

BOARD MEETING 1-8-2020 TRANSCRIPTION

[PRESIDENT BARKE BEGINS THE MEETING BY STRIKING THE GAVEL ONCE]

Barke: Good morning everyone. Happy New Year. Welcome back. Ready? Do you want to do roll call?

Sisavath: Trustee Sparks?

Sparks: Here.

Sisavath: Trustee Williams?

Williams: Present.

Sisavath: Trustee Barke?

Barke: Present.

Sisavath: Trustee Gomez?

Gomez: Present.

Sisavath: Trustee Bedell?

Bedell: Here.

Barke: Call for a motion to accept the agenda?

Williams: I so make the motion to -

Bedell: Second.

Williams: - I'm not done.

Bedell: Speed it up. Speed it up. We're late.

Williams: I so make the motion to adopt the agenda with the board president the determination that we move up the item number nine, because we have a request by the good firm that produced the interim report to -

Boyd: Do you mean item 10?

Williams: Excuse me. Item number 10. Thank you. Item number 10. I stand corrected, that we move that up. According to the meeting time, the president will make a determination when to best put it into our agenda. It's estimated that it's going to be around and between item number two and three.

Boyd: About 11:30-ish.

Williams: 11:30.

Boyd: He'll be here at 11:30, so depending where we are, we'll -

Bedell: This is number 10 at 11:30?

Gomez: We're going to insert that.

Williams: It's still on the agenda to meet the Brown Act requirements, but just giving flexibility to the president so we can do that. And that was at the request of the auditing firm.

Barke: Okay.

Bedell: I consider that friendly.

Williams: Good.

Barke: All right, so you're going to second it then?

Bedell: My pleasure.

Barke: All right. All those in favor?

Board: Aye.

Barke: Any opposed? Alright. Do we have public comments?

Boyd: There are none for the closed session. Okay. Are you all moving to the closed session?

Barke: Yes.

Boyd: Okay. We need you to announce that.

[PRESIDENT BARKE STRIKES THE GAVEL ONCE TO SIGNAL THE BEGINNING OF THE CLOSED SESSION]

Barke: We are going to move to closed session now.

Boyd: Thank you.

Barke: All right. And we will be back at 10.

Boyd: Thank you.

[PRESIDENT BARKE STRIKES THE GAVEL ONCE TO SIGNAL THE CONCLUSION OF THE CLOSED SESSION AND THE CONTINUATION OF THE BOARD MEETING]

Barke: Welcome back, everyone. Sorry for the delay. We'll hold our report out until later. We weren't able to finish, so we'll just get right into the meeting. I'd like to start with the invocation. I want to thank Pastor Joe Hagan for coming. He and his wife have been pastoring at the Cornerstone Church in Anaheim for over the last 20 years overseeing our children's and young adult ministries. They also had many other ministries and communities throughout Orange County. Thank you very much for attending.

Hagan: Well, thank you for having me. Let's pray. Lord, we thank you for this opportunity we have to gather. Lord, we know that there's been a foundation that has been laid before us that gives us the freedom, Lord, to seek you. Lord, your word says to seek you first and everything else will be added. And Lord, we know how precious your children are to you. And Lord, you said to grow up a child in knowing the way and when he is old and she is old, she will know the way. So, I pray that you would equip us, Lord, as a board, Lord, as a people, as educators. I pray a blessing upon every single one of our teachers, Lord, every single one of our staff members, all of our families, those who are marginalized.

God, we know that you can do all things. That's why we start off this meeting, Lord, seeking you. Lord, I even recognize, Lord, there's been... as we look upon your word and we see the history of generations before us that have not done that. Lord, we know Lord God, that there is a consequence, God, but there's also a blessing, Lord, of putting you first. So, I pray, God, you would forgive us, Lord, in areas that we haven't put you first. But today on this meeting we do. So, I pray for every order of business or every school, Lord, in our county. Lord, every topic that we have today. Lord, we pray for your wisdom, for your direction. We also pray for your blessing.

Lord, your said, your words, your promises for us are true, Lord. There are yes and amen. So, I pray a blessing upon every single board member, Lord, every agenda, God, and we thank you in advance for what you're going to do, Lord, this upcoming year and for the generations to come as we enter into this new year of 2020. Lord, I pray for clarity, Lord, and vision and insight because we recognize that the decisions that are made today will impact, Lord, generations to come. So, I come against the darkness. God, I come against the evil. Lord, we speak your goodness, God, and we claim victory today, Lord, over all that you want to do and we thank you for that. Amen.

Board and Audience: Amen.

Barke: Thank you so much. Thank you.

Williams: Sure. If you will stand with me to give our pledge to the greatest symbol of mankind and that is our constitution and this great flag.

Board and Audience: 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.

Barke: Do we have any introductions?

Boyd: We don't have any introductions at this meeting.

Barke: All right. I'll call for a motion to approve the minutes.

Bedell: So moved.

Williams: Second.

Barke: Okay. All those in favor?

Board: Aye.

Barke: All those against? Okay, I'll also call for a motion regarding the consent calendar.

Bedell: So moved.

Williams: Second. We heard you fine, so we have a technical issue here. I would start over.

Boyd: It's amplifying, because I can hear you over here. It's just a matter of they just need to turn it up some more.

Williams: Gotcha.

Barke: Okay. I'm going to call again for a motion for the consent calendar.

Bedell: Moved.

Williams: Second.

Barke: All those in favor?

Board: Aye.

Barke: Okay. Any opposed? Public comments, Nina?

Boyd: Yes, we have three public comments for general. Paulette Chaffee? For those who are in the room, if you're not familiar or have not participated in public comments, we have a green, yellow and red timer, and it will move through. I will start with green and when it gets to red it will buzz. If you continue to talk, then, I will ask you to please conclude your remarks. Thank you.

Chaffee: Good morning, everyone. I'm Paulette Chaffee. I'm running for the Orange County Board of Education, area four. The election is in March and I've been going around to PTA meetings and school board meetings. Last night, I attended the meeting that had to do with building stronger communities and it was here on this campus in building D. The thing that struck me is the outreach that's going on, which I think we all need to be aware of to create safer schools, schools that are respectful of one another and welcoming places that all students feel comfortable and when they feel comfortable, they can learn a whole lot easier.

One of the programs that was presented by a high school junior was this Bridges program, which is in effect in several of our high schools. I think the board should be aware of the Bridges program and trying to do what we can to bring this program to all the high schools in Orange County. It accents the accepting of diversified student bodies and students who really should be welcomed by everybody. They have small group sessions and lunch sessions and some afterschool programs and it's extremely worthwhile. There were over 110 people there last night.

Telemundo was there, the Orange County Register, and the LA Times. I applaud the outreach effort. Thank you.

Boyd: Thank you. Joyce McNabb?

McNabb: Well, here we are. I thank you for the opportunity to -

Boyd: Can you move just a little closer to the mic? Thank you.

McNabb: - January 8th and I'm thinking back to December 11th at the last meeting of this board. Trish Walsh, I'm remembering introducing the Laurel Elementary Magnet School of Innovation and Career Exploration in the Brea-Olinda United School District. She introduced the chorus and she introduced their leader, Mrs. Shirley Lee. I understand that Mrs. Lee is not a music teacher. Evidently, she's a sixth-grade teacher who has worked in her school to get these children singing together as a chorus. I think she should be Orange County's Teacher of the Year. Those of us who were in the audience were touched by their sweet performance. Composed, disciplined, happy, enthusiastic, harmonious.

For those of us in the audience, it was a little bit of Christmas magic, but if it was magical for us, I know that it was infinitely more magical for those children who were participating. Something wonderful happens when you sing with a group. Mr. Rolan, Mr. Brenner, Mr. Riel, I suggest you try getting your adversarial board of education together with the department's professional staff, and try to sing from the same page. Mrs. Lee might give you a little help.

Audience: [Laughter]

Boyd: Lynne Riddle?

Riddle: Good morning. I'm Lynne Riddle. 2019, so much to reminisce about, and I'm remembering the November 6th meeting here. The one where this board rejected resolution 18-19. 18-19, that's the one that ends with, "Resolve that the Orange County Board of Education supports Assembly Bill 48, the Public Preschool, K-12, and College Health and Safety Bond Act of 2020." That's the one where Trustees Williams and Barke voted no. You remember under AB 48, the state will provide general obligation bond funding for school construction to reduce overcrowded, unhealthy, and unsafe schools.

Specifically, AB 48 authorizes \$15 billion, nine billion to K-12 public schools for new construction and modernization including earthquake and lead in the water remediation. \$500 million for career and technical education facilities. \$500 million for charter school facilities, and it designates \$2 billion each for our community colleges, California State University system, and the University of California. Before you board members said no to AB 46, you, along with all present heard that at least two of our local school districts were anticipating awards under AB 48. 100 million to Orange Unified and 30 to Santa Ana Unified. Even so, you said no. No support from you for local school districts.

AB 48 is now on the March 3 election ballot throughout the state of California. It's listed as Proposition 13 - 13 2020 I call it. This is important. For AB 48 and vital school construction to be funded, Proposition 13 must pass. Who favors AB 48 and Proposition 13? Well, just for starters, some 100 hundred organizations signed on as supporters of AB 48 and zero

organizations opposed it. Our assembly, a vote of 78-1, passed AB 48. All of our Orange County assembly members voted yes. Our Senate passed it 35-4. And, get this, just on December the fifth, the California Charter Schools Association posted a full-page wholehearted endorsement in support of March third's Proposition 13.

It's my guess that Orange, Santa Ana and all of the other local school districts will support Proposition 13. I foresee long lines of administrators, teachers, students and parents eager to vote on March the third. Please everyone, don't forget to vote on March the third. If you stand for public education, stand up for it on March the third. Thank you.

Audience: [Applause]

Boyd: That concludes the general.

Barke: Okay, great. Thank you very much for the public comment. Next, we'll call up Kelly regarding the charter schools.

Boyd: Did you do consent calendar?

Barke: We actually did that before the public comment.

Boyd: Okay.

Barke: Yes.

Gaughran: Good morning. President Barke, members of the board and Superintendent Mijares. Today we have one submission from Orange County School of the Arts. Each board member was sent background information regarding this submission yesterday from Nina Boyd. Just as a brief overview, the Santa Ana Unified school board unanimously approved the renewal of OCSA's charter for a period of five years, beginning in July of 2020 through June of 2025. Santa Ana's approval is conditioned on OCSA addressing the concerns presented in the staff report. With that, I now call Dr. Ralph Opacic, founder and executive director of OCSA to the podium.

Boyd: We do have some public comments for submissions for the board. Do you want to have him make his comments related and then we'll do the public comments, or do you want to hear the public comments?

Barke: I'd prefer to hear the public comment first.

Boyd: Okay.

Barke: Thank you.

Boyd: Miguel Pulido?

Pulido: Good morning. President Barke, Al Mijares, board members. I'm here to speak on behalf of OCSA. Let me tell you why. Behind what you have right now on the wall it says quality education, amongst other things, and OCSA is quality education. As a matter of fact, the tough question to answer is why are we here? We're here, I believe, because of philosophical differences, really. When you look at what a school should do, I believe it should produce great graduates, great students that had a wonderful educational experience. OCSA is a poster child of that definition. I know. I had kids that went through OCSA. They first went through public education, K-6 and starting in seventh grade, they went to the high school of the arts.

It is incredible. As I became a parent, it's different than when you're looking at the school from the outside. When you look at it from the inside, you see everything that goes on and I'm telling

you, it's amazing. I believe that this is a golden opportunity for you all because, should you grant this request, it's going to be a shining example of what a charter high school is like. I believe that this is really more appropriate for you all to hold the charter than for the unified school district, because it's really a regional school. When you look at where student's come from, it's like a hundred cities now. They come from all over the place, because it's that good of a school.

There's kids that get out of bed early, they get on trains, they take the bus just to get there every day. It's amazing. It's amazing that they do that because it's that type of a school. Please, you're going to find nothing wrong. You're going to see their application is going to be great. If you have any questions, they'll have great answers. Under the leadership of Ralph Opacic, they've really built an amazing school.

I believe it's now not only a regional school, but I think across the country it has a brand. It has a name and graduates from OCSA just go on to extremely wonderful things. It's not only arts, by the way. Many of the graduates go into other degrees. Engineering, like I did at Cal State Fullerton. They go to every single field you can imagine. So please, consider this. You're a great board. You now have a tremendous opportunity. Thank you very much.

Boyd: Margaret Chidester?

Chidester: Good morning, President Barke, honorable members of the board, Superintendent Mijares, Associate Superintendent Ms. Boyd and interested members of the public and staff. As counsel for the Orange County School of the Arts since the year 2000, I'm very proud to speak briefly on their behalf this morning. Our office represents OCSA in the unfortunate appeal of the denial of its charter renewable by the Santa Ana Unified School District Board of Education. I'm not here to ask you to take sides in that most unfortunate dispute. Those issues are addressed at length in the extensive filing that OCSA has made with your staff. We trust that board counsel, department counsel and charter staff will aptly consider those arguments at an appropriate time and space.

We know that you are aware, as Mayor Pulido has shared, of the outstanding reputation of OCSA and the credit it has brought to the children of Orange County and our education community. We respect the diversity that this board represents, your differences and strengths of experience in public education. We request your wisdom in reviewing our appeal petition and, in effect, granting the request of OCSA from what amounts to a denial of it's a petition to Santa Ana. There has been a recent letter by Santa Ana dated the 3rd of January, which you may have received. Dr. Opacic was fortunate to receive it yesterday afternoon, because Ms. Gaughran conscientiously said, OCSA needs to know about this letter.

We've responded to that rather hastily with apologies, but separately under separate cover and staff will likely share that with you at an inappropriate time. On January the third, Santa Ana's letter was most disingenuous, and it essentially misrepresents the circumstances, again, of the dispute. OCSA has no dispute with you, with your superintendent, with your staff. Our dispute is with Santa Ana Unified, and we're not asking you to take sides with respect to that. Santa Ana's December 10th resolution is, in effect, a poison pill.

Should OCSA forgo its timely appeal to you as a county board due January 9th at the very latest under California law, it would in essence give up a right to appeal. Santa Ana, during the entire 56 days that it reviewed OCSA's petition, refused to consider and have any interchange with respect to the contents of the petition or to ask any questions, contrary to the previous nineteen years. I'll conclude my remarks briefly, if I may?

Boyd: Go ahead and finish your statement.

Chidester: Thank you so much. For 19 years of an excellent relationship with Santa Ana, the parties conferred back and forth on renewals. There's been a very deliberate, and again, I appreciate your grace, so I won't take more time. There has been a serious break in the relationship with Santa Ana ever since the March 2019 unprecedented and unwarranted demand that OCSA pay \$19 million for special education costs it did not incur or charge. We just ask you to keep that in mind and to exercise your judicious and careful oversight in reviewing our appeal petition. We thank you so much for your time.

Boyd: Luke, and I'm sorry. The first initial, I can't make out if it's a P or an F. P? Okay. Punada?

Pumakanta: Luke Pumakanta.

Boyd: Pumakanta. Thank you. I couldn't make out some of the other letters.

Pumakanta: Sorry about that. Thank you, board president, board members and superintendent. I'm Luke Pumakanta, counsel for Santa Ana Unified. I just wanted to make two very brief comments in response. The first is that while a charter school may appeal to the county board of education following a denial of a charter renewal petition under Section 11966.5 of Title V of the California Code of Regulations, here, as you've heard, there was no denial of OCSA's charter renewal.

There was an approval with certain conditions. Responding briefly to the characterization of the district board's December resolution, regardless of OCSA's interpretation of that resolution, under Section 11966.4 of that same California Code of Regulations, renewal is automatic unless there has been a denial of findings within 60 days, which here has not occurred. If there has been no approval, no finding of denials approved, we know is automatic. With a renewal, there was no appeal, because there was no denial. Thank you.

Boyd: Sonia Llamas?

Llamas: Thank you. Good morning, Superintendent Mijares, board president, members of the board and audience. Santa Ana respectfully requests the board not entertain OCSA's current appeal, because OCSA's renewal has not been denied. Santa Ana Unified has approved the charter petition for Orange County School of the Arts. It was an approval with conditions. The district attempted to request a meeting with OCSA after the approval was made on December 10th, 2019. This meeting is still pending. We wanted to clarify any concerns, because the districts conditions were less with OCSA's petition and more with its current operations, website and handbook of materials. SAUSD has been the charter's authorizer for over 20 years.

It is important for us to continue to have a relationship with our charter schools. At no point has the district denied the Orange County School of the Arts charter. In our resolution, we are pointedly stating that there are practices that must be addressed. OCSA has so far refused to meet with the district staff to address these oversight concerns. Instead, OCSA has appealed to the Orange County Board of Education today, but there is nothing to appeal because there is no denial of OCSA's petition. OCSA is, regardless of this appeal, obligated to respond to inquiries and meet with its current authorizer and address its concerns. SAUSD is the current authorizer for OCSA, should be for the next term and will be until at least June 30th, 2020, no matter what.

OCSA is not entitled to, or legally authorized, to switch authorizers at its discretion, convert an appeal into a denial or refuse to work with its current authorizer. Once again, SAUSD seeks to resolve this matter with our charter and continue our long-standing relationship with them. Solely, SAUSD is attempting to exercise oversight over their appropriate charter, over our charter. We respectfully request that the Orange County Board of Education ask Orange County School of the Arts to work with the Santa Ana Unified School District to resolve the concerns raised in the resolution. We did not deny their charter petition. Thank you.

Boyd: Those are all the public comments. Ralph Opacic?

Opacic: Mayor Pulido and Dr. Chidester, thank you for your comments. Good morning, President Barke, members of the board and Superintendent Dr. Mijares. I'm Dr. Ralph Opacic, president, executive director, and lead petitioner for the Orange County School of the Arts. It is with great pleasure that I submit OSCA's charter renewal petition appeal to this board for a five-year term starting July 1, 2020. The Orange County Department of education staff has timely received our appeal package binders and flash drives with all the required materials. Enclosed in folders being provided to you today is information about OCSA's program, a cover letter to the board and superintendent for this appeal, and the OCSA board of trustees resolution approving this appeal.

Through this appeal process, the OCSA team looks forward to starting a partnership in arts and education with OCBE for the families of the Orange County community and beyond. For the last 20 years in Santa Ana, OCSA has provided its outstanding academic and arts educational programs to seventh through 12th grade students from many ethnicities and special student populations. In November 2019, State Senator Tom Umberg presented a declaration to recognize OCSA's incredible 20-year impact in the community. We are here today notwithstanding a 19-year collaboration partnership with Santa Ana Unified School District, for reasons addressed in detail in our document submission, has rapidly deteriorated since March 2019 resulting in the district's conditional approval and, in effect, a denial of OCSA's renewal.

