't have a public health crisis. We have herd immunity. There was no cases of measles in school. We're protected. We have a great medical system that takes care of our children. I believe in that system and I think that you should too. Thank you.

Applause

Lindholm: And Penny may I ask, do we have time for one or two more speakers.

Dunseth: That was only your 4<sup>th</sup> one.

Lindholm: No, time wise for 30 minutes.



Dunseth: No you've got plenty of time yet.

Lindholm: Good. Alright we will welcome Rebecca Goddard. Please come forward.

Goddard: Hello, my name's Rebecca Goddard and I have two children in Saddleback Valley Unified School District and my children are both on IEP's. And both are diagnosed with Autism. My older son Franklin is vaccine injured. He at his 14 month MMR he lost all language and sound, eye contact and got encapsulated into a vessel that we have not been able to pull him out of. My younger son also has Autism and he does not have vaccinations. And after thousands of hours of intervention we have him at a place where he is able to socialize with your children. And there is not any one of us, not one of these parents wants to catch or give a disease to your children. We are here because we are for our children. We're for our children, we're for our babies, we're for our lives. We want happy, healthy, educated children. We want them to be comfortable. We want them to be safe. Your job is to educate them. Your job is not to inject them. Mercury, aluminum, and aborted fetal tissue, another person's DNA is not for you to decide that my child needs. When the ingredients I feel, when the ingredients are safe, I will be happy to catch my children up on their vaccinations. But right now, we're in a school district that can barely stay compliant on an IEP. Why are you going to take this on into another level of bureaucracy that you frankly can't handle and frankly don't have the research. You've taken a law and are looking at that and not looking at the children. I invite every single one of you to my home. After 2:00 o'clock when they get home from school and we have six or seven therapists a day, every single day, working with my children. Be there at 2:00 o'clock in the morning when they can't sleep and be there for seizures and be there for all of the things that go with the vaccinations. I welcome you into our life and to see what that life is. We all, all of our children deserve the best. And some it's not a vaccine. Some it is being in school and being with their peers and learning and having a healthy body. I wanna do everything just to give my child a healthy body and that's what they deserve and that's what all of our children deserve. Thank you.

Applause

Lindholm: Susan Borne? Susan? Welcome.

Borne: I didn't realize you'd be so close to each other. Didn't realize you'd be so close to each other. It doesn't look that close from the back of the room. My name is Susan Borne and I live in Las Flores. I'm a member of the Capistrano Unified School District and when my son's old enough he'll attend there. And I'd like to share with you what I've been telling everyone over the last eight weeks who I've asked to sign my petitions to repeal SB277 and what I share with them is that the media and the government portray this as a vaccine issue and a public health issue. But to the almost 30,000 people in Orange County who signed our petitions over the last weeks, last eight weeks, this is a personal rights issue and a parental rights issue. And as a school board of course, we all know that it's your job to protect not just the health and welfare of

our kids but also their civil rights. And the proponents of this bill claim that allowing children who are missing even one vaccination for something like Hepatitis B which we all know isn't widely communicable because children with Hepatitis B can attend school completely anonymously and safely that missing even one vaccine would violate their child's rights to attend school in a safe environment. But those of us who'd like to see the bill overturned believe that it's a violation of our rights to take away our ability to choose when and where and what medical treatments our children receive because vaccines are medical treatments. They require informed consent. You have to be educated to the pros and cons before you receive them and sign a form saying that you agree to the risks of that medical procedure. And so I'd ask you to consider tonight from a personal rights and a parental rights standpoint whose rights matter the most. The media and the government like to share with everyone the grieving families, who have lost children, let's say beautiful infants who were too young to be immunized for whopping cough. But the story that the media and the government and the medical establishment is the story of the grieving parents whose children are still alive who have been injured permanently by vaccines. Who feel abandoned and silenced by the medical community often the educational system and the government for sure and they're left to find their way through the medical world and the educational world and life in general with children who are really ignored by the medical community and their government. And if you look around the room you'll see a small sampling of parents who are in your school district, volunteers who have worked with us, people who signed the petition or other people who are concerned. And I'd ask you to consider really thoughtfully as you think about how you're going to implement this bill or even support it or not support it as a school board. That each of these lives has equal value and one person's rights does not matter more than the others. This law is fundamentally flawed because it takes the position that in order to protect one group's rights; it's ok to take the rights of another. And so I'd ask you to consider that all of the families and children in your school district are equally deserving of their rights being protected. Thank you for your time.

Applause/gaveling

Hammond: I appreciate the enthusiasm but I must ask to dial it down. Just some nice clapping a little bit but please, we need to get through this and we just ask that you help maintain our decorum. Thank you.

Lindholm: Juli Stockstill? Welcome. Come on up.

Stockstill: Hi how are you? My name is Juli Stockstill. I've been running the North Orange County efforts for the referendum. I'm a parent of a child in your Fullerton School District. And as a parent who vaccinates this law makes me very uncomfortable. As a parent who vaccinates on a delayed schedule, on a schedule that I'm comfortable with, on a schedule I've worked together with my pediatrician, this law takes away my right to make those important medical decisions for my child, my family. And like Lisa, I have auto-immune issues in my family. It is not a one size fits all approach. I don't know how many of you have young kids but the

vaccination schedule they propose in 2016, 2015, 2016, it is atrocious. There's so many vaccines they add every single year. Just a couple of ways that this law is written makes me feel very uncomfortable to have my child in the school district. In the law it basically says incentives will be made to the public health authorities to design innovative and creative programs that will promote and achieve full and timely immunizations for all children. Creative and innovative? No thanks. The governing authority shall also cooperate with the county health officer in carrying out programs for the immunizations of persons applying for admission to any school or institution under its jurisdiction. The governing board of any school district may use funds, property, personnel for that purpose. The governing authority of any school or other institution may permit a licensed physician, qualified nurse or the business and professional code to administer immunization agents to any person seeking admission to any school or institution under its' jurisdiction. For my child to go to school and not know if he'll come home with a vaccine, no thank you. This law, the way it is written, it's too extreme. This is a decision that should be made by the parents and the pediatrician, not the government. We already have so many laws in place regarding vaccination. Laws for school entry. And just like Susan was talking about we have this much parental rights on the issue and that is with the personal belief exemption. This much. So already we feel forced to do most of these vaccines already. We get bullied, and we have this much parental rights on the issue and without this, we have no legal right to decline one thing we're uncomfortable with as a parent. So, I brought you guys all copies of the law.

Lindholm: Toma Davis.

Davis: Hi, I'm Toma Davis. Thank you very much for having me. There are many flaws with this mandate and I would like to discuss a few of them. One, I'm not hearing enough of in the news and online and that issue is one that will affect everyone here, everyone in the state regardless of whether you're opposed to vaccines or you want them. It will affect you. SB277 violates state and federal constitutions. There will be lawsuits and whether the county wins or loses the lawsuits, we are looking at potentially hundreds of thousands of dollars. This will affect all of us. Where does this money come from? Will my struggling school district have to pay it? Will it come from the state budget? Wherever it comes from it will come from everyone of us in this state. It will come from every child. It will come from their education. Another flaw, this mandate is written so that new and more vaccines can be added at any time. Untested ones and believe me, they will be adding them. They will not all be in our best interest. They will be in the pharmaceutical company's best interest. Why do I know this will happen? Because as long as there have been politicians there have been politicians that are for sale. Yes, there are honest ones that are not for sale but too many are. Money will cross palms and more vaccines will be added and more and more. Another flaw, what are we doing giving a vaccine against sexually transmitted diseases to children? HepB yes. This is a yeast heavy vaccine. The discomfort that follows it is horrible. If you, if you support this and you've never had a HepB vaccine, get one for yourself before you push it on these children. Maybe you've heard of the ice

bucket challenge. Well, I issue to you the HepB challenge. This is my challenge to everyone here that supports children getting this. You will see it takes anywhere from days to weeks to recover. It is likely that you genitals will swell with the worst yeast infection of your life. Everything hurts; clothing, sitting, bathing, everything. Anyone going through this vaccine needs to be old enough to understand, communicate, and maintain their body with proper hygiene through the healing process. It is highly irresponsible to give this to young children who can't take care of their body, who can't understand what's going on or communicate through this. Before you go through with this, you, your family, your children, take my HepB challenge. Is that time? Ok. Thank you.

Lindholm: Oh I already did Karri. We did a Karri Lewis, yes? I think we did.

Hammond: Yes. Then Lydia Gutierrez.

Lindholm: Lydia Gutierrez and after her will have one more speaker on this item or just on a public comments in general. Welcome.

Lydia Gutierrez: Welcome. Thank you so much for this opportunity to speak to you. If you recall before SB277 passed, I came to you and requested that you do a resolution against it. And at the time you said you had done your study but I didn't have my league of family with me here at the time and I hope that you have listened to them. As stated, before the age of 5 when we were children growing up in the 60's, 70's, 80's we had about 8 or 9 vaccinations from age 5 to 18. Now our children before age 5 will have 25 shots. As you know that this resolution is very important for this community. I ask for you to reconsider, to write the resolution, and be a part of our community and say no to SB277. Thank you.

Lindholm: Thank you. And this will be our last speaker under the public comments section for this particular item. We will have the Albert Einstein public comments later. Ah Carolyn Morgan. Welcome.

Carolyn Morgan: Good evening. My name is Carolyn Rosso Morgan. Um, 19 years ago after receiving here second dose of the MMR vaccine, my daughter Nicki spiked a fever and seized off and on for 14 hours. Immediately after it was evident she was not the same. She was diagnosed with permanent neurological deficits. When she attended Lincoln, Newport Coast and then Corona del Mar she qualified for an extensive amount of services. Since the dollar seems to be of utmost importance, I'd like you to think about all the money those services cost the district then multiply that times all the other children that have been and will be vaccine injured should you choose to enforce this unconstitutional mandate. Where there is risk there must be a choice. I would like to add that after what I witnessed firsthand and after by years of extensive research on the subject, my 7 year old will be vaccinated over my dead body.

(Applause)

Maria Rivera: We haven't used the whole 30 minutes correct? So I'd like to speak if I may. For public comment? My name's Maria Rivera.

Hammond: Ma'am, ma'am.

Lindholm: Just a moment.

Maria Rivera: and I've lived

Lindholm: Just a moment. We didn't call. There's an order and we can check that for you.

Maria Rivera: Ok.

Lindholm: Have you made a time count for us?

Dunseth: Not a total count, no.

David Boyd: We just finished the 10<sup>th</sup> person though.

Lindholm: We finished the 10<sup>th</sup> person. If you believe that there's one more speaker, I think we should allow Nicole Rafferty...

Nicole Rafferty: and that's me, yeah!

Lindholm: Because that's the order that was taken.

Rafferty: Thank you.

Lindholm: And you will be the last speaker. There will not be...we have to get to our agenda guys. Thank you.

Rafferty: Thank you. Ok so I grew up in Yorba Linda and of course I'm an alumni of Travis Ranch, also Esperanza High School. I'm a mother of 3 children who are also in the Placenta-Yorba Linda Unified School District. I have a sophomore at El Dorado and I have my second child who is in Kindergarten now at Travis and hopefully a third that will also be attending Travis. So, I'm not here to talk about the very bad bill or the fact that the President of the United States to give the CDC whistle blower immunity status of February of the this year and also that the Congressman Posey did just go on public record to request that the CDC be investigated for the safety cover-up just at the end of July or the fact that we have the referendum and the recall that is more than likely to be on the 2016 ballot. So I'm going to share as a mother the story of my vaccine injured children and also two that I'm requesting that the school district seek a waiver from the state until we get some things squared away. And tomorrow is a closed door meeting with the health services committee where the Department of Education is having attorneys come and give legal counsel to all the nurses in our school district and how to interpret and to implement this law. So this is crucial because as a mother, I just want to show you, my daughter Lila, who suffered 46 inoculations by the time she was 4, and I'm talking severe

anaphylactic allergic reaction, we're talking couldn't breathe, head to toe swelling, broke out in a measles like rash, vomiting, diarrhea, high fevers that hit a 107 to where they're crying. They don't function. They're falling apart. Where they're in the hospital, they're having low white blood cell counts, they're having to have IV's given to them. It happened every single time at inoculation. From the time that they were vaccinated at birth without informed consent because again, I have 3 children. My oldest son was not inoculated at birth with the HepB. My 2 younger daughters were inoculated within hours of being born with the HepB and they came home very sickly babies. They had viral infections even before I had my 6 week postpartum check-up. 2 months they had inoculations, symptoms were there. 4 months, 6 months, 12 months, 18 months, every single time and guess what, Kaiser omitted these adverse events and reactions luckily I have pictures. I have video. This is what Rotavirus looks like. This is when Mother Nature doesn't give diarrhea. This is when the manmade inoculation gives diarrhea 'til where they literally are hunched over in so much pain physically. So this is real. And what is important is if we're going to be mandated inoculations for our babies, then you guess need to come together at the district and request that medical providers are mandated to report on the California immunization record that allergies and vaccine reactions that are babies are suffering.

Hammond: Miss Rafferty, your time is up. I appreciate it.

Rafferty: Alright. Thank you. That's what's needed to be done.

(Applause)

Lindholm: Thank them and ask if there's room if they'd mind.

Hammond: We're going to take a 5 minute recess and get ready for the Albert Einstein Academy appeal.

### Recommendations

Hammond: Orange County Board of Education is back in session looking at recommendation #1 and at this time I'd like to bring up Miss Kelly to run us through this. Welcome back to the microphone Miss Kelly.

Kelly Gaughran: Good evening President Hammond, members of the board and Superintendent Mijares. Tonight you shall render decision regarding the Albert Einstein Academy Charter School petition which was submitted to us on August 20<sup>th</sup> on appeal following denial by the Huntington Beach City School Board. The public hearing was held on September 2<sup>nd</sup>. The Albert Einstein petitioners requested an expedited timeline for this review and that is the reason we are holding this special board meeting tonight. As legally required, the petition has been reviewed according to California Education Code regarding charter school petitions received on appeal by county office of education. Copies of the staff report are available on the back table. Each of you has been provided the Orange County Department of Education's staff report to

draft resolutions and 3 options for actions. Option 1, which is the OCDE staff recommendation, denies the appeal. Option 2 grants the appeal and approves the charter petition as written. Option 3 conditionally grants the appeal pending the execution of a Memorandum of Understanding agreed to by all parties were to address the issues outlined in the staff report. Representatives from Albert Einstein Academy in Huntington Beach City School District will each have 10 minutes to speak on behalf of this charter school petition. Then, audience members who wish to speak related to the Albert Einstein Charter will be given 3 minutes each with the maximum allowable time of 30 minutes. I now call Trisha Blum, CEO of Albert Einstein Academy to the podium.

Tricia Blum: Good evening. I actually would like to have Bree Sarrow, our principal at Huntington Beach campus, speak first.

Bree Sarrow: Good evening board members. Thank you for again giving us the opportunity to meet with you and consider our charter petition. I wanna make sure that you all know that our education program is solid. It parallels educational programs across Orange County, even across the state. AEA's approach is a little different as our goal is to incorporate project based and inquiry based learning. We also have a STEAM focus as many cutting edge 21<sup>st</sup> Century Schools are moving towards. But our education program works. Our teachers are teaching the state adopted standards and using math and language arts curriculum that other top schools use as well as the other AEA elementary schools. We use the benchmark test provided within the curriculum to monitor student progress and incorporate differentiation to encourage students to reach their learning potential. During our first year, we created an honors program to enrich our accelerated students. Criteria for admittance was based on teacher recommendation, parent recommendation, academic performance, attendance, and results on the Raven test, a well-known test that many school districts use in order to establish students admittance into their gifted programs. Students that were admitted into this program met monthly across the grade levels to work on technology, engineering, and problem solving challenges that incorporated real world problems. 2nd graders were identified at the end of last school year so the program could resume for 3<sup>rd</sup>-6<sup>th</sup> grade this fall. Upon opening the school last year, we were able to accept all students who applied. Of these students approximately 15% qualified for Special Education services. 19 of our students receive resource services. These students were seen regularly by a credentialed resource teacher who worked in conjunction with the classroom teacher to make sure all of their needs were met and the IEP was being followed. In addition 14 students received speech and language only services. AEA hired an outside company to provide these services. Again, all components of the IEP were followed and students received at least the number of minutes required. I heard from many parents who have children that receive Special Education services about how happy they were with their children's growth this past school year. Why, because our educational program works. In the fall of last year, AEA sent the home language surveys to the parents so that we could identify English Language Learners. SALT testing was completed and one student was identified as an English Language Learner. Our ELA

curriculum has an ELL component which was utilized to help teach the student. The teacher also incorporated vocabulary and GLAD strategies which are all highly recognized in teaching ELL students. Our 3<sup>rd</sup>-4<sup>th</sup> graders participated in the testing last spring as most 3<sup>rd</sup>-5<sup>th</sup> grade students attending Orange County public schools did. We are proud to report that our student's scores were higher than we anticipated. On average our students scored 63% proficient or higher in ELA and 61% proficiency or higher in math. Just as all other schools are learning to navigate and student learning outcomes, we at AEA are doing the same. We continually look at the data and determine where we can improve and help our students achieve because it's always a top priority. If we are given the opportunity to open, I invite you all to come to our campus and see our educational program for yourselves. You will find that it looks and feels very much like other successful elementary school programs; schools that you would want your children or your grandchildren to attend. You will see that AEA students are engaged, excited, and motivated because our educational program works. Education is always changing and it is our job as educators to keep up with the changes and implement them effectively. But the bottom line is at AEA teachers are teaching and students are learning. That is what it's all about. AEA provides a quality education for its students. Thank you again for your time and consideration.

Tricia Blum: Thank you, Bree. Good evening esteemed Trustees, Superintendent Mijares, and Orange County staff. Thank you for carving time out of your busy schedules and arranging for this special meeting. It is so important to the lives of our Orange County students. When this charter on appeal was first brought to your attention in June, my colleague, Michael Fishler, stated that at AEA we do things that are difficult. When others shrink away we work harder. I have mentioned this sentiment often since that presentation and these words ring true even more-so tonight. AEA solves problems. We collaborate; we seek the win/win in every situation. The lives of our Orange County students rest in your hands. Due to a less than stellar charter submission and some issues with our prior authorizer we are seeking authorization from you. We recognize we come with imperfections. But so many times the most imperfect prove to be the viable. Even though AEA is imperfect it is California's legislative intent that charter schools are and should become an integral part of the California education system and that the establishment of charter schools should be encouraged. I very much appreciate that the Orange County Board of Education is working closely with AEA to do such. Thank you. As we all know, we are not talking about merely closing a facility. Rather we are discussing the termination of a successful living, breathing school community. We have all seen the staff report delivered on Friday and AEA's response delivered this morning. There are many statements and counter statements. I even bring a bankers box filled with information provided to the staff during due diligence. It is voluminous. It's over 6 reams of paper. AEA has been well vetted. Orange County knows all of our imperfections including our reputation. There are many assertions regarding the FCMAT audit but the most important was that there was no wrong doing founded by the FCMAT auditors. As I've said before, no wrong doing. Further, AEA is not the company it was. It is a new company with new leadership, new controls, more personnel, transparency, accountability and discipline. We will continue to be a company that educates and



cares for its students and staffs well-being. Previously this board expressed concerns regarding the lack of local control. AEA would like to continue to clarify that not only is there local governance and control but that AEA corporate staff or the CMO are in Huntington Beach at least once a week and many times last year where in Huntington Beach 2-3 times a week. As you know the CEO, that's me, is heavily involved in Huntington Beach. The AEA Board of Directors is concerned with the business of running a company of schools. The AEA Huntington Beach Board of Overseers is in the business of running its own school and does such with little intervention from the board of directors. In fact, the Board of Overseers operates under its own bylaws. AEA wants to keep its Huntington Beach School governed by Orange County folks. AEA Board simply wants to insure that all AEA schools continue to offer stellar education across every campus and in every community. I also want to remind you we have been found not to actually be comingling the funds and I also want to tell you about Ed Code 47604 that prevents an authority that grants a charter to a charter school to be operated from liability. That's right. Orange County Board of Education assumes no liability by chartering AEA Huntington Beach. Tonight AEA suggests a win/win for all stake holders. Of course AEA hopes for charter approval but if Orange County can't bring itself to make that choice we ask that the board vote to deny the staff recommended resolution and instead vote for a conditional of the AEA charter. And then, the AEA team and the Orange County Board of Education can agree to a date when the AEA will submit a revised and more comprehensive charter. This submittal will be considered a material revision which by law would become the charter under the AEA authorized by Orange County. AEA would of course sign an MOU in addition. Together we can breathe life back into AEA Huntington Beach School. Thank you.