I want to emphasize something that Dr. Chidester said. If you review the December 10, resolution, it states clearly if we are not able to come to agreement with Santa Ana Unified School District, it becomes a denial effective December 10th. As you know, state law requires a charter appeal within 30 days of that denial. If we were able to work with Santa Ana Unified School District, and we weren't able to come to a reconciliation, we would lose our right to due process, and that's why we're here today. All areas critical to OCSA's success, the curriculum

instruction, assessment, management, operation and finance are addressed in our charter renewal petition and related documents.

In the coming weeks, the OCSA team will be inviting the board, OCDE staff and Superintendent Mijares to visit in person to learn more about and view firsthand our academic and arts educational program. OCSA respectfully requests that OCDE staff recommend approval of, and that this board approve the renewal petition. With your support, OCSA will continue to provide students residing in Orange County and local communities with its exceptional academic and arts educational program. I also want to emphasize as, again, Dr. Chidester mentioned, we have gone through three renewal processes with Santa Ana Unified School District over the last 20 years. In each case, we were able to sit down with Santa Ana Unified School District and negotiate agreeable terms prior to submitting to the board.

Santa Ana Unified School District refused to meet with us prior to their conditional approval and thus, denial. I also want to emphasize that if this board does not take action to accept this appeal from us, it runs out the clock for our appeal, our ability to get due process, which I think is the intention of Santa Ana unified School District. The Orange County School of the Arts staff and team look forward to working with Orange County Board of Education and the Orange County Department of Ed. Thank you.

Gaughran: Thank you, Dr. Opacic and the speakers that were here today. This closes the submissions for this meeting. Thank you.

Barke: Thank you.

Williams: I do have some questions for Kelly, Ms. Chidester and the Santa Ana attorney.

Boyd: It's not agendaized for an item.

Williams: Questions don't have to be agendaized. It is a point of parliamentary procedure that questions shouldn't be denied. It's not in our board policy. I'd ask -

Boyd: It's up to you all.

Williams: - a decision left to be made by the president.

Boyd: I'm just letting you know it's a submission.

Barke: Okay. I'll entertain your questions.

Williams: Okay. If I can have Kelly come up here. Once again -

Gaughran: Once again.

Williams: - diversity. A unique situation and a predicament that the board is now under. From what I just heard from all of the parties involved, we're in a pretty sticky position if nothing is done and this charter, if no decision is made, whether we're going to accept it at the next meeting on appeal. Is that correct?

Gaughran: Again, what is your question?

Williams: If we don't do anything, if we don't say that we're going to accept this on appeal, the rights of the charter school are lost? Is that your interpretation?

Gaughran: I would need to have somebody help me with that.

Williams: Okay. I would ask Ms. Chidester and the attorney for Santa Ana Unified School District. I know there's two of you here, so if one of you can come up and Ms. Chidester, if you could come up, I could ask you that question then.

Chidester: Thank you, Dr. Williams and board. I'm Mrs. Chidester.

Williams: I'll repeat the question. Again, a very unique situation that's come before us. In my 24 years, I've never seen this before. Unfortunately, we're in the situation, there was decisions that have been made many months before meeting today. From what I'm hearing it's differing and conflicting information. You're representing OCSA and from what I heard from you and Mr. Opacic, is that if nothing is done at this meeting, a decision is not made, they lose the appeal rights.

Chidester: I'm glad to clarify, Dr. Williams. Thank you for that excellent question. I beg your pardon. OCSA has submitted its appeal. We are timely. It is within 30 days of the December 10th so-called conditional renewal without going legal, if you will. It's well explained in our papers. That conditional renewal amounts to a denial, because, in essence, Santa Ana said, well, we don't like any of this and so, there's conditions. They never specified the conditions. They never said change this language to that, take this out, put this in. In fact, their representative, Dr. Llamas, instead admitted to you, there's really not those issues with the petition itself. It's more with the operation.

The problem with the staff findings, and I apologize for the long answer to your question, is that, and you'll see in our 40-plus page response to their findings, which we've just filed with you today. You'll see that they relied on past practices, they relied on inaccurate information, they relied on information that had long since been taken down from OCSA's website in response to very recently enacted laws. Their condemnation of OCSA was not on petition. It was on what they thought OCSA did wrong for as long as five years ago. Now, your question. On December 10th they said, we'll conditionally approve. However, you must agree to make changes, didn't say what, and we'll work with you and you have to do that before June 30, of 2020.

Problem is they also said, and this is the poison pill, and if you don't do that, then your charter expires and it's deemed denied as of December 10th. It's retroactive, meaning we can do whatever Santa Ana Unified says, if they ever do clarify the conditions, and they could say, no, we don't think that's good enough. Therefore, we are not going to change it to an unconditional approval. Therefore, OCSA closes permanently on June 30th. Taking all of that into consideration, taking into consideration the very rocky relationship, and I'll just leave it at that, between the parties since March 2019. When Santa Ana inexplicably demanded \$19 million for special ed. costs that OCSA never incurred and was legally not responsible for because of the express language of the charter, things have not gone well.

It's OCSA's position that we've submitted to you timely today. Of course, you have fine counsel both in Mr. Riel and Mr. Rolan. They can both advise superintendent and board. We don't contend that you have to take a vote today. We contend that it's already submitted timely. We know that you, with counsel, will consider the issues we raised as well as those Santa Ana raises. Long answer with apologies. We don't think you have to take a vote to accept today, but if your counsel should differ, I'm sure they will address that issue well.

Barke: Thank you.

Chidester: Thank you.

Williams: And a question to Mr. Pumakanta?

Pumakanta: Pumakanta.

Williams: Pumakanta. Same question to you sir.

Pumakanta: Thank you. I think to address the statements, I think Dr. Chidester is exactly right. The Santa Ana Unified School District's concerns with OCSA's renewal were less in the petition itself and more in OCSA's current operations, which is why district staff reached out to OCSA to request a meeting to address those ongoing oversight concerns. OCSA refused to meet, instead appealed to this board. Regarding what's being characterized as a poison pill, I don't know that I necessarily have the same interpretation of that resolution as OCSA's counsel. In any event, and this is what I spoke to earlier. Under the regulations governing charter renewal, as soon as the school district receives the renewal petition if denial findings are not adopted within 60 days, the renewal is automatically renewed as a matter of law. Regardless of how OCSA is characterizing this resolution, they are renewed and not denied as a matter of law within 60 days. There's no appeal rights lost. Thank you.

Williams: Okay.

Barke: Any other questions?

Williams: I'll yield. I have more questions but -

Bedell: We have approved charters, this is, by the way, highly irregular. We don't normally do this like this right now. We've approved charters with conditions, right? You'll do this, you'll do that, whatever, right? Memorandum of Understanding. MOU.

Barke: Yes.

Bedell: Okay.

Williams: The appeal section.

Bedell: Yeah, right, but I don't think we've ever done anything retroactive, backwards. like we're going to. Unless you do this, we're killing it six months ago. I guess I don't understand what we're doing right now, what this is about this afternoon, this morning. The issue is, I just am really having a golden moment, I guess. Not so golden, I know, but -

Williams: This is the first time.

Bedell: Yeah. I don't know what we lean on to guide us as a board with this.

Williams: Good question and good dialogue. I have more to say, but I don't want to take up all of the conversation. I yield to my board.

Barke: Anybody else?

Williams: Beckie?

Gomez: I just have a comment. We're kind of going at this a little bit blind. We don't have any documentation for us to review or to look at to even discuss it. As far as I'm concerned, when they submit these, we don't have a lot of discussion at this point, because we don't have anything to really work with. I would just wait until we have the documentation.

Barke: What I might suggest is I'd love to hear from Gregory Rolan as to whether we could just accept this today, so leaving all the doors open. That way we don't go over the time that's needed by accepting it. Then we can discuss this further rather than taking a lot of time. I know we have several issues. If we can just accept it.

Rolan: I think you can. I think you can just make a record from the dais that you accept the appeal. We got this at the 11th hour. You're right, Trustee Gomez, we got this at the 11th hour. There seems to be real issues between the parties. There's no way to resolve these issues. The

code doesn't speak necessarily to what a denial or an approval with conditions means with regard to the county board. If there's going to be any sort of resolution of this issue, whether the board or any party can resolve these issues or actually take them under consideration, it looks like we're going to have to just make a record that we are going to accept this appeal. Aracely just enlightened me about some 30-day extension that I was unaware of. I don't know if that plays into it or not.

Gomez: It's not on the agenda.

Bedell: This isn't on the agenda, though.

Rolen: It's under charter submission two.

Boyd: It's not an action item. If I can remind the board, typically, what happens at submissions is the petitioner that is submitting states that they're submitting the petition, we take the items regardless, we don't make a judgment one way or the other. Then, between this meeting and the next board meeting, the attorneys, the board, and the staff have a chance to review the documents, have a dialogue. Then, the board will make a determination whether or not they'll agendize it at the next meeting to have the discussion, conversation, and so forth. At that point, is when the board could make a determination. If there is conversation in the interim about the 30-day extension and the petitioner agrees to that, then, we would also make that as part of the item that would be on the agenda.

It's not typical that any of this discussion is occurring, which you certainly can ask the questions and so forth. Because it's not an action item, and because we don't want to give the impression, when a petitioner says they want to submit, we don't know if everything in there is accurate, if they've included all the documents, and so forth. We never want to say we're accepting it. We just allow them to come up and make their case. We take the documents, then, we review that and have the conversation with you all and counsel.

Sparks: If we move to agendize it next meeting, is that –

Rolen: You can ask that it be agendized at the next meeting. Publicly you can. We don't necessarily have to vote. I agree with Assistant Superintendent Boyd. This isn't typical. The retroactive December date is highly unusual. That deserves some discernment from Mr. Riel and to a lesser degree, myself. In order to preserve any rights to do anything, I think we should just agendize it for the next meeting and accept the appeal, or accept the request, I should say.

Williams: Can I ask Aracely? Where are you? Aracely, would you come up and talk about this 30-day extension? This is all new to us. I find it fascinating.

Chastain: All right. My understanding is that it's in regulation. The board and the charter school can agree to extend the submission date by 30 days. Both parties would have to agree to that extension.

Williams: To us?

Chastain: To submit it, correct.

Williams: Both Santa Ana Unified and OCSA have to -

Boyd: Aracely? Do you want legal counsel? We have Ruth from our legal counsel, and she is the attorney. She probably would be more appropriate.

Brewda: Good morning.

Williams: Hi.

Brewda: Hi.

Williams: Who are you?

Brewda: My name is Ruth Brewda. I'm staff attorney here at the Orange County Department of Education.

Williams: Hi, Ruth. What I just heard is OCSA as well as Santa Ana Unified have to agree to a 30-day extension. Is that correct?

Brewda: No, it would be this board and the charter school.

Williams: I see, and are we allowed to grant that 30-day extension?

Brewda: It would be by mutual agreement between this board and the charter school. The board could take action to agree to the 30 days or delegate that authority to negotiate with the charter school.

Williams: When would that action be taken?

Brewda: Since it's not agendaized for this board meeting, it would have to be at the next board meeting, or a special meeting.

Barke: Can I just clarify? My original question was by doing nothing today, we have taken in the submission within its time from the December meeting, right? We really don't have to do anything, and we can save all of this discussion for when we've all read our packets.

Boyd: Correct.

Barke: Okay. I think we're good unless somebody is uncomfortable that they're here today. They brought it. They're within their 60 days, and we can just move on and agendaize it for next time. Is everybody in agreement?

Sparks: Okay. We need to make a motion to agendaize -

Williams: I already -

Boyd: You don't need to do anything, and that was part of what I was trying to explain to you all yesterday. We dialogued.

Williams: I just want to make sure. This is all confusing, new. We were told by staff that we had to make a decision yet it's not an agenda item -

Boyd: No. You were told you didn't have to do anything, just to listen and get the information.

Williams: I would disagree with you, Nina, on the nature of our conversation. Ms. Chidester, I want to make sure that if we don't make any formal motion, that you're okay and as well as OCSA is okay with moving forward here. I don't want to hurt OCSA. I don't want to hurt Santa Ana Unified. I don't want to see this good charter go away. It is incredibly impactful upon Orange County, its students and our children.

Chidester: Yes, sir. OCSA considers it submitted. We are with Associate Superintendent Boyd and her competent staff has not yet had the opportunity to review our very sensitive submission and say yes, it's complete. No, it's not, but we've received it. We believe that's legally sufficient to say this in the record. Thank you.

Barke: All right. I think we're ready to call Aracely back now for our charter school public hearing. Thank you for your patience with all of our questions.

Chastain: Good morning, President Barke, trustees, Superintendent Mijares. Today, the board will hold two hearings to consider public input regarding the Irvine International Academy

charter petition appeal.

Gomez: Excuse me. If I could just interrupt and let people leave so we can hear?

Chastain: Sure. Today, the board will hold two hearings to consider public input regarding the Irvine International Academy charter petition appeal, and the International School for Science and Culture material revision. Both submitted at the December 11th board meeting. Education Code Sections 47607 and 47605 require the board to grant or deny material revisions or petitions on appeal within 60 days of receipt. That date may be extended by up to an additional 30 days if both parties agree to the extension.

The February 12 scheduled board meeting exceeds the 60 day requirement. However, both schools have agreed in writing to a three-day extension. The first public hearing will be for Irvine International Academy. Irvine International Academy is appealing the denial of their charter petition by the Irvine Unified School District. Prior to public comments, representatives from Irvine International Academy and Irvine Unified School District or each allotted 15 minutes to address the board. I now call representatives from Irvine International Academy to the podium.

Scott: To clarify, comments will be after the presentation?

Chastain: Yes.

Scott: Good morning. I'm Dr. Scott. Superintendent, board of trustees, staff, Irvine Unified. Thank you very much for this opportunity. The Irvine International Academy is set up to meet a need. The need for bilingual education, bilingualism in reading and writing Mandarin. China's economy is larger than the United Kingdom, Germany and France combined. It is our largest trading partner. Mandarin is spoken around the world. If you can speak English and Mandarin, you can speak to half of the people in the world. Our city, Irvine, is a key city in the Asian world. Many people say yes, I know Irvine. I have a house there, when I'm traveling in China. There are 200,000 Americans studying Mandarin. There are 300 million Chinese studying English.

Half of Irvine Unified School District's students are Asian. The parents want an advantage. There was a MIT study that said if you don't start before the age of 10, you can not be a fluent speaker. The US and China are really the key economies in the world. These are patents just came out, released, and it shows the US and China definitely leading the world. We have to become competent Mandarin speakers to work with this. My own son lived in China for eight years. He's now employed here in Orange County with the Rare Earth Minerals Company of China, because he speaks two languages. Nobel prize winners are bilingual or multilingual. Chinese uses a different part of the brain. It creates a brain interface.

The future of the world's politics, culture and business. If you've heard of the Belt Road Initiative, it is really influencing the world and America needs more Mandarin speakers to compete. Test results from the dashboard for Irvine and Yu Ming Charter School that we're going to work with, Irvine scores are tremendous. I have great respect for them. Yu Ming charter has the same results, but there is one difference between the two of them. Yu Ming students are fluent in Mandarin. They have that advantage. Same test scores plus a whole other language to work with. The time to learn a new language begins to close between four and six years old. It's

as easy as riding a bike while they're that age. We're also going to incorporate Bloom's taxonomy in our education approach that emphasizes high level thinking and creative problem solving.

In other words, the next generation of leaders. We'll also be using multiple intelligences. Again, we have brain interfaces that will react with music, art as well as the studies of math and two different cultures of literature. Additionally, somebody mentioned class size. Our class size is actually less than Irvine Unified's at 32 in a classroom. We'll be using a one-to-one classroom approach that I've been using in China for the last eight years. I've spoken at over 70 schools in China, including Beijing Normal University, the top teaching university, and Beijing Number Two, the top elementary school with Dr. Lu. Dr. Lu is the most prestigious principal in China. Her school has 4,500 and she's in charge of 31 other Beijing schools.

She asked me to start this school. She wanted to be listed as the first supporter of our school. Her husband, Dr. Chen, is a director of China's education committee. All curriculum in China is approved by him. Principal Duan was China's 2017 Principal of the Year. I've been traveling there for the last eight years helping her school with professional development. Our board member, Miller's Zhuang, has been there even longer. Of course, myself, and we have some memorandums of cooperation. One with principal Duan's school, Duan Zhuang Branch and seven schools associated with SiChuan University in Chengdu, considered one of the top 10 universities of China.

Our academic program starts with a 90-10 Mandarin. We are trying to create a language environment of thinking Chinese, but we will be doing English and we will be addressing EL, English learners. Then we add 10% more English each year starting in second grade. We also will have art, music, theater. We'll be cooperating with Yu Ming Charter. They've been operating for over eight years themselves. We've added several board members since our time with Irvine's original submission. Doug Husen has been a school superintendent. He'll be taking his board exam for law in May. He's already passed the baby bar. Steve Peden is a financial businessman.

Glenn Rogers, also a retired businessman at a very large company. His resume, I gave to you a couple of meetings ago. Joleen Smith was a university professor at Azusa Pacific University and doing student teachings. Dr. Watson is doing his Ph.D. in Mandarin curriculum and instruction and has visited for the last two years the Mandarin schools in Southern California. He has a child that will be a kindergarten at our school. Winnie Kang-Abreu is at Cal State University Fullerton since 2010. She is now the director of the Extension and International Programs and Mandarin credentialing. I've given a letter to be passed out. She will be one of our pipelines for getting new Mandarin teachers.

They have a campus in Irvine, and we hope that their student teachers will be at our school. I'm the executive director, Dr. Scott. Scott Warner is our charter school management company. They provide services. I'll have him speak in just a second. We've been members of the charter school association. Our legal counsel is here from Young, Minney and Corr to answer your questions. And, of course, Dr. Liu I mentioned already.

She was 16 years as a professor at Beijing Normal University before she went to Beijing Number Two, and principal Duan. Curriculum will be Better Chinese in kindergarten through fourth grade, and Singapore Math, and Mandarin, of course iChinese offers books online. There's some other texts that we want to consider as well as English textbooks like Houghton Mifflin, Accelerated Math, Accelerated Reader and Phonics. Thank you.

Warner: My name is Scott Warner. I'm the vice president of -

Boyd: Please step closer to the mic.