(Applause)

Gaughran: Thank you. I now call Mr. Gregory Haulk, Superintendent of Huntington Beach City School District to the podium.

Gregory Haulk: Good evening. First off I'd like to thank your staff Dr. Mijares and your staff I think they did an excellent job on the staff report. And I think it shows exactly what my Board of Education dove into. And it felt like every layer we peeled back in doing our due diligence for our students just brought about another questions, just brought about another issue, just brought another challenge. There were never any answers, there were never any easy answers and I'd also like to thank you guys as a board. Because I know the stress, I know the hard work and I know the thought process that my board went through prior to us deciding that this was not a petition we could accept. We still go back to and I look at your staff report and again, we still went back to 2 different pieces; governance and budget. First off, despite the claims, we feel that the governance still takes place outside of Huntington Beach. We feel like there's 2 different groups and the one group that's in Huntington Beach has very little power in regards to what's happening at that school for Huntington Beach students and that the individuals that do have the majority of the power are not people who run Huntington Beach on a regular basis and know the concerns of the community and their parents. But our bigger issue and I think the issue that you

guys that your staff came across was budget. It seems, well first off, the budget that was submitted to Huntington Beach City Schools was absolutely inappropriate. It wasn't accurate, it had incredible errors up to, up to and above \$500,000 and we didn't even get into the same amount of depth that your staff did. There's just incredible budgetary challenges in regards to this entire thing. Since this has all happened we've had some incredible challenges in Huntington Beach City Schools and our challenge was taking an incredible amount of students on a very short basis. We have taken 100% of the students that are inside our boundaries that have come ever since this first petition. We did however, and I guess I shouldn't even say however, because we did take 100%. We at one point at Hawes Elementary School asked if there were volunteers to move to a couple of our other schools that had available space at a certain grade level. When we had no takers for volunteers we just changed, we opened a class as a combination. So we've taken 100% of the students from AEA and other challenges that have been out there. And we'll continue to do so. Our board and specifically our staff has been waiting for today and what your board determines to whether we're going to increase our staffing and increase some of the available programs that we have. We couldn't do that prior to this meeting because we're sitting on that incredibly challenging cusp of are we going to lose students or are we going to gain students and of course taking into consideration education code we've had to be very careful and hiring and what we could open and how long that would stay open so we've been waiting for this board. So where we'll go from here is gonna be determined a little bit by this board but then again by my board. And my board has stood firm in we will meet the needs of every single one of our students and actually try to open up even more programs so we can continue to take inter-district transfers which we've kind of had to slow down on right now because of just space in our schools. Um, a lot of people believe this is an adversarial relationship between us and the Albert Einstein Academy and it really isn't. The petition that was submitted to my board as I've said didn't meet all the criteria necessary for us to feel comfortable that it would open. I feel that the material that's been given to you as a board as well doesn't meet that criteria. I'm worried about a Memorandum of Understanding. I think it allows the school to open when there's still some incredible questions. My recommendation would be that you follow the staff report. That you deny the petition and then my advice would be that it's, I loved how it was stated that breathe life into this school, don't take that life away. I agree. I think it needs to sit for a year. I think that all of the questions that you as a board have that your staff have and that we as a district have get answered completely before we allow this to continue any further. I thank you for your time. I especially appreciate the fact that you had this meeting at 6 o'clock in the evening. I think it shows the respect that you have for the parents. I think it shows the respect that you have for this decision and you're allowing people to be a part of your process and I think that's fantastic. So, congratulations on that and I'll be here for any questions you have. Oh, let me throw one more piece. I'm glad to have great test scores. I have phenomenal test scores, or we have phenomenal test scores. Um, we are the highest ranked K-8 district in Orange County and eh comparing 3<sup>rd</sup>-5<sup>th</sup>, because that's what the Albert Einstein Academy tested last year, 80% of our students are at proficiency or above proficiency in state

standards across the board and in the majority of our grade levels it's 90%. So we have phenomenal test scores that we're very proud of. I think every opportunity I can to brag about that.

Hammond: Thank you Mr. Superintendent.

Kelly Gaughran: Thank you Mr. Haulk. Um President Hammond, please call for the first speaker.

Hammond: Alrighty. Thank you Kelly very much. Um, would you like to call our first speaker?

Lindholm: Sure, we have 30 minutes dedicated to this and to this subject only. So if you're speaking on anything else we invite you to come at a different time for that. That would be Eddy Nathan. If you'll come forward please.

#### Public Comments (continued)

Eddy Nathan: Ah good evening. Thank you for allowing me to address the board and the parents and the teachers, my colleagues. I am in a unique situation. I'm an employee of Albert Einstein Academy and have been since March of 2013. Uh, I'm also a parent of 2 daughters that attend Albert Einstein Academy. So I speak to you both as a parent and as an employee. As a parent I can't tell you how thrilled I am with the Albert Einstein Academy education. My 2 girls, one is 14, one is 8, come home every day with joy, with enthusiasm. They can't wait to go back to school every day. I see that same joy in the children that attend our school in Huntington Beach. I see the same joy when they see their teachers. If you saw some of the children meet their teachers tonight they say the joy in their eyes. It's no different in Huntington Beach than it is in Santa Clarita. Joy for education, enthusiasm engagement. I also want to address you as an employee of Albert Einstein Academy. Um, I now since our former CEO is no longer with the company am the senior member of the CMO for Albert Einstein Academy. I was here under the old leadership and I'm here under the new leadership and I can tell you that my time at AEA can be described in 2 words as an employee, frustration and joy. The frustration, Michael Fishler and I are educators. I've been in education for most of my adult life. And I have been able to open all of the elementary schools that Albert Einstein has opened over the last couple of years but I've had the frustration of being left with problems that Michael and I and some of our other colleagues have had to find solutions for as a result of decisions that we didn't agree with or didn't know about. And then the new leadership can on board. Kirk Kawasawa was installed as the president of our board of directors and Kirk, thank god for the first time the demanded transparency and demanded responsible business decision making so that Michael and I and some of our other colleagues could focus on education.

Nina Boyd: Sorry, if you'd just finish your sentence.

Eddy Nathan: Thank you, and eh and Tricia Blum who's our new CEO has continued that and will continue that. So please, I ask you, to let us open on Wednesday morning and join us in seeing the joy in those kids faces when we open our doors again on Wednesday morning.

(Applause)

Hammond: Thank you Mr. Nathan. It is Mr. Nathan right?

Eddy Nathan: Yes.

Hammond: Thank you sir.

Lindholm: Julie Rierson? Welcome.

Julie Rierson: Trustees and staff I would like to thank you for the hard work and the energy that you have put into looking at our petition and our school in the last several weeks. I know it's been a big job. And um, in spite of all of the challenges I'm sincerely hoping that you vote us so that we can open our wonderful school on Wednesday. As a teacher I love my job. I love the opportunity that I've had at AEA Huntington Beach in the last year. I have heard my colleagues say this job is too good to be true. And in the last few weeks we've really wondered if in fact it was too good to be true and that one year was going to be all that we had. Parents chose our school specifically because we offered something different than our local districts offered. We offered smaller class size, excellent enrichment instruction, hands on learning and passionate teachers who are professionals. Last year's students in my 5<sup>th</sup> grade class I had students who'd never enjoyed being in school before and who lacked confidence. Those students are now eager to learn. They're confident in their ability to do so. What motivated this change? Encouragement, attention, and lots of variety. They weren't bored. Lots of science labs that allowed them to experiment and learn through the scientific process learning coding, completing their homework online, having interactive writing opportunities where all of a sudden there's Mrs. Rierson typing on their paper from another computer. That was very exciting. Designing and building structures and persevering through the struggles and challenges that were innate to that. Differentiation that allowed them to choose projects according to their personal interest. Developing their own business from planning to manufacturing to sales in order to raise money for their own chosen charities. It was a great 5<sup>th</sup> grade year. I could go on and on and on. I have taught in 3 other local districts and I had never before had the opportunity to work with a staff that impressed me with their drive and their dedication like this staff does. And I've never worked for another school that allowed me and my colleagues to be creative and innovative as we and create an engaging and rigorous program for our student scholars. Even in these past uncertain weeks we've been working on improving our curriculum, getting ready for this year, and I am excited to share those learning experiences with my students this year. So tonight I'm hoping you can prove us wrong. It wasn't too good to be true. Please make it true. Allow us to do what we do best. Open our school and let us teach. Thank you.

(Applause)

Lindholm: Michael Fishler? Welcome.

Michael Fishler: Superintendent Mijares and the Trustees and all the guests. Teachers it's great to see you again. Honestly. My name is Michael Fishler. I'm the Chief Academic Officer for the Albert Einstein Academies. I've read through the staff report and their findings and I was very discouraged when I saw denial. Many of their findings are based on information that is either 18 months old or not accurate. For instance, they talk badly about us because in our petition we had world history and US History courses for our students. As a US teacher, US History teacher and a world history teacher I can tell you those are 7<sup>th</sup> and 8<sup>th</sup> grade courses and of course you can't teach history without a discussion about economics and government. I find it a little insulting that the staff would write and badmouth use about including that when it's actual curriculum. When it comes to education Trustees, Superintendent, we know what we're doing. And just to remind you, I've talked to you guys before and I told you who we are let me tell you again. We are innovative, we are creative, we're progressive, we are inventive, cutting edge and highly stimulating. That's what our teachers do. On a daily basis we make a difference in the lives of our children, our students. We inspire them to become scholars and poets and scientists. We are a community all of us; of teachers, and students, and parents working together in unison to make sure that all of our students learn, not just learn, but excel. We care about education. We teach because we love it. This is now my 27<sup>th</sup> year educating. We chose to be part of the Albert Einstein Academy because we share the values and the traditions and we want to see it continue. We make every community we've ever been a part of better. Let me say that again. We've made every community we've ever been part of better. We offer choice to parents and a safe refuge for our students. Quite frankly we are exactly the school you guys want to be part of your Orange County community. Please, make the right choice. Thank you. AEA pride!

(Applause)

Lindholm: John Wong

John Wong: Board members, my name is John Wong. I'm a high school counselor Long Beach Unified School District. I've been a counselor for about close to 23 years at a large public high school, over 4,000 students. Why do I do it? Because I love to advocate for children. I urge you guys to please understand that each child is different. They don't all fit in this cookie cutter business of a public school and I work at a public school. We want to do what's right for children. The issues that you speak of in the past, those are the past and this is Huntington Beach Albert Einstein. They're dedicated. They're rigorous. They spend countless hours. My wife is a teacher and I'd actually had issues with her spending too much time. I can't tell you, I've witnessed this first hand, I can't tell you how much time and effort they've put into to do what's best for our children. I need you to understand please that not only are you effecting hundreds of children, their parents, staff members, you're stopping them for flourishing. They do well in

school yes, but their flourishing at Albert Einstein and you see that. If you're thinking about please, please, if you're thinking about denying this I say shame on you. Please put yourself ahead before your professions. We're all politicians, educators, cooks, firemen, policemen, but we're also fathers and mothers and brothers and uncles and grandparents and you want to do what is best for your child. You want to do what's best. Think about that. What is best for your child, your son, your daughter, your grandchild? If you cut this, that's not what's best for these children. The bottom line here is that we're all on the same team guys. We're all educators. We're all ambassadors for these children. We want to do what's best. Albert Einstein, thank you, thank you staff for not only educating these children but enhancing their lives. You're teaching them, they're flourishing, and it's beautiful to see. Board members I urge you please. Do the right thing. Please support Albert Einstein. If you have any reservations whatsoever, please vote yes with reservation. Thank you.

(Applause)

Lindholm: Janice Frew? Free?

Janice Frew: Hello, um my name's Janice Frew and um I'm nervous because I wasn't sure that I was going to be speaking. Um, thank you for holding this special meeting, Superintendent and the rest. Um, I'm a parent at the high school up in Santa Clarita. I'm on the board of overseers there and I'm also on the board of directors. I was voted onto the board right around the time that Ms. Blum joined the board and so I'm the new wave of board members. I, first of all I want to let you know that the board members who aren't here are celebrating a religious holiday, Sukkot; they wish that they could be here but unfortunately they can't. They would like, plenty of us are here but not everyone's here. Um, no one in the room wants to visit the sins of the father right on the children. And normally that's figurative, right? Like maybe the board before us was the father and were the children cause we're the new board and we're trying hard to fix it and everything but this is literally the children, right? And we're not saying that mistakes weren't made before but man we're giving it an honest effort to fix these things. The passion that I'm hearing in the parent's voices, the teacher's voices, um mimics the passion that my family feels about the Einstein education. I just we're at your mercy. So I really, really hope that you'll consider opening the school for us on Wednesday. Thank you.

(Applause)

Lindholm: Jessica Best

Jessica Best: I'm Jessica. This is my son Garrett. Um he told me that it was okay to share with you that his brain works a little differently than most children's. And uh, we come from Long Beach. They wanted to put him in a severely autistic class with non-verbal students. Academically Garrett functions at about a 6<sup>th</sup> grade level even though he's going into 2<sup>nd</sup> grade. He can read and do math, algebra, passion for science. He wants to be a builder on Mars. But he wants to solve the bone density problem when you're in space cause he wants to be able to come

back to earth and visit his mom. They wanted to put him in a class where they were learning what the letters sound like when he was already reading Encyclopedia Brown. Our home district won't even give us an offer of faith anymore. They refuse to acknowledge his IEP and we chose Albert Einstein because of that. I was driving 3 hours a day every day to bring him to and from school because this school gave him what he needed.

Garrett: It's so important. If this school didn't exist then then I would be in 2<sup>nd</sup> grade and being educated right now.

Jessica Best: Ok, thank you. The IEP they provided through their Special Ed Department is textbook perfect. My lawyer looked at, tore it apart, and asked if she could keep a copy of it to show her other clients what an IEP should look like. Coach Pickard's PE program gives him more motor skills than the OT program did at his other school. Miss Rabu (sp) got him excited about art. He couldn't have cared less before school started. When my husband lost his job they gave us free lunch. They don't get funding for that, it's my understanding they don't get funding for that. They provide it because they care about their students. And the nurse held my hand as I walked through getting services for our family when we needed it. These are great private issues and I'm airing them privately or I'm airing them publicly because we have nowhere else to go. Long Beach will not give him an offer of faith. I'm in for a fight just to get him in a classroom where he'll thrive. I work for a non-profit STEAM organization and um I convinced them to offer free activities for the families while we waited to engage the children in education while we waited to keep the community together while we waited. Every paper I've spoken to agrees; we will fight for this school. We know it's not perfect; we're not going in with our eyes closed. Tell us what to do and we'll do it. Anything, ok?

Garrett: Besides closing the school.

Jessica Best: Laughter. Please don't take it away from us. I can't add to that. Thank you very much for your time and your patience.

(Applause)

Lindholm: Julie Armendariz?

Julie Armendariz: Good evening. Thank you for hearing us tonight. I just need to breathe. Don't start me yet. I just gotta breathe. The last time I addressed you I spoke about my son Jayden who was not going to go from preschool to Kindergarten because they wanted to hold him back. Um, I don't know if you remember my story. I'm probably the only person you've talked to. But, he, I had to put him into a Huntington Beach City School and it hasn't been a horrible experience but it hasn't been fantastic. He can't wait for the school to open; his school; he has a fake school and he has a fake school, and AEA is his real school. I got thrown off Jessica I want to thank you for that. He daily talks about his school opening; how he can't wait to get back to his friends. He can't wait to see Mr. Kobe. He loves Mr. Kobe. And I have some real concerns

where he, where he's attending. He attends Peterson; I know it's a great school, that's what everybody tells me, but his homework for the first week was to count to 120. He already knows how to count to 120. Why is he counting to 120? He says mommy, I can count to infinity. I don't want to do my homework. Also, for example; PE at Peterson. I said honey what did you do for PE today? We had free play, it was great. And I said, no, didn't you do sports and learn how to be part of a team? I have 3 recesses, why would I want to do that? And I don't think that's ok. I think the curriculum at AEA really grounded him in learning how to be a well-rounded person. He learned Spanish, he learned art, he learned science, he learned math and language and every, all of that. And no disrespect to Superintendent Hauk but when we went to enroll him at Peterson, your staff there complained about us. They were not happy that we were there. They were not happy about the excess of kids coming in. And that was very disturbing because they know me and they know my name and because of my name they know my son. And that was a little disheartening. Oh, I'm yellow. Um, I guess just, he really wants to start school on Wednesday. He wants tomorrow to be his last day at Peterson and he wants to start at AEA on Wednesday. Please, please, I know we're not perfect. Please open our school. Thank you.

(Applause)

Lindholm: Jeff Ball? And it's the last public record, excuse me, request to speak that we have.

Jeff Ball: Great, thank you very much for the opportunity Mr. Superintendent, President, Vice President, board members, staff. First of all I want to thank all of you for giving this extraordinary effort in consideration of our school. And I think all of us as parents and staff certainly recognize the extraordinary ends that you're going to. I've looked at the staff report, I've learned a lot. I've also looked at our response and I've learned a lot. Um, clearly there were issues that were going on in Santa Clarita. These were not issues that were going on in Huntington Beach. What was going on in Huntington Beach is exactly what you see and hear, a great school. I have 2 children who have started Kindergarten in the Huntington Beach City School District and I can confirm what the previous parent said. And I'm sure it's a heavy burden for them but my children who came out of preschool very motivated come home not wanting to go to school and wanting to know when they can go to that new school that I promised them. Yes, there are issues. We recognize that. And I think as a parent and as a responsible person there are things we can do here. We can recognize the fact that there were problems in the past. And we have a new team that is addressing them. No new problems have surfaced since this team took over. They are doing their job and it's a big job. I believe approving this charter with conditions is the most appropriate way to go because it gives us the opportunity to continue the fine education that we've been providing, gives our children that opportunity to continue where they were for the staff to work, for our administration to focus on those things and I will tell you as a local person, a Huntington Beach resident, a member of the Board of Overseers for the Huntington Beach AEA, we will do everything we can to make sure that those conditions are met. That Santa Clarita is doing what needs to be done so that we can



continue to operate the school and have a school that you will be extremely proud of. I thank you for your time; I thank you for your consideration. Thank you.

(Applause)

Gaughran: Thank you to all speakers. To reiterate, the board has three options; option 1 denies the charter petition, option 2 approves the petition as written, and option 3 conditionally grants the petition pending a memorandum of understanding. President Hammond, I now turn the meeting back over to you to proceed with the staff report.

Recommendations (continued)

Hammond: Thank you Miss Kelly. Um, appreciate what you and all your staff do for us and everybody else. Um, you know. Nina, I'm wondering if maybe we could hear from Renee um and eh, maybe Ron in just a moment as well. Um,

Nina Boyd: They're both prepared to present to you know.

Hammond: Was there anybody else?

Nina Boyd: No, just the two.

Hammond: Just these two, alright. Well Miss Renee, good evening again. I hope that class went well and, so, I believe you have a report. Could you share a report, by the way, thank you again for you and your staff for working so hard. We really appreciate that. Kudos to them all.