Warner: I'm sorry. Scott Warner. I'm the vice president of school of business managers for charter school management. I'm just here to answer any questions you have about the budgets or the financials or things like that. I know that the petition was denied and there were some financial concerns that I have already addressed. Even if those concerns were valid, it would still not make the petition not fiscally viable. The budget that was presented is extremely conservative. We've left out several revenue streams. We haven't included PCSGP grants. We haven't included any title funds. We haven't included any donations, outside grants, fundraising or anything like that.

Even without all of that, it is still meeting all the reserve requirements and things like that. There were concerns of the CSMC's relationship with the school. The district thought that we were loaning the school \$1.8 million, which that is not true. We are actually a back office provider and we don't loan money to anybody. However, the school does have a credit facility with a firm called Charter Asset Management. Should that need for some cashflow financing arise, that's another backup plan. They will have access to the revolving loan, the PCSGP grant, all that kind of stuff. The budget that was presented had 128 students enrolled in the first year. As of today, Dr. Scott has just told me that they already have 131, so we've already surpassed where we are with this budget.

Kind of the philosophy that CSMC takes with our charter schools is that we like to partner with our charter schools, and we work with them. They're assigned a school business manager, and an account manager. We have client services teams, we have data teams, we have just a wealth of experience in the charter school world. I believe that we're the leading charter school management company out there and we will work with the school directly and do regular budget revisions as the real world assumptions come to light. We'll start hiring teachers, we'll get all the actual salaries in there, start seeing what the things are. Some of the assumptions are outdated, because this budget is six months old. It's quite old.

Some of the assumptions like lottery funding and all that kind of stuff are a little bit outdated. We'll update all that and continue to do budget revisions throughout the time. Any questions that you have on these specific denial assumptions that the district has given, I'd be more than happy to address them. Quite a few of them were their opinion that it wouldn't be fiscally viable. A couple of them pointed out things that they thought were missing, which in fact were not. One of them was that there wasn't an allowance for the special ed. Encroachment, and that's clearly in the budget. There is another one that, the 5-year budget only allocates \$10,000 for lease facilities.

The \$10,000 is just for the startup year before the school starts and after the school starts, there is a first year. It allows for 62,400 for a lease for the facility. It's just things like that. Even with that, this school would still be viable. I don't know if it's a fiscal denial or educational or whatever, but the reasons that they gave for their fiscal excuses were, in my opinion, not necessarily valid. Any questions you have, I can do my best to answer.

Scott: Thank you. Our legal counsel will come up. I just wanted to clarify. 128 was full classes for four classes. We now have to have a lottery for transitional kindergarten, a drawing for kindergarten. We're over enrollment in those two areas and we had 55 and our 64 available first grade, because we already planned for two classes. We will have a waiting list of a hundred, if not multiple hundreds.

Park: Hi, good morning. My name is Sei Hee Park. I'm an attorney with the law offices of Young Minney and Corr, here in support of the Irvine International Academy charter petition. With the charter petition submission that was submitted to the county staff and the county board, the school also included a copy of its responses to the district's various findings for denial. I just wanted to highlight a couple of them for you here today. First, in terms of just the statutory language and accordance with Ed. Code Section 47605, "A charter petition may only be denied upon factual findings specific to the particular petition setting forth specific facts." There's only limited six grounds for possible denial of a charter petition.

However, the district's findings are unfounded and unsupported. Rather, they're frequently based on incorrect facts or speculations. For example, the finding stated that the petition lacked clarity and a proposal for special education, but the petition that was submitted to the district included a reasonably comprehensive description of the school's special education plan that spanned 15 pages of the charter. It proposed alternate options for the school to operate as its own LEA member of the SELPA or in the alternate as a school of the district. Also, the findings indicated that the petition didn't address the process for EL student identification, curriculum, assessments, reporting or re-designation, but the charter petition did include approximately eight pages addressing English learner.

Also, the findings noted that Dr. Scott does not have an administrative credential and lacks experience in formally evaluating teachers. However, this finding is clearly refuted by the evidence of his valid credential, extensive professional work experience and his educational background. In addition, the finding stated that the terms and conditions of the contract between the charter school and its back office service provider were vague. However, the specificity of a school's contract with its back office service provider is not lawful basis for denial of a charter petition. The response includes additional details and factual support that rebut the district's findings for denial, and the response has demonstrated that there are insufficient facts to support any of the legally permissible findings for denial. Thank you.

Chastain: Next to the podium are representatives from Irvine Unified School District.

Walker: Thank you very much, president and board of education, Superintendent Mijares. Hi, my name is Terry Walker. I'm the superintendent of Irvine Unified School District and I will do our best to stay inside the 15 minutes. There's a lot to cover and of course, a lot of this is material

that you'll receive and be able to review. I've got two colleagues with me who will cover some of the more significant concerns that we had in our resolution. First let me say, and we got another taste of it today, I've seen the presentation before, how much this isn't about us questioning whether or not Mandarin's an important language or it wouldn't be a benefit to students.

We actually admire Dr. Scott and his interest and passion for wanting to provide this opportunity. Our own board of education, we made those comments pretty clear in our presentations, and the district actually shares this appreciation for the importance of language acquisition, including Mandarin. We speak actually, in our district, over 70 languages in the district, a very diverse district. This year we've even leveraged a longstanding partnership with an Irvine-based South Coast Chinese Cultural Center to offer afterschool program opportunities for students in K through three schools without having to leave their neighborhood schools to be a part of these afterschool programs. That program will grow.

That said, I just want to make it clear that that's not what this is about of course. It's about whether or not they can deliver on this petition that they provided. Where they're simultaneous to meeting the rigorous standards of California, deliver on this promise as well as have this immersive program. As it relates to the charter petition from the Irvine International Academy, our evaluation and due diligence included a thorough and comprehensive process that invested hundreds of hours and leveraged the expertise of over a dozen experienced administrators from a variety of departments including education services, business and fiscal, special education, student services and instruction curriculum.

Our recommendation and board approved resolution arrived at the same conclusion that other districts before us arrived at in looking at this petition. That the charter represents an unsound educational program, and that the petitioners were unlikely to successfully implement the programs as set forth in the petition. I appreciate that the Orange County Department of Ed. again will have access to Irvine Unified's thorough and comprehensive examination and resolution to deny the charter.

Within these 15 minutes, we'll do our best to highlight our primary concerns. It would take much longer to go in depth into the many layers of the issues that we have with it. I have with me today, John Fogarty, he is our assistant superintendent of business services. He'll cover some of those fiscal concerns that we had as well as Cassie Parham, our assistant superintendent of education services. Then, I'll come back up and try to close.

Fogarty: Good morning, members of the board, President...I'm sorry, I can't read the name. Barke, and Superintendent Mijares. My name is John Fogarty. I'm the assistant superintendent of business with Irvine Unified School District. I wanted to share with you some of the concerns that we had with the finances of the petition as proposed. Upon receipt of the charter petition, the district's financial staff conducted a detailed analysis of the budget and financial information provided by their Irvine International Academy. Based on the review, staff concluded that the financial plan as presented lacked the necessary financial viability to implement the program as set forth in the petition. There were four major areas of concerns identified.

The first area centered on the cash flow. The petitioner's cash flow included a loan of \$400,000 from the Charter Asset Management split between the startup year and the first year of operation. Given the significance of this financing, the district requested information on the terms and conditions of the agreement with Charter Asset Management. The response from the Irvine International Academy stated that there was a memorandum of understanding as well as a letter of intent between Irvine International Academy and Charter Asset Management. However, the document provided by Charter Asset Management clearly states, and I'm going to quote. "This letter of intent is not a commitment on the part of Charter Asset Management to provide funding and is not an offer nor a binding agreement on the parties."

Without an infusion of cash, the Irvine International Academy petition as provided to us would have insufficient funds to operate in the second year of operation. The second area of concern centered on revenue projections. The petitioner's 2020-2021 budget revenue in the first year, it was based on average daily attendance, as we've mentioned, of enrollment of 128 students corresponding ADA that included students in grades TK through three. While the revenue includes full ADA funding for TK students, TK students must turn five by December 2nd to generate full ADA funding. The district requested a list of the TK students, their addresses and birthdays to verify the validity of the academy's revenue projections.

The academy's response to the district's inquiry included correspondence from Tom Torlakson outlining an amendment to the Education Code which allows TK students to be enrolled whose birthdays are after December 2nd with parent permission. That was never in dispute. However, the amendment also clearly states that these students do not generate ADA. That called into question the revenue projections of the charter. The third area of concern centered on operational expenditures. An analysis of the petitioner's budget identified several areas where projected expenditures appeared insufficient to provide adequate level of service. The beginning teacher salaries included in the projections were more than 30% below the average starting teacher salary of the district. That was a concern for us.

The costs included for administration salaries were significantly below comparable positions within the district. The allocation for instructional assistants were insufficient to cover four classrooms. The cost of employee benefits included in the petitioner's budget does not reconcile with the budget narrative. In addition, the costs of the employee health benefits are significantly lower than the costs paid by the district.

The fourth concern centered on special education costs as was mentioned. The cost of funding special education included in the petitioner's projection was 45% lower than the actual cost anticipated based on district experience. These are some of the items which led staff to conclude that the financial plan as presented in the petition lacked the necessary financial viability to support the petition as presented to us. Thank you for your time. Is there any questions for me?

Parham: Good morning, board President Barke, trustees, Associate Superintendent Boyd, Superintendent Mijares and staff. Throughout this petition, and it is lengthy, Dr. Scott refers to his one-to-one classrooms, you saw it up on the screen, as the most compelling feature of his instructional program and argues that this approach is so unique and so effective that it's actually trademarked. In fact, he uses the trademark symbol whenever he refers to the program. We

investigated and found that the trademark application was refused by the United States Patent and Trademark Office. The status of additional application was abandoned, because the applicant, Dr. Scott, failed to respond to their questions. Yet, he continues to represent his program is trademarked. It's not.

His vision for the instructional program as it's articulated in the petition relies on multiple references to his one-to-one classroom and long lists of expensive software programs- very expensive programs. Programs that even a district like Irvine with a \$400 million budget would struggle to implement. At one point, he indicates that they may utilize the Mind Institute, a mathematic software program that costs approximately \$76 a student. In his description of the student information systems he's considering, Dr. Scott lists no less than six different programs. He lists and he lists rather than committing to a vision. I have over 20 years of experience as a public school administrator.

I opened Northwood High School in Irvine with a highly qualified, enlightened, forward-thinking group of teachers. It took us years with a fully functioning team to develop the vision for that school. I don't see one here. Dr. Scott's petition reflects his lack of expertise, his inability to develop a coherent vision and a profound lack of understanding regarding the most rudimentary elements involved in planning for and opening a school. At one point in his petition, he indicates that the school utilized instruction materials, and you saw them on the screen, that upon review we found are not standards based. While he, again, lists the kinds of supports he tends to put in place, it's clear that he doesn't have a vision or understanding of how to employ those supports to differentiate for our most vulnerable populations - our special needs students and our English learners.

He mentions that in February, six months into the school year as a part of his professional learning plan, he'll consider providing mandated reporter training. That is training that has to occur within the first six weeks, not six months of a school year. We also know that Dr. Scott does not have an administrative credential. What he has is a certificate of eligibility. What that means is that he has not been employed as a public school administrator. He cannot evaluate teachers. Even if he were to eventually become a public school administrator that would enable him to earn that credential, he would still lack the knowledge of the primary language that his teachers will be instructing the students in. Dr. Scott doesn't speak Mandarin.

He's proposing a Mandarin immersion program. He talks about maintaining a daily substitute pool. I can tell you as a large school district, we struggle mightily to find subs, let alone daily pools of subs who speak Mandarin. These are simply a few illustrations of the flawed nature of this petition. When coupled with obvious misrepresentation, it erodes Dr. Scott's credibility and the credibility of the petition even further. Thank you.

Williams: What is your name? I didn't catch it. And your role?

Parham: Cassie Parham, Assistant Superintendent of Education Services.

Walker: Thank you. I don't know how much time we have left, but Irvine's been very fortunate. Cassie mentioned it. We've been very fortunate to be growing over the last decade. This is my ninth year as the superintendent. I've had the great privilege and fortune of experiencing all of

that growth. Working with our board of education, our team, we've opened eight schools including a comprehensive high school. IOC knows what it takes to start a new school. We know what it takes to start robust programs that meet the needs of our students. We understand how critical it is to hire teachers and staff with the appropriate background and the appropriate training, the importance of an administrator with experience in running a school, and having the ability to engage.

It's an effective instructional leader. We know how to develop a comprehensive program. We know how important it is to be able to do that, to address the diverse needs of our students and populations. But this is not going to be an Irvine Unified school. It will not have the same administrative oversight or support access to the expertise. It does not have the level of administrative leadership experience that we would require for any of our new programs or schools in order for it to be effective. And as established by my colleagues, the entire petition appears to be a reflection of that inexperience, lack of understanding, lack of experience and perspective of the complexity and costs of starting a school.

Their budget is completely and dangerously disconnected from real costs. By the way, I don't know if you caught it but some of those things as far as they were, that was the beginning salary schedule of our teachers, not what you would give hiring someone who maybe has four or five years of experience and that percentage is much, much higher. They just seem to lack the understanding of the specific qualifications needed from staff to deliver on this program. The teachers that were listed were secondary teachers. We're talking about TK, kindergarten, first graders, much like we don't ask our kindergarteners to move up and teach calculus at high school.

It just seems that there's a disconnect there. The greatest glaring weaknesses as Cassie pointed out are the weaknesses in the instructional program addressing the critical need for differentiated instruction and interventions including for our populations of EL and special needs students. With that, this charter is not educationally or fiscally sound. I have zero confidence in its ability to deliver on the instructional program that they've outlined using the tools that they've suggested they will use and certainly sustain any viable level of enrollment. Our district is full of very highly high performing schools with parents with high expectations.

Our concern is as much as this has been promoted as this free opportunity to have kids have an opportunity in Mandarin immersion as they also meet the rigorous standards of our state. My concern is it won't be a free opportunity. This would be very costly for our students at a time when those pivotal foundational years are so important. Thank you.

Chastain: The hearing is now open for public comments from individuals who have submitted a comment card to address the board. Each individual will have three minutes to speak with a total of 30 minutes allotted for public comment. For those speaking today, the board clerk will time each speaker, a red light will flash and a buzzer will sound when the time is up. Associate Superintendent Boyd, please call for the first speaker.

Boyd: First speaker is Christina Shelby? Christina Shelby? She'll be followed by Scott Warner. Thank you.

Shelby: Good morning. I have two squirrely little ones. I just want to know, did you see it? I'm Christina Shelby. This is my daughter Sienna, and she's five years old. She's pre-enrolled for the Irvine Academy for kindergarten starting this fall. This is her brother Ethan, and he's three. He's in preschool. I just wanted to give you a chance to see the faces of what we're trying to accomplish today and how much it means. This is such a valuable opportunity for our children, and it's not going to come around again for Sienna. She starts kindergarten and some of the other ones that are pre-enrolled. I'm surprised that there isn't a program already started by Irvine district, but I'm glad that this has come about.

I have a bachelor in science and nursing and hold a specialty certification in post-anesthesia care department I work in as a registered nurse, and I was also a valedictorian from my high school class. We live in Lakewood, California, but we don't have anything like this nearby. We've hosted several foreign exchange students from China in our home over the last three years and our children have loved engaging in the language difference. A Mandarin immersion program like this is truly a once in a lifetime gift that we can give children from any background or culture at these young ages when they're able to absorb an incredible amount with a resilience and an intense curiosity.

On a daily basis, I see how much they soak up language development. At this point, there are no books or lesson plans, but yet they're able to tackle and incorporate complicated facets of the English language just by engaging in conversation. I hope there's nothing too important over here they can break. From my pediatric experience in nursing, I've learned that complex brain development in early childhood is foundational and experience dependent, which cannot be replicated later in life.

Without a doubt, this approach will stretch their capacity for learning, which will serve them in whatever path they choose with whatever future language they choose to learn. I want my children to not only be relevant and competent in the world to come, but excel socially, emotionally, and academically as well. This program will open the door for them. Please help me give them this invaluable gift. Thank you.

Boyd: Jessica Lee?

Lee: I also have the little one up here with me. We'll see how he does. Zaoshang hao (Mandarin for "good morning"). Hi, I'm Jessica Lee. This is one of my two sons, Orlow. He just turned two, two days ago. We just dropped my other son off at preschool, and he'll be four at the end of the month. He won't be eligible for kindergarten this coming school year, but he'll be eligible the next year. I've been plotting and planning his education path for over three years now. I'm committed to sending all my children to Mandarin immersion schools. That's just what I'm going to do. It doesn't matter. I won't consider anything else. That's the only thing I'm doing. Elden, the older one is at a Mandarin immersion preschool right now.

My husband's family is from Taiwan. He was born in New York City, but his parents grew up in Taiwan and moved to New York in their twenties. He grew up speaking mostly Chinese at home. Then, he went to Chinese school on Sunday. You'll see this with lots of other Chinese families, but he wasn't interested or excited about it. He wanted to be a regular kid with his peers who

weren't Chinese. They weren't speaking Chinese. Then, he had to go to this extra school. That wasn't fun for a kid. I grew up in Connecticut. I'm black and white speaking English at home, but I was always interested in other languages. I studied advanced Spanish in high school. I continued it through college, but I was still looking for something more challenging.

I enrolled in Chinese my freshman year. I was so fascinated by it. I spent a summer in Shanghai. I studied abroad for a semester in Hong Kong. I was excited, committed, and I had a knack for learning languages. I was actually really good at it but even still, I couldn't become fluent. It was too late. As I got older, I questioned the point of all that time studying in the first place. I don't regret it. I still use all three of my languages today, mostly when we travel, but not being able to gain fluency was a disappointment. It was a big barrier to me being able to use those languages to take me further. I got my bachelor's in Asian Studies with a focus on Chinese language and culture. I have my master's in Global Marketing, Communications and Advertising.

I started the language too late. I could have done more with it. You see, you really need to be exposed and immersed in different languages when you're younger, much, much earlier than I was. It's important that children be taught in a way that's a normal part of their education, not something extra on the side like my husband. That's not fun for them. It just needs to be normal for them. I want it to be normal for my children to understand, problem solve and think in Mandarin and English. There are several benefits to being multilingual, improving memory and information processing. Do I just stop?

Barke: Finish your sentence.