Renee Hendrick: Thank you. So before we get started with the staff report we'd like to recognize that this is a very difficult decision for all of us. We appreciate the willingness of Miss Blum and the Albert Einstein staff in trying to provide detailed information to help us with this analysis. For the families and staff and most especially for the students we have diligently spent numerous hours in researching the petition the vast documentation provided. This is not an issue on whether this school has good teachers or good community support but rather it's a sustainable entity. The financial and operational information does not support the sustainability of this school. We have not taken our duties lightly and our recommendations are based on information provided for the best interest of the students in Orange County. The report we received today from Miss Blum states her view that we have not been cooperative throughout this process. In Miss Blum's letter it states that the Albert Einstein of today is not the Albert Einstein of yesterday. We understand they are making changes but to date we still have many concerns regarding this petition. Staff would not be doing their due diligence if they based their analysis on future hope and not on fact. I will start with highlighting some of the major financial concerns that are listed in detail in the staff report in front of you and then Ron will continue to discuss additional items. As Miss Blum stated, we did have a banker's box of documents to go through and we did go through all of them. Even with that it was very difficult and almost impossible to track expenditures between various accounts and relate it to the proposed budget.

Bases on information provided, it appears the budget for expenditures is clearly understated. An example of this would be in their budget they budgeted \$5,000 for Special Education services for the entire year. Going through the bank records and even to the testament earlier they've been averaging about \$15,000-\$20,000 per month for Special Education services. Obviously there's a difference there. When we talk about not co-mingling funds, um, they may be able to track some of it but we can't see but I can tell you that most of the expenditures we found were Santa Clarita and Huntington Beach were mixed together. And so, we went through both of those and tried to extrapolate out the expenditures. This second item of concern is adequate cash flow. It clearly states a loan for cash flow in the beginning months. The cash flow statement clearly outlines the line item for short term cash loans in the amount of \$525,000. Unfortunately in trying to get clarification to find when that would be paid back the only thing I was told is that I could see sales of revenues which I did that equaled \$130,000. Nowhere in there did we see how they would repay back the additional money. The third item that Albert Einstein is part of a charter organization outstanding liabilities for other charter schools within their organization could impact the finances of Albert Einstein. Some items are ongoing; lease obligations for like the school in San Diego which is no longer operational but they still have a legal obligation to pay that lease. The Huntington Beach site if they close, they owe 10 years on that lease and there's pending litigation outlined in your staff report including a proposed settlement with Echo Pacific. The fourth item is the reporting of average daily attendance. Under Education Code 47605 they were chartered out of a district in Los Angeles County; they were allowed to operate a resource center in an adjacent county if they do independent study and if they serve the majority of the district of students from their authorizing county. They are instead operating a classroom based school and they're almost all students, they have one LA County student the rest are all from a local school district. So they've clearly violated that code. The fifth item is loans from the charter management organization to the foundation are not clear. In an email, Miss Blum noted the difficulty of trying to track information due to the new staff. The amount of the loans to the foundation were \$449,000. At this time it was very difficult to tell whether the loans had been paid back to Albert Einstein or not. Also looking through the loan documentation we were a little concerned that the interest rates they're paying on these loans are a minimum of 5 basis points in addition to prime. Very high rates for a non-profit agency. The FCMAT extraordinary audit was concerning and showed a lack of financial reporting and internal controls. And even though they do say that this is old news and that it hasn't been updated, one of the things I want to point to your attention is what FCMAT now says, I wanna reiterate the FCMAT extraordinary audit findings on the Albert Einstein Academy were serious in nature and the fact that the Academy has still not completed their 2013-14 financial audit makes it difficult to ascertain if they've made the necessary corrections without doing a new review of the entity. The 2013-14 financial audit was due to the state controller's office by December 31, 2014. To date, the state controller's website show that it's still not submitted. The lateness of this critical report is a concern and should be taken into consideration as you make a recommendation on whether or not to authorize this charter. We appreciate Miss Blum's understanding that the completion of

the financial audit is extremely important and to give you an idea of the severity of that problem, currently there are 6 schools on the state controller's website that have not submitted a financial audit for 2013-14. Of the 6 local agencies, 3 have been under state administrator due to insolvency. That would be Inglewood, Vallejo and Oakland. The other 3 entities are part of the Albert Einstein Academy. In closing, there is much more detail in the staff report regarding our concerns. We understand that the new leadership wants to correct the deficiencies moving forward. Unfortunately for us we can only deal with the fact and the substantial information illustrating the petitioners are demonstratively unlikely to successfully implement the program. Now Ron will conclude.

Hammond: Thank you Renee very much.

Ron Wenkart: Thank you Renee for highlighting the financial aspects of the Einstein Charter School also known as AEA. Before I get into my prepared remarks, I wanted to go back to what the speaker before Renee made a comment. Um, he said they have a new team and that he's not aware of any issues that have surfaced since the new team took over. Well, I'll raise one right now and then as I go through my summary of some of the issues, think about whether they fixed these problem since the new team has been in place since June. But the one issue that I wanted to raise is a judgment against AEA in San Diego for \$40,000 plus an attorney's fees. I got an email today saying that that hadn't been paid. So that's been pending for months. The new team has been in place since June. That judgment has not been paid. So let's talk about some of the other issues. And then think about whether this new team has fixed these problems. Ok, so we've looked at the transactions, we're very concerned about the potential liability to the Orange County Board of Education that could result from these transactions. And why you may ask would the Orange County Board of Education be liable for the debts of the Einstein Charter Academy. Well, doesn't Education Code section 47604 which was sighted by Miss Blum earlier state that the Orange County Board of Education is not liable for the debts and obligations of the charter school if it operates as a non-profit public benefit corporation. Isn't that what they pointed out on page 1 of their letter in the 4<sup>th</sup> paragraph in a letter that they sent on September 27<sup>th</sup>? While the letter correctly quoted the beginning of section 47604, it left out the most important part of subsection C which states: if the authority has complied with all oversight responsibilities by law. So let me repeat that cause this applies directly to you as the board. If the authority has complied with all oversight responsibilities required by law, then you're not liable. So now I'm going to tell you about some of the issues and some of the problems and if you don't comply with making sure that all these problems get fixed, you're potentially liable. In addition to that, there's an indemnity clause which I'll talk about in a minute in their petition that requires this board to indemnify AEA if they don't pay their debts. No why is that phrase important that I just read? It's important because in most situations you're going to be able to comply with your oversight responsibilities required by law. That won't be difficult in cases involving other charter schools but in this case, given all the uncertainties, given all the documents that are missing, and the loans that have not been paid, it's gonna be impossible to

comply with all the oversight responsibilities required by law. As a result, an unpaid creditor of AEA, one of which is San Diego Unified School District, can argue that the Orange County Board of Education failed to comply with all of its oversight responsibilities because it knew: that Einstein had an extensive litigation history, had been engaged in questionable loan agreements with other parties, including their founder Mark Blazer and including their former CEO, Jeff Shapiro, had been engaged in questionable loan agreements with other parties, had entered into a 10 year lease with a potential liability of 1.6 million dollars, was the subject of a FCMAT extraordinary audit which found serious deficiencies in AEA's financial practices and not only that but they submitted the wrong charter petition to the Huntington Beach City School District which they admit, now which was denied a minute ago. But if you read their response, it's admitted in 2 places and then denied in another place. It says they submitted a high school submission to the Huntington Beach City School District rather than a K-8 petition and now they're requesting the Orange County Board of Education to approve the wrong petition even regardless of the fact that it's incorrect. And I mentioned that they indemnification clause. On page 114 of AEA's petition it states that the Orange County Board of Education shall, shall which is mandatory, to the fullest extent permitted by law hold harmless, indemnify, and defend AEA's parent non-profit organization against any and all claims, demands, actions, lawsuits with respect to the operation of the charter school. Now the one at the top of the list that we're aware of is that \$40,000 plus judgment that hasn't been paid. San Diego Unified School District could ask this board, or demand that this board pay that \$40,000 dollars. A creditor of AEA's could site the language and sue the Orange County Board of Education to collect the unpaid sum. So there could be other creditors out there. We have a threatened lawsuit from the former CEO, Jeffrey Shapiro. We don't know how much that potential liability would be. Ah, these unpaid creditors, there's got Charter School Capital. Page 2 of their September 27<sup>th</sup> letter they said Charter School Capital has pledged 30 million dollars in support over the next 5 years. That's a quote from their letter. Now this statement seems to indicate that Charter School Capital is providing a donation or a grant to AEA but in fact it's a line of credit. If AEA is unable to repay any of the money borrowed from Charter School Capital, Charter School Capital could site the indemnification clause on page 114 and Education Code section 47604 and demand that the Orange County Board of Education pay the unpaid sum. Now, let's talk for a minute about email that was sent on September 21, 2015, just a week ago from the CEO of AEA sent to our staff member which stated in part, quote: attached is a series of monthly loans made from AEA LAS sub-entities, which I assume is the schools, the sub-entities, to the foundation, which I assume is the parent organization. The total of the loans in the attachments equals \$449,792. 87. At this time, the finance team is unable to determine further information. It appears these loans were not paid back to AEA LAS. Ok, so this is September 21<sup>st</sup>, the new team's been in place since June. Why haven't they fixed this? Why don't they know where this money came from? This money, the loans were signed by Mark Blazer, the founder of AEA LAS who's on their board of directors. And also signed by Jeffrey Shapiro. So one of those two people should know what happened to that money. \$449,000. This statement is in direct contradiction to many of the

statements in the September 27<sup>th</sup> letter and many of the statements made here tonight stating that AEA has fully accounted for its funds and is committed to being diligent, transparent, and responsible. If AEA is committed to being diligent, transparent, and responsible, why don't they know whether the \$449,000 has been repaid? What happened to those funds? What were those funds used for? Now let's talk about a review of their bank statements. So the staff looked at their bank statements and discovered that there was a check made out for cash for \$10,000. It makes you wonder what this money was used for. Why would you write out a check for \$10,000 for cash? Then Einstein entered into a 10 year lease for its Huntington Beach property. The remaining 8 years of the lease require a payment of rent at a payment of over 1.6 million dollars. If AES fails to pay its rent, the Orange County Board of Education could be held liable under the indemnification clause on page 114 of the petition and Education Code 47604. What about the \$142,000? Let's talk about that. The FCMAT audit found that \$142,500 of loans, payable to related parties were delinquent and not in compliance. This could be a potential liability for the Orange County Board of Education. We have no information whether these loans were paid. The FCMAT audit also found that AEA failed to comply with state conflict of interest laws requiring the filing of conflict of interest statements. So this is a state law requirement that wasn't complied with. What about tax problems? What about the IRS? The FCMAT audit found that AEA failed to withhold Federal taxes from compensation paid to 40 of its employees and to provide documentation that this compensation was reported to the Internal Revenue Service. Now while this potential liability for this unpaid taxes is not as large as the potential liability on the leases and loans that we've just mentioned, there may be other unpaid taxes that the Orange County Board of Education could be held liable for if AEA failed to pay pursuant to the indemnification clause and the Education Code section 47604. And do you think that the IRS is just going to forgive that money? The minutes of the board of directors meeting. Let's talk about their own minutes. Dated May 20, 2015. So not that long ago. May 20, 2015. Now this is a little bit ungrammatical but I'll read you the quote. It says, "The description of the education program seems to indicate a secondary school and that is error for a K-8 petition." They're talking about Huntington Beach. The petition submitted K-8 and should have been written for elementary. So their board of directors it was in their minutes, it was reported to them by the staff that they submitted the wrong petition to the Huntington Beach City School District. Yet in the letter dated September 27<sup>th</sup>, the one that we just received today, on page 11, they seem to dispute the error. And then our speaker today seemed to dispute the error. But on page 9 and 15 of the same letter, they admit that it was a mistake. So internally inconsistent. They letter's internally inconsistent. So the minutes in page 9 and 15 of the September 20<sup>th</sup> letter show that the Board of Directors of AEA knew that they had made a mistake, submitted the wrong petition to Huntington Beach City School District but rather than correcting the petition, the board of directors appealed the denial of the Huntington Beach City School District to the Orange County Board of Education. So now we're talking May 20<sup>th</sup>. The new team comes in in June. And the new team continues the appeal. So we're talking about the new team now; we're not talking about the old team. On page 15 of the September 20<sup>th</sup> letter, AEA states that their parent

company is a much different company today than it was yesterday. And that statement was made here today as well. So if that were true, the new AEA would have submitted a new corrected petition to the Huntington Beach City School District in June 2015 when the new CEO took over rather than appealing it admittedly wrong petition to the Orange County Board of Education. Given this information, if the Orange County Board of Education knowingly approved a high school petition for a K-8 program the Orange County Board of Education will have failed in its oversight responsibilities under Education Code section 47604, it could very well be held liable for the debts and obligations of AEA. Also there are a number of statements in the letter that need some additional comment. So I'm going to walk through some of those. On page 1, paragraph 5, the letter that we received today says; "OCDE staff has stated that AES LAS leadership is unfamiliar with California Charter Law. AEA LAS respectfully disagrees." Well let me ask a question, if AEA is familiar with the charter school law, why did AEA have to close its school in San Diego Unified School District after the San Diego Superior Court ordered it to do so? If AEA is familiar with the California Charter School law, why did AEA leadership admittedly submit the wrong petition to the Huntington Beach City School District and then appeal to the Orange County Board of Education rather than submitting the correct petition to the Huntington Beach City School District in June 2015? Why did AEA enter into a 10 year with a potential liability according to their letter of 2.4 million dollars when the status of the Huntington Beach facility was in question and AEA was in litigation in San Diego County? Is that good business judgment? Is AEA leadership familiar with the, if their familiar with the charter school law, why does the September 27<sup>th</sup> letter state, "AEA LAS is a much different company than it was yesterday. It no longer works via loop holes in the law." Direct quote, "It no longer works via look holes in the law. AEA LAS will not illegally open a school site in an adjacent county or anywhere else." To me that's a tacit admission that they opened a school illegally in Huntington Beach last year. They can deny and dispute it; it's not a direct admission but it's a tacit admission. At page 4 of the September 27<sup>th</sup> letter it indicates that founder Mark Blazer remains on the AEA LAS Board of Directors. Mark Blazer, the founder of AEA was one of the signers of the loan documents that have not been repaid. Shouldn't Mark Blazer know if the \$449,792.87 in loans have been repaid? In summary, there are numerous potential liabilities that the Orange County Board of Education could be held liable for. And with that, I'll just ask if there's any questions.

Lindholm: Uh, bringing that back up to board members for questions from either from Ron or from Renee, um, Dr. Bedell?

Bedell: On page 10 it says that, and I'm just...

Lindholm: Which document?

Bedell: Ok, the top of the letter is Albert Einstein dated September 28<sup>th</sup>, from the staff. Refresh my memory here, I don't know who can do that, that's a hard job. The petitioners had originally

submitted the petition at the June 17, 2015 meeting, our meeting but subsequently chose to withdraw that. Can you refresh my memory from the staff why that was done?

Renee Hendrick: Actually I'm going to hand that off to Kelly I think. They, why they withdrew their petition.

Bedell: Kelly?

Hendrick: Actually I'm not sure if we understand why, we don't know for sure why they...

Bedell: I'm just I'm just trying to say. This issue was back to us in June. So if there's any pressure in school opening in 48 hours, this surfaced back in June, right and we received it.

Hendrick: And they chose to withdraw their petition.

Bedell: Ok. That's my piece. Ron, are we gonna, Madam Chair, are we doing the motion first? How do you want to handle that?

Lindholm: Um I think we ask questions first before a motion.

Bedell: Ok, Ron I would like you to uh, legally. I've gathered, and by the way, I wanna acknowledge all the good work you folks have done in working with these people. I know Ellin and Kelly and you folks. You're very eloquent. Um, I guess I am very concerned about this juncture that I see. We have parents and students and teachers, for me, on the one hand. And on the other hand we have, what I consider a cesspool. There's no other way for me to put it. It's a Cesspool. The more and more I read this and I'm saying oh this is going to get better it got worse. And eh, so I have real, you know what I'm saying? I'm a supporter of strong charter schools. This is not one of them for me. And I take my school board role very seriously in terms of what this county and this board and our unique children. And um, I think this as you outline, tell me if I wrong, that this, if we indemnify, etc., we possibly jeopardize our other programs because we would have to fund expenses we did not budget. Is that?

Wenkart: Absolutely, absolutely.

Bedell: Ok.

Wenkart: Well let me give you an analogy though. Because I didn't say one thing about the teachers or the educational program, I'm just talking about the finances and the potential liabilities. Think of companies, private companies that had excellent products in the past but went out of business because their finances were poor or the management of the company was poor. I think that's what we have here.

Bedell: And that's very sad for me. I mean it really is sad. Are we gonna have a motion?

Hammond: I thought we'd have some more, I thought we'd just get questions out of the way before we even do a motion. Um, Mr. Boyd, would you like to lead us off with some questions?

David Boyd: Yes sir, I have some questions for Miss Blum if I may?

Hammond: Absolutely.

David Boyd: Is it Dr. Blum?

Blum: It is not. I have a JD but, not.

David Boyd: In the academic world it can be doctor.

Blum: It could.

David Boyd: Ok. Dr. Bedell might not like that.

Hammond: He likes it.

Bedell: I earned mine.

David Boyd: At our last meeting I raised the question of the logo for the Western Association of Schools and Colleges that appeared on your website. Um did you find that logo?

Blum: Yes. Yes.

David Boyd: Ok, and the school in fact is not accredited by the Western Association of Schools and Colleges and never has been, correct?

Blum: The Huntington Beach school is not. It's not eligible.

David Boyd: Ok. So the question is why was it on the website for the Huntington Beach school?

Blum: Actually my staff member worked for the Orange County staff member and I think he has a better explanation for it because they dug through many, many pages and it was actually in a presentation made and it said, "Founding School."

David Boyd: For any of my questions if you have staff members that you'd rather have respond that's fine.

Unknown Male Voice: So I um I spoke to Kelly immediately after the meeting or the next morning, I don't remember exactly when, to try and find the alleged WASC logo. We finally found it in a pdf version of the presentation that we make at parent info sessions and the WASC logo very clearly says that our founding school in Santa Clarita, which is a secondary school 7-12, is WASC accredited.

David Boyd: Now with all due respect can I read it to you exactly what it says?



Unknown Male Voice: Certainly.

David Boyd: It does say, it's got the WASC logo, and in print that, I actually had to blow up to read, but the WASC logo is clear. But it says our founding school is fully accredited by Schools Commission of Western Associates Schools and Colleges. WASC. All endeavor schools will go through the accreditation process. Under the logo we understand the importance of self-study and conditional school improvement process. The school submitted its first WASC report in the fall of 2011 and it was visited 2012. We were notified February 23, 2012 that we had been granted our initial accreditation. Now this is on the site for the Huntington Beach school. Don't you think a parent could be confused by that statement?

Unknown Male Voice: Every parent in this room came to a info session where that presentation was made and you can question every single parent in this room. It was made very clear to every parent and it was clear in that presentation slide that we were referring directly to the secondary school in Santa Clarita which received its first 3 year accreditation at the end of its 2<sup>nd</sup> year and just received at the end of last year a 6 year accreditation.

David Boyd: Ok.

Unknown Male Voice: It has never been our intention to misrepresent...

David Boyd: Ok, I was not at your presentation and a lot of prospective parents who are considering your school were not at that presentation. So I'm looking at the website and I'm thinking this is very misleading from my standpoint. And this goes back to at least October 8, 2014 this has been up there.

Unknown Male Voice: Sir, I respectfully disagree. I think it's very clear on that slide when you look at the slide. It says very clearly that our secondary school, our founding school in Santa Clarita has WASC accreditation and we intend to go through the WASC accreditation with all of our elementary schools.

David Boyd: But let me read once again what it concludes with. It concludes with: we were notified on February 23, 2012 that we have been granted our initial accreditation. It doesn't say another campus has been granted, (inaudible), it says our initial accreditation. And the only thing these people are interested in in Huntington Beach is what's going on in Huntington Beach.

Unknown Male Voice: I would again challenge you to ask every parent in this room what they understood from that slide presentation and when you look at this, the entire slide, and you look at all the text in the slide, it's very clear that we're referring to the secondary school. Nowhere else on the page does it have a WASC accreditation logo. Nowhere else on that webpage does it claim that the elementary school is WASC accredited. There was no attempt if you look at it fairly and objectively to misrepresent that elementary school as being WASC accredited. So while I respect your right to have an opinion. I respectfully disagree with you sir.

David Boyd: Ok. The, has that presentation been taken down off of your website?

Unknown Male Voice: It was taken down immediately.