Lee: And, never mind, of course, the career, social and society benefits. Since it's the most spoken language in the world, this just makes sense for them to be the one learning it. Thank you.

Boyd: Marcelino Calvo-Cruz?

Calvo-Cruz: Hi. Good morning everybody. I have a grandson, and he is almost six years old. He's going to a private Chinese school. We paid for them. We don't have more of the program, because next year he is six years old. I wonder if Irvine district has a program for Chinese-Mandarin Chinese school. I appreciate everything, because my grandson speaks very well, English, Spanish, but I try, too. He speaks very well, Chinese, because we work very hard. My wife, me and my daughter. My daughter is a single mom and we support for him, but we don't have more programs for him. I wonder if the Irvine district has a program for Mandarin Chinese school. Thank you.

Boyd: That concludes the public speakers.

Chastain: This concludes the public hearing. The board will receive a staff report and render a decision at the February 12th board meeting. President Barke, I now turn the meeting back over to you to facilitate any questions the board may have.

Barke: Thank you. I'll lean to my right, Dr. Bedell?

Bedell: I'll defer to my colleagues this time.

Gomez: I just have two quick questions. Dr. Walker, if he could come up? Thank you. You mentioned in your comments that you partner with a Chinese cultural center?

Walker: Yes.

Gomez: Did I get that right? What does that partnership look like? You've mentioned after school programs.

Walker: That's a new program that's been initiated. For years, actually, the district has talked about starting our own immersion program, what that might look like. We had a previous board member who...it was one of his bigger topics. We've been looking for more and more ways. We actually partner, and have been for a long time, with South Coast Chinese Cultural Center. They take in some of our teachers over the summer, help them to better understand the culture so they better understand the students that they're working with.

We've been working on something. We've launched it this year, where we have afterschool programs. It's language acquisition as well as cultural appreciation. We're serving almost 200 students right now in three different schools regionally placed all around the school district so that people have access to it. It's not quite big enough to be at every school quite yet, but this is our first year. That's the kind of the new program that we've developed with that partnership and with that well-established cultural center in Irvine.

Gomez: Okay, all right. Thank you.

Barke: Can I just ask? What grade levels does that cover?

Walker: K through three. I don't have the specific numbers, but we can get you where they kind of fall. Usually it is, again, kindergarten and first grade is the larger group. The plan is actually to expand from there. As kids kind of go up through the cohorts, they have the opportunity to go into fourth grade, fifth grade, sixth grade. Right now as far as growing, it started with a primary grade similar to a IIA's proposal.

Barke: Thank you.

Gomez: Thank you. That's it for now.

Sparks: I have a question for Dr. Scott. Hello.

Scott: Hello.

Sparks: Question is, you mentioned that you have a committed enrollments of, I think, 131 is what you said.

Scott: That's correct.

Sparks: And then you mentioned that there are hundreds more or you have a long waiting list. Can you elaborate on that a little bit?

Scott: We will have a long waiting list like these 200 that he mentioned. He forgot to mention that it is a paid program. Parents pay \$288 to participate in this afterschool program. There are other paid programs in Irvine. There's an \$18,000 a year preschool. Several of our parents are going to be joining from there. We did not get ourselves involved with their 200 students that they've been able to start with. We're excited for it to start and glad that some things are happening.

Sparks: What are your indications -

Scott: Why should we have 100?

Sparks: It sounds like you have a very innovative approach and so forth, and you have 131

committed. What are your hunches or what evidence do you have that there's going to be growth beyond the 131?

Scott: Sure.

Sparks: What are your projections over the next several years?

Scott: We were asked, because we're also applying for Prop 39 property. They were concerned about our numbers and if it's realistic to think we'd have so many. I went out for 10 days and signed up 30 Irvine students by just simply standing in front of 10 of the 28 Irvine schools in a very low key, across the street availability. We have purposely kept ourselves under. Originally, I approached Irvine and asked for meetings to put some things together, because I did help Ontario-Montclair School District begin their Mandarin immersion program. They hired me. We try to be respectful, but we would do much more marketing as time goes on. Again, two of our current board members have come after our original petition of 68 children's names were submitted.

Sparks: Thank you.

Williams: My turn? Dr. Scott, you're not done, sir. Can I have you come back, and I ask Mrs. Parham to come up as well as the gentleman from the Charter School Management? I cannot recall his name. Mr. Scott, what is his name?

Scott: Scott is his first name so I should remember that.

Williams: Scott Warner. Okay. I'm going to ask you three some questions here. As is usual, we have the adversarial nature of these meetings. We have Irvine Unified versus your charter school. A lot of ad hominem attacks are made, which is not unusual. We see this quite a bit. Some of them may be valid, some may not be valid. That's why we go into this process of evaluating. To you, Scott Warner, right?

Warner: Correct.

Williams: Scott Warner. Okay. Mr. Fogarty from the business services, he's an assistant superintendent of business. He made some interesting comments about your analysis. He used the words lack financial viability, talked about this \$420,000 loan. He talked about revenue projections and these TK students must be five years after a certain date, which I think is December 2nd.

Scott: Correct.

Williams: According to Mr. Fogarty. They raised some concerns, and hopefully you listened to them. I want you to have an opportunity to –

Warner: I was certainly listening to what he said. For me, I've been working with charter schools for the past nine or 10 years. With the utmost of respect for what school districts do, they are diametrically different from charter schools. Charter schools are a lot smaller. They're a lot more agile, they're a lot more nimble. We're able to adjust to differing circumstances a lot quicker. As far as the TK issue, we don't enroll kids that are not going to be five by December 2nd. They get put on a waiting list, or they come in the next year. There's a discussion with the parents. Obviously, we don't discriminate any people, but if they don't meet the age limit, then that's the thing.

Scott: Excuse me. Just let me just add. We have 33 that are born December 2nd or earlier, about 32 possibly. I have the signatures with me.

Warner: One of the things that he said in regards to the expenses is the salaries. The base salary that we do have in the budget is \$53,000. I personally have two other charter schools in Orange County that pay less than that. It is possible to get teachers in Orange County for under \$53,000. I do realize that the districts are probably a lot higher, and that is wonderful. Charter schools always strive to meet, or at least come close to compete with the district salaries, but it is possible to get teachers within that. If it's not, then we adjust the budget. That's the nimble aspect of being in a charter school. This budget is what we have seen in the past. We successfully help partner with 150, 200 different charter schools across the nation.

What we do, we do it well, and we know our things. Because it's not what the district does that does not necessarily mean it's not fiscally viable. Charter schools can definitely operate on a different set of rules than what the districts have to do. The administrator salary for the first year in here is \$105,000. I have administrators, ED's, principals, whatever, that are well under \$100,000. In the second year, it goes up to like \$140,000. I'm pretty sure that we can find an ED or a principal that would work for \$100,000 in Orange County.

Williams: What about this loan that is mentioned, the \$400,000 loan?

Warner: In the startup year, there's \$200,000. Then, the first year there's \$200,000. That's just kind of a place holder. We do not have the PCSGP loan in there, the PCSGP grant, if you will. The PCSGP grant for a classroom based, you can get anywhere up to \$575,000 for startup operations. That is not accounted for in here. Dr. Scott has some possible donors that might give grants to the schools. There is the revolving loan, which is a very low interest \$250,000 loan. The agreement that the representative from the district said about with CAM, I've worked with CAM for several schools.

I have a couple of schools that are working with them right now. Even though it's not a binding agreement, because they're not going to give a binding agreement to a school that doesn't have a charter yet. Once the charter gets approved, I feel 100% confident that we will be able to get something. That is absolutely the avenue of last resort. That's not something that we want the school to get into. We don't want them to get into a cashflow financing, but in an emergency, it is there and it is available.

Williams: Thank you. Ms. Park? The resolution by the Irvine Unified School District denied the petition based upon several issues. What is the response in a written form to the district's findings?

Park: I think it's a 14-page document. It was submitted with the charter appeal packet to the county board. We went through each of the findings to provide responses. Sometimes it's simply refuting the facts that were stated as some of the examples I gave. Sometimes they indicated that certain information was not there, but clearly it was in the charter. We made reference to that. We inserted additional evidence to support the school's position. We went through each item clarifying if there was any confusion or things like that. We believe that none of these findings and none of the facts that were stated or speculations that were stated amount to the specific facts that could support these findings for denial. We had prepared this in conjunction with the charter school and include that with the appeal packet.

Williams: Okay. Getting back to you, Dr. Scott, finishing up with my questions. You've probably sat there and felt the ad hominem attacks upon you all, untoward things that were said. I would caution everybody in this to have a professional dialogue. It really is unfortunate when we have ad hominem attacks, but I want to give you an opportunity to address them. First of all, the trademark issue that was brought up by Cassie, assistant superintendent of student services. Can you elaborate on that?

Scott: I have that documentation, not with me, because I've never heard anything about it before. It is current. One-to-one classrooms is trademarked. I'm making all of that approach available to the school at no charge, nor would I charge anybody. It's what I do in China for the past eight years. It's an engagement strategy pedagogy that helps children interact. They need to interact, especially when they're learning a foreign language. They have to practice. It cannot be lecture, it has to be interaction. It encourages one-to-one for correction and help by other children. Peer instruction is another word that would be appropriate. I do have the documentation. I was blindsided, I guess. I'd be happy to make that available to them afterwards, but we're no longer dealing with them.

Williams: Right. The issue of the administrator's credential, could you comment on that?

Scott: I do have the Tier 1 credential, but just as a matter of fact, a charter school does not have to have administrative credential. I just wanted to clarify that. I did work at a charter school for a year with my credential. We merged into another charter school, which is now the eighth largest. River Springs out of Riverside County.

Williams: Do you speak Mandarin?

Scott: I have five words. I'm working on a number six, which is, where is the bathroom? It's an extremely difficult language. The state department says it's three times harder for people to learn Mandarin than any other language. That doesn't stop me from trying. All of our teachers are fluent Mandarin speakers that have engaged me. They also have multiple subject credentials with Mandarin certification on the ones that are in the petition. I've had two other since then contact me. We do have an English teacher that is a secondary English. I was hoping would teach English, but we won't do that unless she gets a proper certification. There is a lot of things that I use to help, but our office manager is also a fluent Mandarin speaker.

I'm probably the only one that doesn't speak. My son speaks Mandarin. I'm so jealous of him, but I do understand how to observe classrooms, how to see good teaching and engagement strategies being put to use. That's what I do professionally in China. I've witnessed hundreds of lessons in China, over 70 different schools and give them my comments. They pay for me to come over, by the way. As I mentioned, Dr. Lu, principal Duan are two of the most respected educators. I've been offered a position at Southwest Minzu University in Chengdu in their childhood development. I have not accepted yet, but I have been very involved in lesson observations.

Williams: Part of the ad hominem attacks is they say you don't have the expertise and the experience to run this school. How do you respond to that?

Scott: I'm having dreams already of not having that expertise and losing half the kids on a field trip, my dream. Where are those kids at? I'm always going to be cautious overextending my

knowledge. That's why we have board members. Dr. Joleen Smith, Azusa Pacific professor, teacher, training. I worked for Biola university. I did student teaching observations and turned in reports. The expertise that we need is available through our legal firm, charter management. We'll be working with charter school that will be either El Dorado or LA County SELPA. I'm confident with our first four classes that I'll be able to handle that first year. However, not to say that we're not going to still look for a principal, and I'd be happy to set aside for a better qualified person.

Williams: One of the challenges that we as a board have seen over the past several years is that creating a charter, and having it viable to continue is difficult and challenging. School facilities are a real serious challenge. Can you give us some insight into what you see is going to happen with your school facilities?

Scott: I'll be happy to forward you our last response to your Irvine Unified School District. Again, I went out in 10 days and signed up 30 more students of in-district students. We have 89 students in our 131 that are in-district students. Our ADA will be 85, which is above the minimum of 80. When the lottery is done, Irvine students are given a priority so that percentage will go up as more people apply. We turned in our information November 1st, on time. They've responded, we've responded back now with legal. We have 131 signatures. I don't know how to say when you need 128 and you have a 131. That's why I definitely expect double when we're granted a charter and I can actually promote. I've held back promoting in respect to Irvine, always hoping that something could work out, but there was no discussions.

Williams: Could you elaborate on your relationship with the Yu Ming Charter School in Oakland?

Scott: I visited with Principal Park. She's asked me to come up and do professional development at her school. She says there's a need for professional development for Chinese teachers. We are going to work together. She's in Oakland. It's a long distance. When the charter is approved, I'll be going up there and working with them.

Williams: You have a very extensive and experienced list of board members here. Are these all active board members, and are you meeting as a board right now making critical decisions for your charter?

Scott: We have been meeting. We're going to meet one more time. The next time will be after the capacity meeting. In attendance of that meeting will be Dr. Edward Watson, our curriculum specialist in Mandarin, a parent who is a college professor, EL professor at Saddleback College and has a child enrolled in our school. She'll be talking about EL. We have them active and involved. The one that probably would be considered the least involved, and that's not really true, is Miller's Zhuang. He lives in China 75% of the year. He's actually a Canadian resident. He was one of the top 5% of China that was allowed to leave China after the cultural revolution to the West to study, because China had destroyed their education system during the cultural revolution.

He is so well known in the education circles of China, highly respected and again, we've worked it out. Miller, myself and Winnie Kang with Cal State Fullerton are working out now the

procedures for bringing teachers over, doing student teaching. Their program does give a Mandarin credential, multiple subjects. We're going to be working together on that as well.

Williams: Thank you. I'm done now.

Barke: Any other questions for Dr. Scott?

Bedell: I wonder if the superintendent would come forward, please? Terry, and Mr. Scott, please don't go away. Okay. For you Mr. Scott, excuse me, I'm going to want your chart of listing the board members. Then, the data you had when you were comparing the schools with the Irvine schools. That chart from before.

Warner: The Yu Ming data?

Bedell: Pardon me?

Walker: When they were comparing the Yu Ming Oakland school data?

Bedell: Yes. My question goes to the superintendent. I think you have some board members in the audience, is that correct?

Walker: We do, actually, Lauren Brooks and Sharon Wallin are here today.

Bedell: Yes. I forgot Lauren's name. She's president of the OCSBA, right?

Brooks: Yes.

Bedell: She knows how to party if you travel with her.

Audience: [Laughter]

Bedell: Anyway -

Walker: I will refrain from commenting.

Bedell: First of all, I am in awe as somebody who comes from North County where school districts are in declining enrollment, that what you have to juggle in practically daily changing boundaries. That's hyperbole, but it takes a lot of effort and it's a very difficult job when you're dealing with families and you've got a kid here and the sibling coming up.

Walker: Yes.

Bedell: Do you see a need? You have a huge Korean population in Irvine, and I understand one church has 5,000 members, a Korean church.

Walker: Sounds right.

Bedell: Talk to me about your view of the need for a literal program rather than an add on in the afternoon?

Walker: That's what we've been struggling with, right, especially in a growing district. The conversations we had and the logistics created by making a space. Unlike a lot of other schools that have space at an existing school that you'd say, okay, well this is really in a declining enrollment setting. We'll take over a couple of classrooms and then we'll kind of grow into this kind of a shared campus. We don't have that. We're building new facilities. We're maximizing all facilities. Since we're on that topic, we are in the process of verifying in the first go around with, hey, we've got this many signatures. We've got this many people who are signed up. There's this presumption that signing up and saying, yeah, we might be interested in this means, oh, they're for sure they're coming.

As we went through for the Prop 39 kinds of stuff, we did find a significant number of those did not qualify. It wasn't only after the petition that they came forward and said, oh, now I found more so that we can get above that 80 threshold and qualify. We're in the process of verifying those numbers, because the first set of numbers were off by, I want to say, almost a third of them

were not actually relevant. They either didn't have kids who were the right age or they didn't even live in our district. That certainly doesn't qualify for the Prop 39, going back to trustee William's question about that. It's an important question, especially in Irvine where real estate is not inexpensive. My own sense of the need for this is like you said.

We've got ideal situations and less than ideal. In a growing environment like this, we're trying to do what we do really well and what we're very, very good at. Then, complement that and supplement that with additional opportunities. Again, there's 70 languages in the school district. A previous board member was more focused on a Spanish immersion program. We said that might be an option as well. Maybe we have Spanish, maybe we have Mandarin, maybe there'll be an app for that at some point where we'll be able to kind of customize and personalize people's opportunity to explore different languages in different ways. My own sense is this is something we want to look at.

It's why we created the partnership with the South Coast Chinese Cultural Center. A very well established group which, by the way, they do have charitable contributions where folks who can't afford it, they're offering some of those scholarships and those kinds of things. We've struggled with it, because frankly, we don't have an elementary school that we can just plug this into. Then, start displacing a bunch of neighborhood kids to all other campuses. Again, unlike other school districts that are in declining enrollment, we don't have that opportunity. Spaces that they've referenced as far as Prop 39 are actually training centers that we use for our BTSA programs.

We have 150 brand new teachers that have training programs, during the day programs and the like. We see the need. That's why I said before, I wanted to say right away, this isn't really about debating the benefit of Mandarin or any language acquisition. We know what it does. It does good things for the brain. The reality is our concern is around can they deliver on this while also meeting the rigorous needs of standards in California. That's what we're struggling with. Frankly, I said it earlier. Part of me wanted to see this be viable, wanted to see it be something that we could really perhaps see grow and serve a few kiddos. I do think the challenge for them will be enrollment and keeping that enrollment.

When you're having to walk away from your neighborhood school, perhaps drive all the way across town and leave a neighborhood program that is well established, reputable and high functioning, and those kinds of things. Again, no one has a crystal ball. I did also feel compelled to share, and I'm sensitive as well, I even apologize if our comments came off as being unprofessional or derogatory. When we're evaluating someone who's wanting to come in and tell a story to our students and that pulls them then out of their neighborhood schools to come to a program where they're dangling this carrot, this exciting carrot, part of this is the credibility of that story.

The viability of this one-to-one program where kids basically are paired up and you're really relying on a mentorship relationship with TK and kindergarteners. I'm like, okay, I don't know a lot of kindergartners that I would say you have really great mentoring skills. That's what we had issue with. I have two documents here, and you can look them up yourself. It's a readily accessible. One's from the commission on teacher credentialing that shares Dr. Scott's credential or lack of one. He has a certificate of eligibility. That means that he has never sat in an

administrative position that then allowed him to get a preliminary administrative credential. I know the other charter experience was short lived.

I think it was closed down after eight months, which is also of concern. I'm just sensitive when people are saying that they have this kind of background. Then, using that to sell to other people. Those folks might become disillusioned. We also have a printout of the trademarking and it's very clearly specifies that this application was refused, denied, released or something. We have that as well. If you want that, you can look it up yourself or staff can as you go through your own due diligence. It was a long and swerving answer to what I think you started to –

Bedell: Some of it answered my question.

Audience: [Laughter]

Walker: We do. We respect and value language acquisition. We think it's a great thing, and that's why we wanted to continue to grow this. Another thing to recognize is Irvine is a community base. The whole community is master designed around schools. My other concern is when kids leave that community, leave that neighborhood and go off to somewhere else. We don't have a lot of Magnet programs, STEM academies that you see in a lot of other school districts. They lose out on what that means to them and what that relates to as far as their experience at a neighborhood school. It's the other reason we struggle a little bit with creating these magnets for this. We try to infuse that into all schools.

Again, it's what you do when you differentiate instruction or create intervention specific to people. If somebody wants access to this, we want to be able to provide it. We have a great relationship with our foundation that offers a lot of afterschool programs or even during school programs. We partner with the city. We have unique programs that we try and push these things in to meet the needs and interests of our students without the kids having to leave their neighborhood school.

Bedell: I'll be quick. Give me the names of two high schools that you have. Any two.

Walker: Northwood High School, Woodbridge High School.

Bedell: Okay. My kid goes to Northwood and I want him to go to Woodbridge. Is that possible?

Walker: Yes, well, as long as there's space available. What we always are concerned about, especially in a growing environment, is a kiddo from Northwood is really excited to go to Woodbridge High School, but because Woodbridge High School is impacted, meaning full to the rim, now all of a sudden, we can't seat a student who moves into Woodbridge, who, that's their neighborhood school. We have to be sensitive to those kinds of things and we are. It always depends on the circumstances, too.

Bedell: This is a very interesting conversation for me, because we have not had to have the nature of these conversations as we dealt with authorizing charters in low district enrollment areas. That's an interesting thing to me. Dr. Scott? By the way, where'd you get your doctorate from, Dr. Scott?

Scott: Louisiana Baptist University.

Bedell: Okay. Could you put up the chart with the data?

Scott: I'll have to have help with the computer.

Bedell: You're trusting him?

Audience: [Laughter]

Scott: [MR. CARL FONG, CHIEF TECHNOLOGY OFFICER, ASSISTS AND DISPLAYS A PORTION OF THE POWERPOINT PRESENTATION MR. SCOTT PROVIDED TO THE BOARD IS DISPLAYED ON THE TV SCREENS IN THE BOARD ROOM] I'd just like to clarify something.

Bedell: I thought he was the suit.

Scott: The Westwood training center that was mentioned is an empty building with no furniture in it. Previously, it was the site for, was it Westwood Elementary last year? Okay. It's a temporary site. It also was a site for Patella Elementary, but currently the air conditioner is on, it's empty and there's no furniture in it, at least at my last check.

Bedell: I would like to go to the data that's comparing -

Scott: Dashboard data?

Bedell: Yes. Did you say you're involved in a charter in Ontario, or was that Oakland?

Scott: No. Ontario-Montclair School District. It's a K through 8 -

Bedell: It's right over the hill here. That Ontario, right?

Scott: Yes.

Bedell: And that's a fully authorized charter?

Scott: No, it's not a charter. It's a district program. The district hired me to start their Mandarin program.

Bedell: Oh, for Mandarin. It's a Mandarin program within the district and -

Scott: That's correct.

Bedell: Okay. Thank you. Up here, I'm interested in the data. Please note that I use the word those data. There is a plural noun taking a plural verb.

Audience: [Laughter]

Bedell: Even though I have a New York accent. That little bit of grammar I know. You don't believe what she says to me in closed session. My question was, I saw some numbers, and I didn't understand here.

Scott: This is the dashboard results by the state testing.

Bedell: Walk me through this, please. What does that mean?

Scott: The bottom numbers?

Bedell: Yes. What you're saying is that there were none, none, none, none, two kids here.

Scott: In blue, for this charter school.

Bedell: Right. English language arts.

Bedell: You're saying that the fact that you have two there, you're comparing it to the three in Irvine?

Scott: No, My comparison really is a test standard results. The blue arrow and the blue arrow are identical in both language arts results testing and in math testing results. The test is given in English.

Bedell: Okay. It's just a compliment to Irvine. They have great scores.

Bedell: That's where I was going. You're not trying to make any percentages out the two, are you?

Scott: I'm not trying to...I'm sorry, what?

Gomez: That says N of 2.

Bedell: N of 2, so you're not doing anything in percentages?

Scott: No. I'm just doing the results.

Bedell: I wanted to be sure I didn't misunderstand that.

Scott: They do a great job. The only difference is Yu Ming has the same scores within Oakland, California, which district tests show in the orange. Their students are Mandarin fluent speakers, readers and writers. Students can do both.

Bedell: I'm reminded of a report that was done in Portland, Maine, the data said that 80% of the kids in Portland, Maine, had this terrible problem. It was four kids out of five.

Scott: Right. I also -

Bedell: I don't want to see that. That's what I get nervous about data. Trustee Sparks is my expert on data, so I'm sure she would share my angst on that. One of the things that concerns me is also on the board, please. You had your board members.

Scott: Yes. Thank you. [THE PORTION OF THE POWERPOINT THAT DISPLAYED THE NAMES AND CREDENTIALS OF THE BOARD MEMBERS FOR IRVINE INTERNATIONAL ACADEMY ARE DISPLAYED]

Bedell: Mr. Watson. Did you say he was completing his Ph.D.?

Scott: He's everything but the dissertation.

Bedell: That's not a good thing to put it that way. That should be ABD (All But Dissertation) there, because I don't want to be cheeky here. That's fraud.

Gomez: Yes.

Bedell: In the academic community.

Gomez: Yes.

Bedell: Somebody could get fired over that.

Scott: That's my error.

Bedell: No, that's fine. I just want to be sure if, going forward, it will make someone say ooh, that's a little smelly. What else smells? Fair enough?

Scott: Yes. That's at UC Irvine.

Bedell: UC Irvine? Okay. I thought you said Cal State Fullerton, but that's the last one. Got you.

Scott: Yes. Winnie Krang is the director of their extension of international -

Bedell: Right.

Scott: - programs.

Bedell: I traveled with that extension university, piece of the university three times to China, so I'm familiar with the unit.

Scott: She mentioned that she might know you.

Bedell: Yes.

Scott: She has a daughter. They live in Tustin, and she's become a board member.

Bedell: Sure. That's fine. She replaced Lisa Shea. I don't know if you knew Lisa.

Scott: I didn't.

Bedell: Now, we've had a problem. Charter schools in many ways are unfairly attacked in many ways, especially what they do with disadvantaged kids in IEP. Unfortunately, we have a situation in Orange County that's raised a lot of concern for me about IEP and how those IEP kids are being treated. I'd like to hear from you some sense of assurance that it will be seamless what that child would get in that district, which is known for quality IEP and what you want to do. That to me is a key point.

Scott: Right.

Bedell: Those kids have been smacked already. Then, they're going to get smacked again, and

that's going on. It was going on at a recent board meeting here with one of our charters. I would like you to help me.

Scott: I have a personal stake in that. My granddaughter will be attending the school, and she's developed Type 1 diabetes. I understand the need for this program and accommodations. I, myself, have a nursing degree. I have not kept it current, but I worked for 30, 40 years as a nurse. Additionally, we are going to work with either El Dorado SELPA or LA County charter SELPA. We're going to hire, in the beginning, organizations to provide services. One of them is located in Orange. The SELPA oversight will help us with our programs. With only four classes, we don't have enough money to hire another person. When we have a fifth class, though, we will be able to hire another person. We're not sure what that person could be, but it could be a person to address IEPs.

Bedell: All your teachers ultimately will be credentialed?

Scott: They are.

Bedell: The administration will be credentialed even though not all of it has to be, right? That's the goal.

Scott: That's correct.

Bedell: Right? You anticipate opening with 128 or more students?

Scott: No, it would be 128. That's our maximum we have.

Bedell: I think that's all, Madam President, that I have.

Scott: We do have one problem. Our kindergarten class has an enrollment right now of 48 with only 32 spaces available. If we found another teacher, we maybe would come back to you and say, could we open another kindergarten class?

Bedell: Sure. That lady from Lakewood, the one mother. Was the other mother from Irvine?

Scott: Yes, I believe so. In our original submission of petition, which was not related to Prop 39, there are people from outside. Tustin, especially, Lake Forest wanting to have their children in and they're willing to drive.

Bedell: Thank you very much. Thank you very much, Madam President.

Barke: I know we're fighting some time issues with our next presentation. I'll be super brief, because my colleagues have asked many, many, many questions. I just have the question of you, Dr. Walker, kind of a general question. I know it's sort of a blessing and a curse that you have impacted districts so that's great for many reasons and tough for many others.

Walker: Sure.

Barke: I wonder, do you see long term, charter schools alleviating that if it's just not the right charter school? I almost heard you answer it when you said you see the importance of neighborhood schools. What role do you think charters might play in the future?

Walker: I think anytime a charter opportunity comes forward, it's no different than when we're evaluating a new program or an outside group that might come in and add some benefit. We're working with Equal Opportunity Schools right now, an outside group to come in and work with our high schools to make sure some of our more disadvantaged populations of students are accessing high levels of rigorous courses at our high schools. As a district of 36,000 students, there is no shortage of ideas, of opportunities, potential investments. Some of those could be charter opportunities or even private, frankly. I don't know where the relationship with South Coast Chinese Cultural Center might go.

They are well known, well established, very connected group. My hope is that that will begin to kind of help us to see where this path might lead us to. Again, ideally for me, it's the reason that you don't see in the district, we have a Magnet school for STEM or those kinds of things. No, we want those kinds of opportunities to be available to all students at all schools. I feel the same way about this in many ways. It doesn't mean that if something, that's why I made the comment, if this were something that I thought was viable that I thought could be successful, that had the kind of leadership and support and knowledge that it takes to address all the complexities of opening a new school, we probably would be in a different place.

We'd have to see that, go through the same evaluation, due diligence and thoroughness that we did with this in order to make that determination. No different than we would a new program. It's kind of a maybe, but until we see it, I wouldn't be able to answer yes or no. It depends really what's being offered and the benefit ultimately to our students and their families.

Barke: Right, because the only concern I see with the program is that there's a cost. Then it becomes somewhat selective if there aren't enough scholarships available.

Walker: Sure, and we can address that. If you have a new charter school, obviously resources end up going to that to reevaluate how could we use those same level of resources and really bolster. How do we address this need? A wider array, probably, of people that are interested in. I don't necessarily buy into because someone signs up for what, he's after school and is there for sure. You're going to want to go and take their kid across town, away from the neighborhood school to go over to this program. Maybe, perhaps because there's certainly an interest in that acquisition. We'll continue to entertain those things as we do on lots of different levels as you know. There's so many different interests of our students and so many opportunities.

Barke: Thank you, I appreciate your answer, and I'm good if everyone else is.

Boyd: The auditor is here so if you want to move to item 10?

Barke: Yes, thank you. Thank you everyone for your time. We appreciate it.

Boyd: Royce Townsend from Vavrinek, Trine, Day and Company, I'll let him introduce himself as soon as the room clears and it gets quiet enough. Royce, if you would introduce yourself and the firm's name?

Townsend: Sure.

Boyd: Dr. Williams will give our questions. Then, we'll turn it back to the board.

Townsend: Should I just wait a few more minutes here or a moment?

Boyd: Yes, about 30 seconds for the room to quiet. Thank you.

Townsend: My name is Royce Townsend and the firm actually has changed their names. The name now is Eide Bailly. You might ask the question why that occurred. Vavrinek, Trine, Day and Company had been performing audits for local educational agencies for over 70 years. This past year we had an opportunity to join with a larger firm. We were both national firms, but now we are one of the top 20 firms in the country. Provided us tremendous amount of resources, technology in all areas of education, are very at the forefront and with auditing it's no different. One of the main resources that we had this year is I actually had about seven different business partners from out of state assist with the second partner review, which meant for the very first time in 25 years, I was actually able to attend the CSBA conference.

I'm not sure how many of you may have attended it. It was really, really interesting for me, because I'd never been to that conference. I actually had a couple of board members, new board members come to our booth and ask us some questions. They primarily wanted to understand the role of the audit as it relates to their role. I kind of equate it to health. Your personal health is very important to you. Obviously, you ensure that by making sure that you have a qualified professional to provide you your guidance. It's no different with a local educational agency. The financial health of the entity allows you to provide the level of services that you need to provide.

You make sure that you have an independent auditor to provide you levels of assurance about whether the financial statements and the financial information that you're receiving is such that you are able to make business decisions. Simple as that, but it was actually nice to have those conversations with board members. With that said, I'm here to present the outcome of the audit of the Orange County Department of Education. There's over 100 pages in here. If any of you actually read through all of it, I applaud you. I have to become intimate with it, but I can't imagine anybody else really wants to spend that much time. What I generally do with a board presentation here is I direct you to two specific pages where I do believe it's the information that you, as a governing board, really want to focus on.

The first page is 110. It's called the Summary of Auditors Results. This audit looks at for an entity your size, three specific areas. It looks at the financial statements overall. It looks at how you complied with specific requirements with federal awards that we tested. In addition, it also does the very same thing for state awards, how you complied with the specific requirements. The opinion that we provide is the only thing in this audit report, which is really the auditor's information. Everything else is your information. The highest level of assurance that an audit can provide is an unmodified opinion. Anytime anybody tells you that the auditor's opinion is different than an unmodified opinion, you really want to ask that question, why is that occurring.

In all three cases as it relates to the financial statement, federal awards and state awards, we are offering an unmodified opinion. Again, that's the highest level of assurance that the audit can provide. If we had any issues specific during the internal controls of financial statements or federal awards, they would have followed. We did not. However, we did identify some control deficiencies that we believe that there's always opportunities to improve upon certain areas. That was on page 115. This is the outcome that you want from your perspective. I mention two pages in the audit report that I always advise you to focus on. The other one is page 95, and this is called the Schedule of Financial Trends and Analysis.

This is the only place in the audit report where you have historical information and you have three years' worth of information plus a year that you're currently in, which we call the budget year. I will say that you don't know where you're going unless you know where you're coming from. That's what historical information, trend information allows you to look at. It allows you to look at how your average daily attendance is trending. It looks to say how your available reserves are, on and on, and on. I would always focus on this page. I don't see anything truly alarming here.

The average daily attendance is declining, but that's not the sole component of your funding. That's the good news. School districts are a little bit more impacted when average daily

attendance declines. With the county office of education, because you're providing a number of services to other school districts and supporting them, it's not as big of an indicator. From my perspective, this is a pretty good outcome for your audit. With that said, I'm here to answer any questions you may have regarding the audit report.

Williams: Thank you, Mr. Townsend. It's a pleasure to have you here. I've been on the board for 24 years. This is the first time that we had the actual auditor come to present the material.

Townsend: Thank you for inviting me.

Williams: I applaud you. I applaud you on that. You did a good job giving us some of the basic information on what an audit is. Who actually is the individual who was assigned to do the audit? How many people from your company? When was this audit done?

Townsend: This audit would have been over a year period. We would have had to wait until you actually close your books to do the final audit. You're allowed to close your books up through October 15th for a county office. I can't remember. County offices are a little different, but we wait until you close your books before we conduct the final audit. Prior to that, we've done other interim audits throughout the course. We usually have three visits here. Our team that is assigned to this numbers in over 20. You have a manager, a CPA will always be here to ensure continuity with the client relations. Everybody else will rotate through, because we want to make sure that we have new eyes on that audit throughout the course of it.

Williams: If I can summarize, this has been going on over the last year?

Townsend: Yes. This is the completion of the audit as of June 30th, 2019. We're actually six months plus into your new fiscal year 19-20.

Williams: Are you doing our audit for this next year also?

Townsend: Yes, but we haven't begun that audit.

Williams: Okay. You're going to start it then, maybe?

Townsend: I'm sorry?

Williams: You have six months left, basically.

Townsend: In fact, we will work through most likely December of next year in order to complete the audit for 19-20. That's why I say you almost always have a year to work on an audit.

Williams: I see. You mention here that you use the government auditing standards issued by the controller general U.S., but what does that mean?

Townsend: There are specific standards that auditors for governments and entities have to comply with. That's generally what that means. That relates to specific requirements, such as if we're doing a governmental audit, we have to report on internal controls. That is not something that you necessarily would have to do if you're doing an audit for a nonprofit entity.

Williams: In your findings on page 115 here, there was some rhetoric there and criticism about delays in deposit. Tell me how that works, why did it happen and what's the significance of it?

Townsend: The significance, I think that's really where you want to go with this, is that cash seems to have the ability to grow legs. That's the best way to describe how it just can be subject to misappropriation. Anytime we see where the deposit process is somewhat delayed for whatever reason it is, we want to ensure that that doesn't occur. That's why we have the comment about the delay in deposit. Anytime that you have try to safeguard an asset, whether it's

in a safe or not, that's really not your best place. Your best place is putting it in the bank, to be real honest with you. Any sort of significant delay can lead to possible misappropriations. That's why I say that the outcome is really what we're trying to avoid with this comment. Hopefully with this comment, there'll be an opportunity to look at the existing process and see if this was maybe a one-time issue or maybe more of a systematic issue.

Williams: Tell me how the process, and when you say cash, it's not literally.

Townsend: It could in fact be cash itself depending on what sort of collections. For instance, I think this was child development fee collections. You can't expect every parent to, unless you're telling them specifically, we only accept a credit card payment, we only accept a check, some may pay with cash. It's not unusual to see that to be the case. That's why my first comment was cash has the ability to grow legs.

Williams: Sure. How much cash are we talking about?

Townsend: I would have to go back to look at the specific testing to identify the amount of cash.

Williams: Is it \$100? \$1,000? Tens of thousands of dollars?

Townsend: I'll give you a for instance, because I don't remember exactly this one. I'll give you an instance from an entity that I just did last night. It was an ASB, and the amount of cash that that ASB collects is a half a million dollars a year. Whether it's \$100 or \$500,000, we're going to have the comment for you regardless.

Sparks: Do you have a ballpark?

Townsend: For this one here? No. I'd have to once again review the work papers that identify specifically how much it is, if that's what you want to know.

Sparks: Yes.

Townsend: Okay.

Williams: How you determine this, it's a selective sampling. Is that correct?

Townsend: Yes, correct.

Williams: I see.