David Boyd: But it really wasn't taken down. Cause I went there this morning and its password protected but it's still there. Well you can look at it if you like.

Lindholm: We can move on. I think you made your point.

David Boyd: Ok, we can...

Unknown Male Voice: I worked directly with Miss Gaughran to make sure it was down right away.

David Boyd: Ok, well we can move on. I have a couple more questions for Miss Blum if I may. I looked at the website, your website, and among other things of course it has agendas for the board of overseers. And there were agendas for a number of meetings. You mentioned the fact or somebody mentioned the fact that there is a lot of local control in Huntington Beach. But when I look on these agendas, there are no agenda action items. There's proving the agenda, proving the minutes, and that's it. So there's discussion but there's not action that can actually be taken by this board of overseers. Is the correct? Well if you don't know that's fine. I'll accept that.

Blum: No, what I'm gonna say is I respectfully disagree. I cannot tell you that I have had time to review the minutes since prior to my joining the company. Their first meeting or their last meeting of the year occurred in the first month of my employment and then we had another one this August which was in fact as I recall, I'm looking at the board of overseers right now, that we were dealing with our Orange County chartering issues and so we did in fact have a non-action meeting. But it was an incredibly descriptive, discussed meeting.

David Boyd: Well, don't all the meetings have to be non-action meetings since the board of overseers doesn't really have, the local board doesn't really have any local control? They can make recommendations but they have no real power.

Blum: No, they have actions. They have not been in session because we have not been in school. But they do in fact have action items and do have voting approvals and denials in those action items.

David Boyd: Can you give me an example of that?

Blum: Ah sure. The most recent meeting I was at happened to be a Santa Clarita Elementary School meeting, but they recently approved the Einstein Parent Organization budget for the 2015-2016 school year. That doesn't even go to the board of directors. That is a school specific item that's decided at the school and approved by the board of overseers.

David Boyd: That seems to be inconsistent with the application that you submitted to us though in describing the duties of the overseer.

Blum: I apologize for that. I was not here for that submittal.

David Boyd: Ok and I do recognize that you weren't around for all of these issues. I don't mean to pick on you but you know you're the one that...

Blum: No, I understand. I'm the face to the company and I understand that and I certainly accept responsibility for that.

David Boyd: We received your response to the staff report this morning. And eh, the first thing I noticed is that it's not signed by anybody. No one's taking credit for this document. I've...

Blum: I absolutely am right now in front of everyone taking responsibility for that document.

David Boyd: I mean I would have hoped it would have been approved by your board of directors that this is something that we carefully went over.

Blum: We received Orange County's Staff report after 2:00 o'clock on Friday afternoon. That was end of business when originally we were told that we would get it Wednesday. We spent the entire weekend writing that. I worked with the board of overseers and the board of directors as well as the officers of my company. It was very quickly drafted in response to a pretty strongly worded staff report that we respectfully disagreed with most parts of.

David Boyd: Now going to page 5 of this document, talking about the staff report. It says that you can only believe that the OCDE staff is not acting in good faith but intentionally distorting the facts and seeking ways to deny the charter. Now, you just admitted or acknowledged not too long ago that...

Blum: She's getting the copy of it so I can look at it.

David Boyd: ...that the application was less than a stellar application.

Hammond: I'm sorry, Trustee Boyd, which page are you referring to?

David Boyd: Uh, this is the one we received this morning. Page 5, in an email.

Lindholm: Do we have that one.

Hammond: I don't have that one in front of me.

Lindholm: Did you distribute that?

Unknown Voice: Yes we did.

Hammond: I do not have a copy of that.

David Boyd: Well I think I can make my point without...

Lindholm: I read it.

David Boyd: you having it in front of you. And I guess my question goes to this. You've acknowledged that it's less than a stellar application to begin with. That there are all types of problems that our staff had absolutely nothing to do with and yet your saying that they're not acting in good faith and intentionally distorting facts. I mean, that sounds like the old team, it doesn't sound like the new team.

Blum: I think when you take this into context, the argument that AEA and I am making is that um, they're saying at the beginning on page 4, they're saying that we were at a staff meeting where they suggested that we were co-mingling funds. I then spend several paragraphs stating that in fact we didn't co-mingle funds. The FCMAT found that we didn't co-mingle funds. Legally we are one entity and you can't co-mingle funds in one entity. The LA Unified School District in a settlement with Magnolia Schools agrees that you can't co-mingle those funds and then in your Orange County staff report they have an MOU between the Orange County Department of Education and a charter school saying that that charter school can co-mingle funds. So my statement in that paragraph that goes to the above paragraph so contextually what we're saying is gee, where doing everything we can and we've even assured Orange County that we will in fact keep Orange County funds in Orange County despite the fact that the law is very clear about the fact that we've not co-mingled funds. So we can only assume despite the fact that we've had this conversation regularly and repeatedly and the FCMAT audit even specifically states that we did not co-mingle funds and then you have an actual drafted Memorandum of Understanding between your attorneys but drafted by your attorneys and to our staff, I find it hard to believe...

David Boyd: Ok, let's move on. You indicate in connection with the audit there was no wrong doing.

Blum: Right.

David Boyd: But they also indicated that part of the reason they may not have found wrong doing is because the documentation was so inadequate that they couldn't really do a complete audit. So to say that you came out with roses for that audit I think is stretching the truth a little bit shall we say?

Blum: Agreed. I don't think we came out with roses. We came out with not committing a wrong doing but not having great records either. It gave us a list of things that we needed to do to tighten controls in the company; a majority of which we've completed and continue to work on. And since I've come aboard we've continued to do such.

David Boyd: Um, let me say this one thing that I will agree with your comments on the staff report. You write that OCDE staff has stated that your leadership is unfamiliar with the California Charter Law. I think you are probably very familiar with the charter law. And with all the litigation you've been involved in, you could not be unfamiliar with the charter law. But I think that you've got a long ways toward gaining the system to understand how it works and entering into a conditional MOU with the exactly the type of trap we need to be concerned with. I guess that's a statement not a question. Thank you.

Hammond: Any other questions Mr. Boyd?

David Boyd: No. Thank you sir.

Hammond: Vice President Lindholm, questions?

Lindholm: First I want to compliment the teachers and the staff. Wow! You have a heart and a following that's incredible. They're incredible which is why we tried to work to um give 3 weeks to try and find a resolution to this. And try to have everybody together and see if we had like 4-5 things we could fix and (inaudible) would be had. It's a little doubtful. Your parent organization is what's bringing you down. It's just really wearing, not the parents, the parent organization outside of this school. Uh, do you know, question for you, um do we know about the \$449,000 if it was paid back or do we know any further details? Or you gave them as much information as you could?

Blum: Unfortunately, there are things that happened in our past, our forefathers that I don't have answers for but I've been incredibly open with that. And Orange County Board would not assume any liability for that. Regards of the indemnification clause in our charter law, as all the lawyers in the room know, trumps what's written contractually in an agreement so there would be no liability on your part.

Lindholm: I appreciate you saying that but my, the person I have to fall back on is our attorney. He's the one that recommends to us so I have to go with what he says. I mean that just makes a great deal of sense. I don't know if I have more questions for you? I was really hopeful that this would get all cleaned up and we'd be at a really good place tonight. So, uh, I don't know that I have any other questions for you, so.

Blum: We did offer a solution.

Lindholm: I wish I could go down that road but I'm not really hopeful right now.

Hammond: Any other questions?

Lindholm: No.

Hammond: Alright. Dr. Bedell, any questions?

Bedell: No I'm finished.

Hammond: Alright.

Bedell: On this piece. But on the motion I have comments.

Hammond: Right. But I was just direct questions for either her or for staff. Dr. Williams, any questions for her or for staff sir?

Williams: Sure. They're not so much questions because I think the presentation that has been made by both parties has been well done and well executed and well expresses. Um, I'm very impressed with you Miss Blum. I'm very impressed with your staff, the people that sit in this room here. The parents, the teachers, um this is one of the most difficult and problematic charters in my 20 years here on this board. Um, I've never seen such significant structural and foundational fractures if I can use medical terms. Um that are compound fractures that are not simple (inaudible) stick fractures that you can put a cast around. These are issues that have to be surgically extracted and repaired and I just don't think that in this hospital that we have here that we are able to do that. You need a major trauma center. Um, so with that being said, I again we have not taken a vote but looking at the comments by my colleagues here I just don't think that this is going to be a successful vote coming down on your side to be quite honest with you. With that being said, I don't want to, uh, your group to your parents to your teachers to leave you without hope. Because I do think there is hope from what I see here. But you need to extricate yourself from your parent organization and you need to come back and write a charter without all the strings, without all the encumbrances and all the negative aspects, liabilities that could hurt the taxpayers of Orange County that we have a duty and a responsibility to. I would hope that you would come back; rewrite this and do it right.

Blum: Thank you.

Williams: I see a lot of good there. A lot of potential. I'm done sir.

Blum: Thank you.

Hammond: Thank you Dr. Williams. I do have one question for you. There was reference made about the \$40,000 and I've read through here it seems like one side is saying no we don't really owe it, somebody else is kind of saying we do, can you clarify to me your current position in regards to the \$40,000 that's alleged owed by the San Diego attorneys?

Blum: The San Diego Unified School District we cut a check to today as well as the other attorney's involved in those cases.

David Boyd: For how much?

Blum: I'm not sure, my finance team?

David Boyd: Round figures.

Blum: It is not a payoff. It is not. We paid 4 set of attorney's money or 3 sets of attorneys and San Diego Unified and so it is not a full payoff.

David Boyd: Would you say it is 50% of the total liability?

Blum: No I would say it's about a third.

David Boyd: Ok.

Blum: The total liability on that's pretty big.

Hammond: What about the \$40,000, was that paid in full?

Blum: Which \$40,000? Sorry.

David Boyd: Well its \$40,000 plus attorney fees and I think that's where...

Blum: No the San Diego Unified just court only filed for attorney's fees that where \$45,000 I believe. Is that what you're asking me about?

Hammond: There was the two attorney's last meeting they were from San Diego or had represented San Diego Unified and they, I only heard \$40,000 I didn't hear \$45,000.