Townsend: We utilize a sampling methodology, because the audit does not provide total assurance, which means that we would be looking at every single transaction. It's reasonable assurance.

Williams: Your recommendation at the bottom of 115 is that a deposit should be made once a week. Is that right?

Williams: Absolutely, if not sooner. That would also be predicated also on the amount of collections. Meaning that if one day you happen to collect \$20,000, you might want to ensure that that deposit made that day rather than wait until the end of the week. It's really dependent sometimes not just the end of the week, once a week, but how much cash are you collecting at any one time.

Williams: Our bank, of course, is the county treasurer, the county service fund.

Townsend: That is one. You may also have cash clearing accounts as well, which are not unusual for entities to use, because the county treasury does not like to have checks that bounce. General procedure with local educational agencies is they have an intermediary account that you put those monies in to make sure it's things such as checks clear before you transfer those monies over to a cash in county account.

Williams: That's new to me. Do we have this intermediate bank?

Townsend: You do.

Williams: We do? Who is it? What?

Hendrick: Wells Fargo.

Williams: Wells Fargo? Okay. On page 110, there are some terms there. Again, please forgive my ignorance. I'm a family physician. I'm not a CPA.

Townsend: Are you in Yorba-Linda? I see district three, and that's where I live.

Williams: Oh good. I hope you vote for me. Regarding on page 110 here, you indicated the type of auditor's report issued is a unmodified. What does that mean versus a modified?

Townsend: That's a great question. Unmodified means that there was no modification to the opinion. A modification to the opinion would be either a qualification, which is the lesser of when I say evil, we'll just put it that way, a disclaimer of an opinion or an adverse opinion. The adverse opinion is the absolute worst. To give you an example, a qualification might simply be that we're qualifying this report, because you didn't have a certain sort of account group that was required. A disclaimer would be, for instance, that we couldn't even audit a particular area because of the quality of the information that was provided. An adverse opinion is basically you don't have anything there. An unmodified opinion again, is the highest level of assurance that the auditors who fight through the opinion process.

Williams: Another question here. Material weaknesses identified. You said there was none.

Townsend: Right.

Williams: Could you give us a couple of examples of material weaknesses?

Townsend: Generally, a material weakness, one that's most common is what we call a growing concern. That's where we're looking at you as an entity, and as a result of our financial audit, we don't believe that you have the ability to pay your debts as they become due within the next fiscal year. I probably issued four or five of those over 25 years.

Williams: Basically, we can pay our debt?

Townsend: You're paying your bills.

Williams: According to page 95, our reserves have grown steadily since 2017 to an amount of \$106 million. Now, that's total reserves. Now, we have restricted and unrestricted. Do you ever break that down?

Townsend: Yes, there is a page, fund balance page. Let me direct you to that. That would be on page 58 that identifies all the classifications of fund balance. You see that 107 that you have on that one page, and that'll be the second to the bottom line on page 58. Of course, county offices of education have a unique responsibility because they want to ensure that their member districts have the ability to pay their bills if they become due. That cash balance that you have in times of need will be utilized by other districts, and that's not uncommon. That's part of the role of a county office of education. I always worry when I see that number is low, because that just means that your districts don't have the ability to borrow cash. Cashflow is always a problem for most districts.

Williams: The original question I asked about the government and auditing standards, do these standards require the usual checks and balances of government entities when you have two coexisting individuals or entities governing the government office?

Townsend: I'm not understanding the question.

Williams: The checks and balances. That concept is very unique to America. We have one individual doing one duty and the other individual or entity is looking over the shoulder of the other. It's kind of this checks and balances. One doesn't have the ability to dictate to the other how we do things, how bills are paid, etc. That's what I meant by checks and balances.

Townsend: I think your question is more related, from the audit perspective, what we would call it, the process. To answer your question from an audit perspective, the audit is not looking to see how you get somewhere. It's looking to see what's the result of you getting there. Did you get there or not? Not whether or not the process wasn't completely the way it needed to be. To answer your question, I think that's the best way to answer your question. We're more results oriented with the audit process.

Williams: Very good. Thank you so much.

Townsend: All right.

Sparks: Actually, one question.

Townsend: Please.

Sparks: How many clients do you serve as auditor?

Townsend: Our firm has about 400 local educational agencies in the state of California. We have actually more than anybody else in the state. I, myself, work with four different county offices of education and I've done seven in the past three years. It's an area that I'm a little bit more familiar with.

Sparks: Out of those, the findings on page 115, are these typical findings or are these outliers?

Townsend: I would say that that's a very typical finding to be real honest with you. The best way to kind of point that out as if it was more uncommon, it would have real still level, probably a significant deficiency or maybe even a material weakness. Those are the ones that are not common. The ones that are more common, prevalent are the ones we see and identify as controlled deficiencies, one that you pointed out.

Sparks: Okay.

Townsend: Does that makes sense?

Sparks: Yes. Thank you.

Barke: Anyone else?

Gomez: Yes, I just have a couple of questions. As far as the delay in the deposits, was there any issue with reconciliation? In other words, that the deposits and everything, they all matched up?

Townsend: That's a great question and that would have been part of the testing. Had that been the case, that would have been identified in the finding.

Gomez: Okay. Everything reconciled. It was just a delay in the deposit.

Townsend: Yes.

Gomez: Okay. Thank you.

Barke: Anyone else?

Bedell: Do we need a motion? Do we receive it?

Boyd: Just receive the file. You've already received it so there's no action. This is not an action item.

Bedell: It just hangs there.

Boyd: No. The board received it. You can take it. You can vote on it if you want. I'm saying that once the board is provided, we've met the compliance.

Williams: We have received it in the past. We've never really voted on it. It just comes in, and we never had this great discussion in the past. Again, thank you very much. We just sort of received it, looked at it and went onto the next agenda item.

Boyd: Because that's what the code requires, the board receives it.

Bedell: What we've done technically meets the code.

Boyd: Correct.

Bedell: That's okay.

Williams: The board is not responsible for creating and getting this audit. That's up to the superintendent. We're just required to receive it.

Bedell: Historically, a motion to accept would be very different than a motion to receive.

Barke: We thank you for your time.

Audience and Board: [Laughter]

Barke: Thank you.

Williams: I'm not going to answer that.

Boyd: We're at item #4 and Padmini has a time issue. I'm not sure where she went.

Barke: I think I see her out in the hall. Could we see what it is because I would love to take 10 or 15 minutes. I think everybody needs a little break here.

Boyd: She had somewhere at one o'clock. I think a professional development. I don't know if it was at the school or not, but they came up and said,

Bedell: Who is this?

Boyd: Padmini, the person who's doing the -

Bedell: Oh.

Williams: She has to go. She has a time certain?

Boyd: She just told us that she has something that she was trying to get to, but I will let Aracely find out for sure. They were asking how long it was going to go.

Bedell: Is this a long item?

Boyd: Aracely, if you could give us an update, do we have a time restraint or are we okay on time? The board would like to take a 10, 15-minute break.

Barke: It would be to everyone's advantage, I think.

Chastain: She stated that she has professional development at 1:00 PM.

Williams: You're going to miss that 1:00 PM.

Boyd: Do you want to take a seven-minute bio break?

Bedell: Yes.

Barke: We'll just a quick seven minute break. Is that agreeable with everyone?

[PRESIDENT BARKE STRIKES THE GAVEL ONCE TO SIGNAL THE CONTINUATION OF THE MEETING AFTER THE BREAK CONCLUDES]

Barke: We are back.

Chastain: The board will now hold a public hearing to consider public input regarding the International School for Science and Culture material revision request that was submitted at the December 11th board meeting. Prior to public comments, representatives from International School for Science and Culture and Newport-Mesa Unified School District are allotted 10 minutes each to address the board. I now call representatives from International School for Science and Culture to the podium.

Srinivasan: Hello. Good afternoon. Thank you very much for your long time and attention starting this morning. I know this has been a sort of, to me, it feels like a marathon. My appreciation to all of you. To the board members, President Barke, Superintendent Mijares, Assistant Superintendent Boyd, and all assembled. Thank you very much for this opportunity to once again be in front of you. We are here to consider a revision to our articles and bylaws of which you had received the information of the changes of which there were two. One was to solidify and be more precise about the purposes of objectives of this organization, which were made more specific to be about running this charter school.

Boyd: Excuse me, Padmini. Would you just introduce yourself for the record? Thank you.

Srinivasan: My name is Padmini Srinivasan. Do you need an address?

Boyd: No, thank you.

Srinivasan: I am the executive director of ISAAC, the International School for Science and Culture. There were two items. One was the more specific purposes, and the second item was the addition of some verbiage that was required for the 501C3 process. Since we are together, I thought I would take the opportunity to just kind of summarize a little bit of what's been going on, if that's okay. We had several family members of our students here. With all the timing they had to leave, because it's early release day. We have one stalwart who's still here who is willing to speak on the behalf of our families. I want to thank the board for your support in having us begin in September. With a fairly ambitious program and curriculum, we have made a good start and we have some good results to report so far.

We have, as you know, also had some challenges which I will summarize at the end. Our current enrollment is 67 students. We have some images all through the presentation that speak to the beginning of the school, the diversity in our student body, and on the right, there's a balloon parade. That was our Thanksgiving fun activity. The kids each created something with balloons. Our three pillars of our academic program, one is STREAM, which really focuses on high quality academics. We added to STEM the letters R and A. A is often added as the arts. R here represents reading and writing communication as a whole. In the science area, we really are looking for the students to have direct experience of the phenomena, we're discussing and to have group investigation, even to have them reinvent the wheel.

If you reinvent the wheel for that child, it's still inventing the wheel. We are proponents of the invention process. We are able to, at this point, have one-to-one Chromebooks for our students. It's used in every subject. We are a Google Suites school. Reading and writing happens as well, in all subjects. We have school wide projects, as you will see, which accentuate research and writing. Our reading method deals with all words as sight words. It's phenomenal. It's an approach taken by Glenn Domon and the Institute for Achievement of Human Potential that we have been able to use successfully. The rest of STREAM is engineering. We've provided them with a few so far constructive engineering challenges that have always drawn from them a great deal of creativity and a lot of motivation.

In the arts in terms of the visual arts, we ask students to draw from reality. To draw in the styles of different cultures and to learn about materials and methods so they can use art for self-expression. We will be introducing computer-based art as the next focus for the older students.

We're doing voice and violin as far as music is concerned. It's just a basic introduction to the violin, think Twinkle Twinkle, and voice training. We're able to have them perform music in many languages. Foreign language education is the second pillar. We're able to introduce two world languages for all students. We are not an immersion school. We're interested in interpersonal communication.

We focus very strongly on spoken word and hearing and understanding so that we don't have something that we sometimes see, which is kids who are able to recognize characters and produce characters but hesitate to speak. Kids do not get to read or write until they can speak that character or those words. There's a daily experience of language, even on the minimum day. It's a half-an-hour minimum each day of each language. We're seeing steady vocabulary growth, about twice the rate of growth in Spanish as in Chinese, I have to say. It's different. Although the one place where Chinese wins is counting. Our kids can count to 200 in Chinese, because it's very systematic. It's an interesting language that way.

We are able to do differentiation within the language classes based on when there's existing exposure. We are able to allow those kids to navigate faster. The other thing we notice is that we are a Title I school with a large Hispanic population. In the Spanish language class, they get to be the expert. They get to share. They get to lead. It's really wonderful to see what it does for self-esteem and a sense of self determination. Social emotional learning is our third pillar. We have a framework that is of our own development. It's based loosely on Second Step. We do a lot of activity with social emotional learning both in the morning circle and in class meetings for resolving situations, making decisions.

Our behavioral support is also based on this SEL framework. The other place where the SEL shows up is every project we do. We're a project-based school. Every project has an ISAAC lens that comes from our SEL framework. For example, we're in our third project now. The first one was global citizens in which they research global citizens who have made contributions in the world, but we asked them to use the lens of wisdom, courage, and compassion. One of our students chose LeBron James as their global citizen who is an athlete, as you probably know. I had to learn that. After being given this lens, they spoke about how he had built homes for the poor people, how he had opened a school, how he had made all of these actions that helped others.

They failed to mention his athletic prowess in their analysis, which was interesting, I thought. We then studied the environment and looked at the aesthetic benefit as well as benefit to gain for us, gain for society. We are now on human rights and peace. I have actually given to Kelly invitations for all of you to please attend our culminating event, which is on January 24, at 2 p.m.. Here, the lens that we're asking them to use are two. One is clarity, which is sort of like honesty, but honesty can be harmful sometimes. It can be hurtful. Clarity is to see the truth of the matter and speak the truth of the matter. Imaginative empathy is a compassion, even for those that we may not see in front of us. These are the rest of them.

The next project is on the human body as well as taking care of our pets. Community and contribution are the two that will follow. We are differentiating strongly. We are able to do it well. We have settled into a very nice routine of dividing the class into subgroups, allowing our

fast learners to move as far as they want to and can, and providing additional support for the ones who need it. PE, there are three places where movement happens every day in Spanish as well as in PE of course. Then, there's a school wide movement that we do five minutes every day. Differentiated learning is EL plus additional inputs for the kids who are not EL. Inclusive education: Push In for special ed. everywhere where that is possible.

Professional development has been a big piece of what we do. In fact, it's starting right now. We had a 10-day PD in the summer of plus 2.5 hours every week. We've done a number of things with that. Parents are a huge treasure in our community. I have to say that in a first year that's usually very tight, we've already had fundraising of \$20,000 from our parents. I'm so amazed. Aside from being here and being in the conversation with us as we implement our vision, they're also there financially. We did the baseline for reading and math in the beginning of the year. You can see that it's somewhere at halfway or less of kids that are meeting or exceeding in reading. Similarly, for math is a little bit better, still not excellent.

We have something to work from. It's a challenging place to start, and we feel that we are up to that challenge. In terms of our enrollment and budget and location, which are interrelated challenges, we have had, as I had mentioned before, a couple of safety issues. One recently in, I think, October, an event that caused us to actually lose another couple of students. It's on the radar. We've put in systems and people to be there to monitor and be present. That's it. Thank you so much.

Chastain: Next to the podium are representatives from Newport-Mesa Unified School District.

Lee-Sung: Good afternoon, board President Barke, members of the board, Superintendent Mijares. My name is Russell Lee-Sung, Deputy Superintendent of Newport-Mesa Unified School District. I want to share a little bit about the material revision that we had an opportunity to review. On January 3, the Newport-Mesa Unified School District provided the county a written response to this material revision request submitted by ISSAC. Our written response outlined our concerns in detail. I won't spend a lot of time repeating them, but I want to highlight some important issues. Most pertinent to this public hearing is that the material revision should not be processed and should be denied, because it has not been submitted in accordance with the requirements outlined in the Charter Schools Act of 1992.

When seeking a material revision, a charter school is required to submit an updated version of its charter reflecting all changes to the law. ISSAC failed to submit an updated version of the charter, submitting only redlined copies of the ISSAC bylaws and articles of incorporation and minutes from an ISSAC board meeting of November 13, 2019. This does not meet the minimum requirements of Education Code 47607, governing requests for material revisions to charters. Second, ISSAC must also submit a revised version of its charter at this time with this request for material revision since the charter must now comport with various changes in the law enacted by Senate Bill 75 and Assembly Bill 1505, which are not included in the current charter.

In addition to this concern with the process, there are multiple flaws in the proposed revised bylaws, which are inconsistent with law or do not apply to ISSAC. It's important to understand, the district is not objecting in concept to ISSAC making changes necessary to meet the

requirements to obtain nonprofit tax-exempt status. Rather, the district is concerned that ISSAC's proposal or proposed revised governance documents include legally noncompliant provisions as well as careless mistakes. As just one example, ISSAC is proposing to revise his bylaws to specify where it can hold its meetings. The proposed change is inconsistent with the provisions of Ed Code 47604.1, which became effective on January 1, 2020, and dictates the locations at which charter school boards can meet.

The changes that ISSAC is requesting to its bylaws must comply with the law governing charter schools and nonprofit corporations. In addition to these deficiencies in ISSAC's request for material revision of its charter, the information submitted by ISSAC in support of this request brought to light other significant concerns with ISSAC's operations. The district requests and urges the county board and county office of education as ISSAC's oversight agency to address as expeditiously as possible. ISSAC's November 13 board meeting minutes document what appears to be a serious violation of the Political Reform Act, Government Code Section 1090 and ISSAC's bylaws.

Specifically, the minutes record that ISSAC's board approved a resolution and promissory note for a loan from Padmini Srinivasan to ISSAC. As you are aware, Dr. Srinivasan is ISSAC's executive director/president and compensated ISSAC employee. The approval of a loan from the ISSAC founder and executive director, president or any other officers or employees appears to create a conflict of interest that would violate Government Code 1090 and the Political Reform Act. Moreover, ISSAC's corporate bylaws explicitly prohibit this action. The bylaws specify that contracts between ISSAC and non-director designated employees including officers and other key decision-making employees are impermissible.

The law and ISSAC's charter mandate that ISSAC comply with these laws and their own bylaws. This financial entanglement with Dr. Srinivasan appears to violate all of those requirements. ISSAC's minutes, agendas and website illustrate that ISSAC is not operating in compliance with the Brown Act. The Brown Act requires that for telephonic conferences or meetings, at least a quorum of the board, so at least three members, be physically present within ISSAC's territorial jurisdiction. Instead, the minutes for ISSAC's November 13, 2019, meeting reflect that of the three board members who participated in the meeting, at least one was participating via a remote location in Rosemead outside of ISSAC's jurisdiction.

Thus, the board meeting was held in violation of the teleconference requirements of the Brown Act. ISSAC did not have a valid quorum to conduct business including to approve submission of the request for material revisions. ISSAC's website limits access to ISSAC's agendas in violation of the Brown Act. Access to ISSAC's board meeting agendas, minutes and audio files from November 13 and prior dates is restricted. ISSAC requires that permission be granted to a specific Google account before access can be granted, which violates the Brown Act as the documents are not accessible to members of the general public. While these concerns are by no means exhaustive, they reflect the district's concerns about ISSAC's operations and governance.

ISSAC is failing to comply with the law governing charter schools, particularly those aimed at ensuring transparency including, but not limited to, the Political Reform Act and other protections against Conflict of Interest, the Brown Act and the Charter Schools Act. The district

requests that the Orange County board treat the material revision request submitted by ISSAC as incomplete.