Blum: Ok, that's Unified School District and we did pay them. That was part of the 4 different, we paid San Diego Unified, we paid Procopio, we paid our attorneys and we paid another set of attorneys as well. Alpine's attorneys.

Lindholm: I think we're done with the questions?

Hammond: Ok. Um.

Lindholm: Jack Bedell has a motion.

Hammond: I have no further questions nor for staff.

Blum: Thank you.

Hammond: Thank you for everything. Um, looking at everything, we've had our staff reports I believe we have a...Nina clarification. Do we have a resolution before us?

Nina Boyd: You do have uh resolutions for...

Bedell: Yeah it's on the back of this, it's on page 2 of the agenda.

Nina Boyd: (inaudible) you take action.

Lindholm: And then Mr. Bedell was going to make a motion.

Bedell: Mr. Chairman on the back of our approved agenda there is where's it's above information items it says *Adopt a Resolution* with number blank and except...whatever.

Hammond: Ok.

Bedell: And I'll move that we adopt resolution #1 and accept the Orange County Department of Education's staff to deny the appeal submitted by the AEA Charter School petition.

Hammond: I'm gonna ask for a point of clarification. Do we have the number of this resolution, cause I know it's not going to be resolution #1 or is it going to be resolution #1? Do we have the numbering?

Dunseth: It's all in the actual resolution.

Lindholm: I think its option 1. Are you discussing option 1?

Multiple Voices: Option 1

Hammond: So your motion is to accept option 1 which is...

Lindholm: And you have a second by

Hammond: Seconded by Mr. Boyd. Um, alright. Any further discussion?

David Boyd: I have about a minute of final comments if I may.

Bedell: Oh I don't know who seconded it?

Hammond: He, he did. I was, but since you have made...

Bedell: Yeah a, I don't to, much of my comments that I would have made were going to be going through odd (inaudible) the various documents and there were several things that stood out on me. And I don't want to belabor this but eh. As I said earlier, I am a strong supporter of strong charters. I have worked very closely over the years, on my 12 years on this board and my 9 years on the Fullerton board with school board members from the parent district if you will? And I have found them to be exemplary colleagues, school board members to work with. They have credibility with me. The Superintendent has credibility with me as well and I eh just am very, very concerned about our adopting this, taking this in and what it means for our organization. And what it means possibly legally and what it means. I was struck candidly by eh since all this happened in the last 3 weeks, stuff has been asked for, some of it's incomplete, some of its incomplete not provided. Additional documents are required. Well this is the new team. These are the people we were going to marry and this is what we're getting leaves me very, very disconcerted about what our staff is going to work with. And this notion that eh, we have new leadership well that's good. But it still does not assuage my anxiety about what this



does. There's comments in here about salaries, there's comments about somebody who's worked on this, I would be concerned about eh unequal pay for equal work. That's...throughout this document there's violation of code, violation, incomplete information...and uh, what concerns me, if my page 20 which is 9 of 11, at the top of the page under the section litigation, as part of the due diligent process OCDE staff reviews assets and liabilities charter school petition. AEA representatives provide some information as requested regarding litigation and claims. In addition, a search reveals litigation, a search revealed litigation with vendors that in (inaudible) charter authorizes largely for not following the charter schools agri-garny school location and employees dating back to 2011 and continuing to the present. Most recently a wrongful termination case against AEA dated August 21, 2015. Now hear what comes the grabber for me. And as a parent I am distressed for you if you did not know this. Most recently a wrongful termination case filed against AEA dated August 21, 2015. By the way I count, what's that, 2 months? Which was not emphasis added, included with your requested documentation from AEA. Shameful! Why should we get in bed with that? Why should we jeopardize our 7,000 ADA. Where right then they did not provide what we asked for. And I don't know if the parents know that. I don't know what the parents have been told? And I'm sorry, sorry cause it sounds like the educational program is viable. But this to me is way beyond what I can say to my 500,000 constituents in North County. Jack, you supported this. I can't and I wanted to read better. I wanted to say everything that we asked for we got and then some. But look at that. A wrongful termination. Wrongful termination! Like misfiling a paperclip! Which was not included with the requested documentation. Our staff had to do research to get that. What else in the future will they not tell us? Shameful! I wish I felt more strongly about this.

Hammond: I did wonder how you felt, so, um. Anything else sir?

Bedell: I am done.

Hammond: Mr. Boyd?

David Boyd: Ah, yes sir. I will cut out about half of my prepared comments because Dr. Bedell has already touched upon it or they've been discussed early in a meeting. Besides being an attorney and a CPA I've been employed in education now for over 3 decades and I've been a member of more accredited approval teams than I can count. I've never seen a more dysfunctional or troubled organization than the Albert Einstein Academy. Mark my words, this organization will collapse. It may not be next year, it may not be two years but it will collapse. And I don't want our Orange County students to be impacted by that collapse. I had concerns about this application from the beginning and like I believe Trustee Lindholm did spent time looking for a way we could encourage the amendment to the application to the degree that I could support it. And that just never, never came about. Dr. Williams in our last meeting invited the President of the Board of Directors to the podium. The questions that Dr. Williams directed to this person convinced me beyond a doubt that the biggest problem this organization are not local but with the top leadership. At the annual meeting of the Orange County Boards of

Education a few weeks ago I had the opportunity to speak with trustees from other counties in California. The topic of the Albert Einstein Academy came up more than once, always in a negative light. One of the things we do have to concern and Dr. Williams touched on this earlier is the impact on our fiscal situation. We will receive 1% of the ADA that any charter school receives and was speaking with other trustees in other counties that have a significant number of charters I was told that 1% is fairly adequate to cover the administrative cost of our oversight provided we are dealing with a well-managed organization. But Einstein has left a trail of litigation virtually everywhere they've gone. The extraordinary staff and legal costs associated to oversee an organization like Einstein would drain the resources from the special kids that we serve. To the parents, I'm disappointed that you find yourselves in this position. Ah this is the hardest decision I've had to make since I've been on this board. But in the long term, closing this charter will be in the best interest of your children. I was impressed with what I know about Einstein's local board of overseers. These are the local parents and community leaders who can make recommendations board but have no real power. I suggest that these individuals give consideration to establish a charter school in their community under their own local control. If these people are interested, I can connect them with an organization that can help make this happen. But, I can never be comfortable with the Einstein Academy. Now, 5 years from now maybe they come back and maybe they'll prove me wrong, you know. All the litigation's been taken care of and everything is rosy. But I can't base my vote on that. The only thing I can base my vote on is the history of the school up until this point in time. So with respect to the Einstein Academy I have to vote no.

Hammond: Vice President Lindholm?

Lindholm: Thank you. I just want to reiterate. We tried for 3 weeks to resolve and to find the information that would glue this back together because you have wonderful teachers, and the parents are a testimony to that. And the students are a testimony to that. You've heard all the discussion on the financial issues and they are lengthy. You've heard all the information on the chartering the wrong chartering the operations, this significant problems that continue. We have, I really wanted to vote for this school. I mean, really, really, wanted to vote for this school. I can't. It's just not possible. It has to get fixed. I'm hoping you come back a year from now with all the I's dotted and the T's crossed and it is the governance matches the stellar teachers you have. We have charter schools coming before us. We have 3 more coming before us. They're all pretty well written. They're all pretty well managed. Good schools. I wish yours was in that case. Compliments to you, to the teachers, to the students and to the parents. I don't remember which said it but I don't think we can fix this. Not this year. It's, it's gonna be an ongoing problem and that breaks my heart to a great degree.

Hammond: Dr. Williams, any comments sir?

Williams: No.

Lindholm: I do have one final question and that was for the Superintendent of Huntington Beach is I may? If he could come and let us know that the children would all have warm and welcoming places?

Multiple voices from the Audience: (Inaudible)

Lindholm: We're gonna ask him right now. So you can have him on the record.

Hammond: Superintendent, you heard the question.

Gregg Haulk: My understanding of the question is will be take the students that belong in our school district? Absolutely. With the action that this board took, it allows us the ability to move forward with some of the items and concepts that we've been talking about with the leadership team of my district and with the board. Our board still has to take some further actions but it will give us the opportunity to grow. My apologies for anybody that wasn't treated as warmly and welcomingly. It happens. We too are not perfect. We too have some work to do.

Lindholm: Ok.

Hammond: What about um, I've heard that from some of the parents you know going through some of the emails here Superintendent that perhaps that there local school is gotta close and that maybe they're being forced to go to, not

Lindholm: Full?

Hammond: Filled, sorry, my apologies. Is filled they can't get their child into the local elementary school or whatever and they're going across town or whatever. Anything you can do about that to mitigate that?

Haulk: We'll first off we didn't force any students to leave their neighborhood school. We did offer that option. Um, it was really interesting. We had a couple of schools that are very large right now and we need to do something about that. We have made some commitments in our LCAP to move forward with reducing our class sizes but again we had to wait until we got to the appropriate part of this meeting so that we can make some decisions. We didn't force anyone to leave their neighborhood school. We did give that option and interesting Seacliff is normally one of our most requested schools and that was the school that we made available and there were no requests. So it's great things for a couple of our other schools and like I said now we have so work to do and some growth to accommodate.

Lindholm: Ok.

Hammond: Yeah.

Lindholm: Thank you, thank you for that.

Haulk: You're welcome.

David Boyd: So to summarize, you're on record that these students will find a home within the Huntington Beach City School District.

Haulk: Absolutely.

Multiple Voices

Hammond: Alright.

Bedell: I call the question.

Hammond: Question has been properly called by the maker of the motion Dr. Bedell. All those in favor of supporting Dr. Bedell's motion and denying this appeal that has come before us signify by saying AYE.

Multiple Voices: AYE

Hammond: Oppose? Abstain? Motion passes 5-0.

Lindholm: Do you want to take a 5 minute break?

Hammond: We are recessed for 5 minutes.

Break

Back in Session

Hammond: Orange County Board of Education is back in session. While this is going on. Just real quick for my fellow board members that are still here. There's a few things that I will be sending out to you. One is about security and about speakers, a couple of other things. So I'll be sending that out to you as quickly as possible. I'm assuming that there are no reports as such. Chair seeks a motion to adjourn.

Adjournment

Lindholm: Move to adjourn.

Hammond: Broad adjourned.