Only if and when ISSAC submits a material revision request that comports with the mandates of the Ed. Code, including submission of an updated version of the charter, addressing all of the requirements of the law that have gone into effect since ISSAC was approved. Then, the Orange County Board of Education should process, hold a public meeting and take action on the request. We also request that the concerns with ISSAC's operations, noted in my comments and in the districts letter, be reviewed and be fully remediated particularly the conflicts of interest and the Brown Act violations. Thank you very much for your attention and for the time today.

Barke: Thank you.

Chastain: The hearing is now open for public comments from individuals who have submitted a comment card to address the board. Each individual will have three minutes to speak with a total of 30 minutes allotted for public comment. Associate Superintendent Boyd, please call for the first speaker.

Boyd: We have one speaker. Khana Noriega?

Noriega: Hi. Thank you very much for this opportunity to speak in front of you about the school that my son goes. I want you to know that more parents were very eager to speak about this school. They waited more than two hours today, but they had to leave to pick up school. Hopefully, I can do a good job at talking about how great the school is where my son is going. My name is Khana Noriega. My son, Josie, is in TK. He loves to go to ISSAC every day. We speak three languages at home, Japanese, Spanish, and English. We really appreciate that ISSAC teaches children on a daily basis the sense of borderlessness and responsibility as a global citizen. For example, their last project was called My Environment, My Responsibility. It was outstanding.

When we arrived at the school, we were welcomed by a pair of students. Little volunteer students gave us a tour and an explanation of what other children are working on. They looked very confident, independent and proud of what they were doing. My son just turned five years old and spoke about how he would like to contribute to his home and his community. He said he wanted to contribute to home by cleaning up his toys. He said that he wanted to plant more pineapples that way he can contribute to his community. That was his idea to protect greenness in the school and the community. I felt it was a great opportunity for all children to understand that they have power. They are part of the community. They can take responsibility and transform the society. During this holiday, my son was singing very loudly a Chinese song everywhere we go. Costco, Target, you may have heard about my son's singing in Chinese.

Audience: [Laughter]

Noriega: I feel like he is really trying to find treasure of learning in his school. He looks very happy at school. Of course, he loves to go to school every day. I think that as a mother and parent, that matters to us. That's why I feel like this school is really great. I feel appreciative that he could be part of this school. Thank you so much for your support to ISSAC. Thank you for this opportunity, educational opportunity for us. Thank you.

Boyd: This concludes the public hearing. The board will render a decision at the February 12th board meeting. President Barke, I now turn the meeting back over to you to facilitate any questions the board may have.

Barke: Thank you. Dr. Bedell?

Bedell: Pass.

Barke: Beckie?

Gomez: I have no questions, because I don't know what the material revisions are. They weren't in our packet. I'll wait until the next meeting.

Williams: I have a couple of questions.

Barke: Okay.

Williams: Mr. Rolen, may I get you up there just to answer some questions here? We received yesterday, at least I did, yesterday morning the letter from the good Dr. Navarro, dated January 3. There was a lot of information in here. I forwarded it to you late last night to kind of guide the board on these issues. We probably have to hold this over until next month, because we'd like to have more data on material revisions. There's a lot of things, statements, I don't know if they're facts, I don't know if they're hearsay. There's a lot of time that went into to the creation of this document here. You did have an opportunity to review it. As we have no real data and material to make a decision on the material revision, could you help us understand what the significance of this document is? I would appreciate that.

Rolen: Thank you. To the extent I can be of assistance, I will. I did review this late last evening. The issues raised appear to be real issues. I had a chance to read a few of them. I do believe that there are a number of these things that can be rectified between staff work and with the charter school administration. I had a brief chance to address an issue with staff just moments ago. They appear aware of all the issues, and they appear to be working with the charter school to rectify these issues. On my first review without any more information than you have, these do appear to be issues of semantics and wording that can be rectified. The alleged conflict issue needs to be addressed. I understand the staff is addressing this. It may be as simple as a learning curve.

Williams: With the new law, AB 1505, there was a lot of changes that were created because of that bill. It's my understanding at this point, this charter school is our charter school, correct?

Rolen: That is.

Williams: Okay. Newport-Mesa has no ability to impact this charter school except by their good conscious letting us know of their concerns. Is that correct?

Rolen: That's accurate.

Williams; Okay. We have no verification of this. I assume the staff is, Aracely, is that you looking into these concerns here?

Chastain: Yes. We did update the board on quite a few concerns at the last board meeting, I believe. There are further issues, obviously, that we continue to look at and things that we continue to work with the school on.

Williams: Okay. That's an ongoing concern and you're going over the language.

Chastain: Ongoing conversation, yes.

Williams: Okay. I assume you're working with their attorneys?

Chastain: We work directly with the charter school on leadership.

Williams: Okay. Who are you working with at the charter school?

Chastain: Currently, it's Padmini Srinivasan.

Williams: Okay. By the way, why weren't we provided with all the substance?

Chastain: We received the submission in December. That's when you were given the documents that were submitted to us. They were in a red folder, I believe, for everyone. Everyone receives them after they're submitted.

Williams: You don't have them here?

Bedell: I got them. I don't have them here, but I got them.

Boyd: The material revision for them is, you may not recall, is just bylaws and articles of incorporation. Those were the two items that they came forward to do a material revision. Those were in chambers for you to take with you when you received that along with the Irvine International Academy.

Williams: That was last meeting?

Boyd: Last meeting, December.

Williams: I didn't get those. Maybe my bad.

Gomez: I don't think we all picked them up.

Barke: I didn't have them either.

Boyd: We weren't aware that everybody didn't get those.

Barke: I thought I had lost them. I looked in the car. I looked everywhere. I thought it was just my bad.

Boyd: It was just a small little folder that they had provided. We'll get those to you this week in your take away folders. The presentation didn't speak to the two items that were material revision. She just gave an update. I think that's part of the confusion in terms of what's the material revision. The material revision, again, is they had some bylaw changes that they're looking at, also some articles of incorporation.

As Aracely said, we're continuing to have dialogue. As we continue to have conversations with this board, there are different things that have come up. We're currently working to try to one, resolve and/or determine whether or not it merits a different conversation with this board. Again, related to where they are because they've made some substantive changes that we think could create some issues long term. For instance, they've reduced the hours of the executive director and the principal substantively.

Williams: There's a lot of pieces of the puzzle we don't know and see.

Boyd: Exactly.

Williams: We can't make any executive decision.

Boyd: There's no decision for this meeting. This is just them presenting their material revision. Next meeting is when there would be action. We'll have a clarification meeting with them between now and then to go through some things. Then, we'll be forwarding information to the board after that meeting.

Gomez: We'll get a staff report at the next meeting.

Boyd: Yes.

Chastain: The staff report and anything that you get from us will be only on the material revision request, which is us looking at their bylaws, their articles of incorporation and their current charter to see what needs to be updated.

Barke: Thank you. No further questions? I think we can move on. We'll move on to board

recommendations.

Boyd: Did you close the public hearing?

Chastain: I did.

Boyd: I just wanted to make sure.

Sparks: I'd like to make a motion that we post the public statement on the OCDE website.

Williams: I'll second that. I'll begin the discussion since I'm the one who put this on in association with our legal counsel regarding the litigation, the affair on the selection of general counsel. The document is a historical review of the last couple months for the purpose of public transparency. To summarize what happened is the trial court level sided with the superintendent on the issue of the general counsel. An issue of payment to Mr. Rolen is set for trial in February. It's set for trial at our next board meeting. That's an issue that we'll have to address. The Executive Committee and the board in closed session discussed a compromise to help reconcile the differences of opinion.

While this will go to an appeal level and the Executive Committee would love to work with the superintendent on a compromise, the most important thing, I believe, for this board is that we approve the fees for Mr. Greg Rolen who has been our special interim counsel. Going forward, part of the compromise would be to accept the trial court level's decision while preserving the rights of all parties here as this goes to an appeal level. The board would more than willing and would like to have Mr. Jeff Riel as our general counsel during that interim period. Except for obviously, there may be some conflict of interest here. Mr. Greg Rolen would have to be participating as special counsel on certain specific issues that we still face.

Again, we don't want to continue with this to go to trial. Mr. Rolen's fees currently now are about \$100,000. To go to trial, it's going to be anywhere from \$300,000 to \$500,000. The board doesn't want to see that. We will, again, accept the trial court, the judge's decision. We'd be willing to work with Mr. Jeff Riel going forward except on the minimal issues that we may need Mr. Rolen. We'd like to make that compromise. We'd like to save the taxpayers lots of money. Rather than spending anywhere from \$300,000 to \$500,000 it would cost to go to trial, it would be easier just to compromise with \$100,000 payment to Mr. Rolen. We can dismiss this, move on and have reconciliation.

I share all of these things with you, because this is, potentially, and is a real concern to the taxpayers. There are some very principled issues that the board has a different opinion than the good superintendent. Nonetheless, right now it's a pragmatic situation where we can learn to live with the trial court decision. We can alleviate lots of money being spent based upon the unresolved issue that was determined at the summary judgment hearing on December 30. I'd like to make that statement, that offer, extend my hand to the good superintendent. I don't want him to feel that he has to make any decision now. He needs to obviously go to his good counsel. That is a sentiment that I know Mari and I have held. It was discussed in closed session today. I'll stop my words with those thoughts as we go on with our meeting.

Barke: Yes?

Bedell: I'm not clear as to what I understand what Dr. Williams was doing. How does that relate to what's going on the website? For example, the penultimate paragraph that would have to be

altered, right, to February 14th? Do I hear that right? Do I understand this document is to go on the website and is to be a recounting of history from the board majority perspective?

Williams: Correct.

Bedell: Is that fair?

Williams: That's fair.

Bedell: The penultimate paragraph is not correct. There's the date it was supposed to go to trial, right?

Williams: What specifically, Jack?

Bedell: I'm in the penultimate sentence of the penultimate paragraph. The current trial for January 21. That needs to be edited to February 14, right? Am I in the right document?

Williams: That is correct. A lot of this, because of the dates, that is an incorrect date. It would be

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Sparks: February 12, right?

Williams: February 12.

Bedell: The twelfth? That's what I'm saying. My understanding is this is to go on the website with the response from the superintendent. Is that what you're expecting?

Williams: No. This is just for transparency, because a lot of people, a lot of community activists, a lot of interested citizens want to know what's going on.

Bedell: Sure.

Williams: The purpose of transparency, that's why we did this. If you're making a friendly motion to change the date -

Bedell: Yes, that's fine. That's editorial, actually. I'm fine with that. I think what's important to recognize that the public didn't is that the board majority lost the first part of this case, correct?

Williams: At the trial court level, the judge sided -

Bedell: With the superintendent.

Williams: - with the superintendent.

Bedell: Against the board.

Williams: Against the board.

Bedell: The second piece, as I understand it, because it's a lame mind here. The second piece is whether what's going to trial, at the corrected date, is the payment of Greg.

Williams: That is correct. Maybe Mr. Brenner, you can share with us a little bit better with legal language to help answer Dr. Bedell's question.

Bedell: I think I understand it, but I think the public needs it. If this is transparent, the public needs to understand what's going on. Thanks, Jonathan.

Williams: Agreed.

Brenner: Trustees, Superintendent, thanks for inviting me up. Essentially, what's been said is correct in terms of a summary of what occurred. I wouldn't characterize a majority of the board as that per se. There's only a majority when there's an actual vote on something, obviously. Otherwise, you're just a full board sitting here. The court on summary judgment ruled in favor of the superintendent's position and against the board's position on the question of the respective authority of each governmental agency to point the shared legal officer general counsel. That's a decision as your counsel with which I disagree. I think the trial court was incorrect on that, respectfully.

There are strong grounds on appeal to have that decision reversed, law to be clarified and made from the court of appeal. As to the other issue, that is the issue of Haight, Brown and Bonesteel and Mr. Rolen. The ruling there was to deny the superintendent's motion for summary judgment on the question of whether the board had authority to retain and engage services of Mr. Rolen. It's technically not a ruling on the payment of Mr. Rolen, rather the board's authority to make the engagement for special services or general counsel appointment and whatnot.

The court denied that motion and has decided that issue needs to go to trial for resolution. That is what the court's decision was there. Trial we anticipate will be set for the week of February 10 on that remaining matter. Once that matter is tried and resolved, one way or the other, then, the matter will be ripe or justiciable for an appellate review.

Bedell: Thank you.

Barke: Any other comments? Beckie, any comments? Okay, any comments?

Gomez: I would just say that this whole thing started way before October 4th. I think that if we're trying to be transparent to the public, there has to be some additional information that got us to that point in October. I think that that if we're trying to be transparent to the public, we need to kind of provide some additional information. When I read this in preparation for this meeting, I was particularly concerned about the last paragraph. We talked about, again, the Executive Committee made a compromise proposal. Once again, the full board did not have an opportunity to look at that proposal to see if we all agreed. I think this is kind of the crux of the matter. If we have a special counsel that is supposed to represent all of us, I get concerned that we're not all getting the same information.

It is perfectly acceptable for the attorney to talk to each of us individually without having a serial violation of the Brown Act. It concerns me a little bit that I didn't get any information about any compromise proposal. Yes, we talked about it today. I've not had an opportunity to read it. It was read to me. I'm not an auditory learner, so I struggle with that a little bit. I would say this is lacking. In light of some additional conversations that have been had today, I would suggest that we not do this at this point.

Williams: If I can add just a couple of things to that. That's not my recollection, Beckie, of what we discussed as far as what was told to the full board in closed session. Because the serial communications of Brown Act, we cannot communicate to other than two people.

Gomez: That is not correct. The attorney can talk to each of us individually as long as the attorney doesn't disclose what the other board members are thinking.

Williams: Mr. Brenner, if I can have you come up there to help us with this internal struggle and disagreement here? Could you help explain how we got to where we are in regards to making an effort...I'm sorry. I would appreciate the respect and quiet from the people in the audience. Could you help explain to the public for transparency how we got to where we are today with this proposal for resolution?

Brenner: Sure. I'll do my best to try to do that. In terms of the whole issue that is the subject matter of the litigation. When it got started, it's really not fair to look back to 2019 or even 2018.

But, rather back to 2014 and 2015 when the board and superintendent initially engaged in discussions, most of which were on the record in public session regarding the different views on respective power and authority to appoint the general counsel or shared legal officer for the two clients or two entities. That discussion and disagreement formed all the way back then. It manifested itself and came into full fruition in 2018 when the shared legal officer space was vacated by a result of Mr. Wenkart's retirement. That led to the present dispute and litigation.

In answer to your question specifically, the proposal just so it's clear, it's not really a proposal in the sense that it's an offer that can be accepted and then become binding. It was very clearly conveyed as a suggestion that was contingent and would be contingent on full board consideration and approval. The only representation that was made, as the superintendent of course knows as well as you, is that if it was viewed as acceptable as a basis to create efficiency, save taxpayer money and narrow the disputes down to the one issue that centrally the parties really cared about for purposes of appeal. The Executive Committee would recommend it to the full board. But, that couldn't guarantee, obviously, that the full board would approve that until it had a proper discussion, session and compliance with the Brown Act to consider it and act on it.

That's how that occurred. In terms of the evolution, obviously, I won't get into decision making and discussions that are privileged regarding how to conduct meetings and discussions with council. The board, to really have a substantive discussion about any matter, including a litigation matter, really has to do that either through a delegated administrative responsibility through its Executive Committee or in a session. The board meets monthly. It can be quite burdensome and difficult to schedule emergency meetings. Some decision making occurs. Some activities in litigation necessarily have to occur without full board consultation or even individual phone calls and trying to get everyone in the communication line channel.

Because of that, in recognition of what Trustee Gomez says, which is of course legitimate. Everyone wants to have an opportunity to weigh in and participate in a decision regarding settlement. Certain actions like the proposal that you've just referenced are taken contingently in discussion with the superintendent and his counsel so that there is time during the meetings that the board scheduled for the trustees to consider it. Of course, if appropriate, we would recommend, and presumably, the Executive Committee would try to convene a special or emergency meeting so that you could all get together. In compliance with the Brown Act, undertake a discussion collectively as a body. Then, act as a body as you're authorized to do.

We were faced with a pretty, tight timeline in terms of making decisions regarding the trial schedule, post ruling by the court on summary judgment. The proposal was made to start the discussion, but certainly no commitments were made nor would they be without consideration and communication with and by all of the trustees of the board. Any questions for me?

Williams: Thank you for clearing that up.

Brenner: Thank you.

Barke: Do we have any more discussion?

Boyd: Can't hear you, Mari.

Barke: Do we have any more discussion?

Williams: I'll call for the question.

Barke: Call for the question? I'll call for the question.

Sparks, Williams and Barke: Aye.

Gomez: Opposed.

Bedell: No.

Barke: It passed 3-2.

Williams: On item number six, in the spirit of transparency we're posting as many documents as we can. I make the motion to post the documents that are for item six.

Sparks: Second.

Barke: Any discussion? Hearing no discussion, I'll call for the question.

Sparks, Williams and Barke: Aye.

Bedell: Abstain.

Gomez: Oppose.

Barke: It passes 3-1-1. Moving on to number seven, this one I put on the agenda. We have some additional information at this meeting disclosing the costs of doing such. My question is, what is the cost of transparency? I think transparency to our constituents is primary. Also...I'm sorry.

Williams: I'll second item number seven.

Boyd: Who made the motion?

Barke: I made the motion.

Boyd: Okay.

Barke: Yes. Item number seven is approval of moving the board meeting start time to late afternoon or early evening the first Wednesday of the month. We chose the first Wednesday of the month, because there was only one other district, I believe it was a college board, which had a meeting that same evening. We want you to make sure if we moved our meetings to the evening that we didn't have conflicts with any local districts. The primary reason for the moving of the meetings would be to provide transparency to our constituents. I've heard over the last year-and-a-half that, and even before I was elected to this body, people would love to attend our meetings; but, they can't afford to take the day off work.

We feel that it would be the right thing. I feel that it would be the right thing to move the meetings into the evenings. The last item that we were looking into was the cost of doing that. We have that before us. It looks like annually that cost would be about \$113,000. Some of the questions that I have regarding this might be, could we shift schedules one day a month so that we weren't having people stay overtime? Rather than somebody coming in at nine and being here until nine at night, perhaps they could come in at noon or something like that.

Boyd: With management, we certainly can do that. Our costs are not included, because it can fluctuate.

Barke: Sure.

Boyd: All of our employees are, we have negotiated agreements. The contracts do not allow for us to make changes to their schedules without negotiating that. Over time, potentially, but if you've ever participated in negotiations, it's not as simple as a onetime introduction.

Barke: Anybody else have comments?

Williams: Yes. The document that we have in our red folder. When it talks about like a manager under a facility staff, that person is making \$78.80 an hour? Or, is there some other?

Boyd: It includes statutory benefits and all of those costs.

Williams: It's everything.

Boyd: It's everything.

Williams: Got it, okay. That includes their straightforward hourly plus all the other benefits and such?

Boyd: Correct.

Williams: Okay.

Gomez: Some of these items would not necessarily be every [inaudible]. Like appeals and things like that, and we may or may not have those.

Boyd: Right.

Barke: Right.

Williams: The Charter Unit that may earn, although it seems like we have it...that will be there.

Boyd: That will be there. Media would be there, security and facility staff, the board clerk and support staff. The other issue with facility staff is that we still have meetings occurring all day. Whether or not we have to add additional staff at some point in time because of the rotation. We do meeting room setups based on the meetings that are occurring. We schedule this room just like we do all our other meeting rooms. It would be a matter of fluctuations. One meeting a month with the exception of June. There are two meetings that we are required to have, and then any special board meetings. It's just coordinating the staff and so forth. The other is whether or not we'd need additional staff in the evening, because it's dark.

From the standpoint that we have a lot staff around during the day. At night, what that requirement would be, I don't know. As we've had special meetings in the evening or done things, we've done things to accommodate that. We knew that there were blind spots, so to speak. The other issue is when we might have large crowds. In the daytime, we have the luxury of using the quad area. It's an overflow in terms of people waiting and coming in, because we don't have meeting rooms in the immediate vicinity. From that standpoint, that would be another thing that as it occurred the board would need to know that would need to be addressed. That's going to be an issue in terms of fire code and so forth.

With large crowds, the lobby is not going to be able to accommodate. During the day, we normally have a receptionist. We would add a receptionist in the evening, because we're in a meeting. We would not want that area to not have someone out there. We tried to do the bare minimum. At the same time, we recognize there may be some things that have to be adjusted over time, upwards or downwards, depending on how things play out.

Barke: The catering, I think we discussed it. I don't think that's a need. We don't need hot food. I think we can have food during the day and we can just let there. I don't think we need to do catering is my guess unless there's a big demand from the board for hot food. Is that what that refers to?

Boyd: Not necessarily hot food, but it's preparation of food period. From that standpoint, what does that look like and so forth? That's a conversation the board has. There were times we had no food. Then, we moved to food. We have had a hot and cold option. We would probably as you said, have just a cold option. Unless we ordered something from outside, and have it delivered depending on how long the meeting was and so forth.

Williams: The fruit and the nuts and all that, can that be done before 5 o'clock -

Boyd: It's not a major expense.

Williams: - so we really don't bring anybody over?

Boyd: I'm sorry?

Bedell: The nuts? You're referring to the food, not the board members?

Barke: Snacks.

Williams: That's a good question, Jack.

Board and Audience: [Laughter]

Barke: Don't we have a refrigerator here where we could throw some salads in there at four in the afternoon or something if people really want them?

Boyd: Possibly. We have their staff refrigerators that the staff brings in their items.

Gomez: Your food might get eaten by staff.

Board and Audience: [Laughter]

Boyd: Certainly, as I said, we'll have to figure out some things as we move forward. There's a grace of time of when this gets implemented. We have some time to try to figure out and work some things through. Depending on what the board's pleasure is.

Sparks: When are you thinking about -

Barke: I would like to make a motion to start in April. That would give us 60 days from now.

Sparks: I'm already booked out in April, so April 1 wouldn't work.

Bedell: It wouldn't work for me either.

Barke: All right. May, how about May?

Gomez: I think we've already published our meetings through -

Barke: I think the public could adjust to that, especially if they're actually off work and can attend. I think that that we can change it. We've changed meetings before with 30 or 60 days notice.

Williams: We've changed the board meetings in the past with two-weeks notice.

Bedell: The way this is written, late afternoon to early evening is vague.

Barke: I would make a motion to start the meetings at 6:00 PM starting May. If we have outside counsel, to start at five to start the -

Gomez: Closed session.

Barke: - closed session at five. The meeting for the public at six. I think that would allow most people to get here in time from work.

Sparks: I would put a friendly amendment that we start it in June. On June 3, we already have it scheduled on that first Wednesday of the month to give us enough time. I've already got things booked.

Bedell: It's terrible for me with commencement and everything.

Gomez: I do too.

Bedell: I was thinking that if we go back, Madam President, you say your 6 o'clock. We are now starting 2 o'clock. We've been here five hours. That means 1 o'clock in the morning we have people sitting here, and that's not a pretty sight.

Barke: I'm thinking down the road we might get our meetings a little shorter, maybe.

Bedell: That may change if people leave. I don't know what's broken that we have to rush this.

Barke: It's not a rush. I've been actually bringing this up for several months. It's no rush. I feel like it keeps getting delayed and stalled. I keep getting the same question. I don't feel like it's rushing it.

Sparks: I think it would make a lot of sense to implement it June 3. We have a meeting already

scheduled on June 3. That seems like enough lead time for us to get all our ducks in a row.

Gomez: Our calendars, also.

Sparks: And our calendars.

Barke: I would agree to that friendly amendment.

Sparks: I think that would be a nice compromise to accommodate us.

Bedell: I think, Trustee Sparks, that's a good suggestion. Theoretically, we could have four new board members in a year. It seems to me that would give them a chance as well to adjust their calendars, knowing what's happening, be going into the first week of June.

Sparks: We already have, as I said, we already had June 3. It's already on the books.

Williams: Another thought, at this time, unless compromises are accepted and we don't change this trial date, we definitely have to change the February date. We're going to be having trial that week. We can't be in trial and we can't be here. We do have to make a decision about our February meeting date.

Barke: We can deal with that separately.

Williams: It's really close upon us.

Barke: I mean, we can deal that today. Let's deal with this motion first. Would you like to state a motion?

Sparks: Sure. I'd like to make a motion that we begin this new implementation of the first Wednesday of the month -

Boyd: Are you taking your motion off or is this a subsidiary motion?

Williams: I was going to make a point of parliamentary order. Either she has to take it off and I have to remove my second, and we can begin new here.

Barke: Sure, I'll take it off.

Williams: I remove my second.

Boyd: Thank you, Lisa.

Sparks: Then I make a motion to move the board meetings to the first Wednesday of the month beginning June 3.

Barke: At? Your time?

Sparks: At...

Barke: 6:00 PM?

Sparks: 6:00 PM?

Barke: That was my question.

Board and Audience: [Laughter]

Barke: My original motion was 6:00 P.M.

Boyd: We have a date, and now we need the time.

Barke: The time I had originally said was 6:00 p.m. and 5:00 p.m. if we have closed session.

Sparks: 6 p.m. and 5 p.m. if we have closed session.

Barke: I will second that motion.

Boyd: Discussion?

Barke: Discussion?

Boyd: We did an average of the hours in terms of the costs based on six hours, because that's what your meetings have been averaging. If you're starting at six, we're talking about six to midnight and then coming in. The question is, I don't know if you want to entertain looking at 3 o'clock closed session, 4 o'clock start? At least you'd be potentially out by 10 or close to 10 as opposed to –

Williams: That's going to be a real big change. I was at the Orange Unified School District meeting last month. They went to 1 o'clock.

Barke: Yes, they went to 1:30 AM, but I think that's unusual.

Boyd: I used to work at a school district and we were there late. Especially if you have lots of issues you've got facilities, community and so forth. Your whole intent is to make this more open. You're going to have more people. It's not going to be less people.

Williams: It would be more transparent. That was why last month we had all those community activists come here and ask us for that. That's the heart and spirit of what you want to do here. It may be more pragmatic to do it in June than in February.

Barke: No, I'm agreeable to do it in June to give time. I think if we move it much earlier than six that it takes away from the initial goal of it being transparent if we make it too early. Then a person only has to take a half day off or a full day, I suppose, or leave work early.

Gomez: You can start closed session at four with the board meeting at five.

Williams: We could do that.

Sparks: Community college districts have their meetings starting at 4:30. That's not unusual.

Barke: I would make a subsidiary motion to Lisa's that we start effective in June the first Wednesday of the month with the meeting starting at five and closed session at four if we have closed session.

Sparks: Second.

Barke: Now, do we have any discussion? Hearing none.

Williams: We have to vote on the subsidiary.

Boyd: Who seconded that one?

Sparks: Me.

Boyd: Thank you.

Barke: Hearing no discussion so we're not here until midnight, I would call for a vote.

Williams: Just for clarification, we're voting on the subsidiary first. Then, we go to the primary.

Boyd: Correct.

Williams: Is that correct? Okay. Do you follow?

Boyd: The subsidiary motion that Mari made with closed session at four and meeting time at five is what you're voting on right now.

Barke: Yes. All those in favor?

All except Bedell: Aye.

Bedell: Abstain.

Barke: All right. 4-1.

Williams: 4-0-1.

Boyd: 4-0-1.

Barke: 4-0-1, sorry.

Boyd: We got it, and Bedell is abstaining. Now you go to your primary motion since that passed.

Williams: Yes, we have to vote on that.

Boyd: The primary motion basically -

Barke: Doesn't that just go away?

Boyd: Yes, because this one passed.

Sparks: Can we make a motion to move our meetings to shrink them down to two hours?

Board and Audience: [Laughter]

Boyd: Maybe make a motion that the board members stop talking.

Board and Audience: [Laughter]

Gomez: Time limits, I second.

Barke: Okay, are we moving along now?

Boyd: I believe you need to dialogue about the February 12 meeting?

Barke: Oh, yes. Thank you very much. February 12 we are assuming that we'll be in court. We could either do it that evening as a test run, or we can pick a different day. I'm open to whatever. The case will be Monday, Tuesday, Wednesday. We could push it to Thursday or Friday to be safe? I think the only thing safe would be, if we want to do it that way, to do it Friday so we don't have a court conflict should we not be finished. Or do it one of those evenings. Dr. Sparks is mentioning that Friday is Valentine's Day. I would suggest that maybe we do it the evening of Wednesday the 12th. I'm certainly flexible on that. If somebody else has a better idea.

Gomez: There is an OCSBA dinner that evening.

Barke: Okay, then we don't want to do that. Do you want to find a different evening? I don't think we have enough time to do the week prior. That wouldn't be enough time for everything.

Boyd: It would just shorten our timeline for review, but it certainly is an option.

Barke: Can you live with that? That's not a problem?

Williams: More work for Darou.

Barke: I'm going to be at NSBA through the fourth. I guess I can do the fifth. I'll be back the evening of the fourth. Would anybody be interested in doing it Wednesday the fifth? **Sparks:** Interested? Sure.

Barke: Do I have any takers?

Williams: If we have no choice then that's fine. I'm flexible.

Gomez: I cannot do it on that day.

Barke: You can not do it Wednesday the fifth?

Gomez: Not in the morning.

Barke: Do you want to do it the evening of Wednesday the fifth?

Williams: We could do it the next week.

Barke: We can't, because the next week we're in trial.

Williams: Right. We can do it at night time.

Boyd: Are you talking about during the evening of the fifth?

Williams: Or the 12th?

Barke: I think the evening of the 12th was CSBA.

Williams: Oh, okay.

Barke: What about the evening of the fifth? Does that work?

Sparks: Yes.

Barke: Dr. Bedell?

Bedell: I'm just having trouble with my machine here. I'm sorry.

Gomez: I can make that work.

Barke: Okay. The fifth, okay?

Boyd: Can start time be six o'clock or seven o'clock?

Barke: Six?

Barke: There's a large event in here between them. I prefer to not have to move them.

Barke: Okay, is seven easier for you? I'm agreeable to whatever.

Boyd: Six would work.

Barke: Six would work. Okay. Six o'clock, February 5th. All those in favor?

All except Bedell: Aye.

Barke: Jack, you'll let us know?

Bedell: It's coming up.

Barke: I was just really joking.

Boyd: It's a board consensus, because it's not on the agenda.

Barke: We're talking Wednesday, February 5, at 6 p.m..

Gomez: With closed session at five?

Barke: Would that be okay?

Boyd: That would work.

Barke: Okay. That worked for you?

Gomez: That's fine. It's actually five o'clock.

Rolen: It should be subject to his honor's discretion.

Barke: We're trying the fifth. The fifth.

Rolen: The fifth? Oh, that's fine.

Barke: We don't want to be into Valentine week.

Williams: We don't want our loved ones giving us a dog or some other not kind gift.

Barke: Moving to item eight. Oh my goodness. You want to make a motion for eight?

Williams: Yes. I'll make a motion for the resolution on the excess property tax, which is item number eight. Mari and I have been working on this with...I need a second, I'm sorry.

Barke: I'll second that.

Williams: I'll start the discussion. What's happened here is that because of the economic collapse that occurred in the last decade, the state has taken money from the county offices of education and put it to offset the trial courts fees statewide. There's been a small list that has grown and grown and grown. Finally, I think it's up to 11 counties that are donors to the state's trial court fees and budget. What this is, is an effort that is occurring at the county school board to advise and encourage Governor Newsom to take those monies and give them back to the county offices of education. The backup material is already previewed. It's supplied.

There is a letter, also, that is circulating at other county offices of education regarding the trial court offset budget issue. If I can ask, if you so are inclined to help sign this, so we can get back more money that we're currently giving away. The resolution speaks to that effect. We're urging Governor Newsom to include in his January budget a proposal to reverse the redirection of educational property tax revenues from Orange County back to our county office of education.

Barke: Just for a little bit more background material. This came up at the county board of education meeting in Monterey. Some of our colleagues across the state brought up that they've been working on this and would love it if Orange County also joined. They had several other members. Now they're up to 11. I think when we were there, they were up to eight. Now they've got 11 counties who are wanting to work with them. We thought that it would be a stronger letter to the governor, the more counties that sign on.

Mijares: May I make a comment?

Barke: Sure.

Mijares: Madam President. We have been very involved in this as well. Renee and Dean are the point people for it, but there's 10 county offices. We are one of the largest beneficiaries of this. I think we're dealing with about a \$30 million pot that can be spread out. Renee, I don't know if you have those numbers off the top of your head. Capital Advisors has taken the lead largely with the CBO's on our side and county departments of education. We don't think there will be an issue with the trial courts so long as they're funded. It's more with the legislative analyst office, finance and whether they will be willing to make such a switch. If indeed they did that, we would profit tremendously. It really does require a full court press. I'm really happy that you dealt with this.

Barke: I meant to say I know that the superintendents are on board as well. They were having their meetings. Yes, there has been collaboration.

Mijares: We've been meeting with a number of people in the legislature already. Hopefully, that'll crossover with school boards and county offices that are involved in this problem. We also know that it's important because of the local accountability plans that we govern and the need to help districts that are need of intensive care on our part. There's models. Differentiated assistance is one way we help the local districts within our jurisdiction. There are some who get into a more intensive need for services. Those things is, as you know, are very taxing on the system and require a lot of money to help them.

Hendrick: I think for our office this year, we're projecting that our contribution to the courts will be \$14 million. Ours seems to be growing faster than some of the other counties. Orange County's property taxes have stayed growing even during most counties' large declines. We didn't grow as much, but we were still growing a little bit. I think that's why ours is important in there, because we have some large dollars in there. I think this last year was about nine million. You can see the growth.

Mijares: It keeps growing is what we're saying.

Williams: Renee? Last year it was nine million? This year it's 14 million?

Hendrick: We're projecting it to be 14. We're almost a year behind in the calculation. This year our projection is 4 million to go.

Williams: That's money that we don't get back from -

Hendrick: We don't get back.

Williams: We lose it and it affects our kids and programs.

Hendrick: Right. It's not that the courts get extra money either, because what they get from us, the state just doesn't pay them. It's really the state is the one who's getting the savings, not the courts.

Gomez: Just one quick comment. At the end of this letter you mention about follow up with the Capital Advisors group. This is one of our lobbying groups, correct?

Mijares: Right.

Gomez: Okay. This is one of the, I think, advantages of having our lobbying groups there and in our budget. I know that was a point of concern for some of the board members that this kind of stuff gets reduced. That was one of the items in contention. I see this as being an example of how

valuable the lobbying firms can be when they kind of support something. We're going to get way more than if the projections are correct, or even close. This is a point of value.

Barke: I totally agree. I think my original comment about the lobbying way back when last May was that I just wanted us to have joint discussions on what we are lobbying about, so we're aware of it. When I was made aware of this, I thought it was great.

Gomez: Yes, I think it's a great.

Williams: For the record, we did not eliminate all lobbying.

Gomez: No, I know. I'm just saying that this is a good example of how the lobbying efforts support us in the long run.

Barke: Especially when we can work collaboratively. Any other discussion? Call for a vote?

Board: Aye.

Barke: It passes 5-0.

Bedell: Can the record show it passed unanimously?

Boyd: Darou will pass the letter around for you all to sign. There's a place for each of the board members to sign.

Bedell: Purple and black.

Barke: Yes.

Gomez: Black, not blue? Does it matter?

Barke: Blue shines so nice.

Sparks: Let's do blue.

Barke: I like blue.

Boyd: If you don't have a blue pen, Jack, you can pass mine down.

Barke: I think we all have them.

Boyd: You can pass mine back.

Barke: I'll pass you mine. Can we now move on to item nine?

Boyd: I'll take that.

Williams: I will make a motion for this. I may not vote for it, but I'll make a motion so we can get to the point of discussion.

Sparks: Second.

Barke: Board discussion. Renee, and then Mr. Rolan, you'll be up fairly shortly. My questions will extend to a lot of different areas here. Renee help us out. This is a different interim than we received last month. Is that correct?

Hendrick: The overall budget projection for first interim is the same. The difference is the variance we gave you last time was the budget compared to the second interim of 18-19. This is the same first interim budget, but it compares it to the superintendent's budget for 19-20. It gives a closer view to the changes for this year.

Williams: It was not based upon the board adopted budget on June 26th and the 10th, I believe.

Hendrick: No, it was not. It was based on the budget that the state superintendent approved.

Williams: Right.

Hendrick: Let me rephrase that though.

Williams: Okay.

Hendrick: Really, the first interim budget is a new snapshot, right? The comparison, whether you compare it to the second interim, whatever the adopted budget is, the budget stays the same. It hasn't changed between those. Does that make sense?

Gomez: The actuals.

Hendrick: The actuals. The part for where it says the projected first interim. That piece has stayed consistent. That is our update of revenues and expenditures. If you notice in my note that since June, we have over \$22 million in new revenue and \$17 million in new expenditures. There's a lot of changes that have happened. These are all the updates to that budget.

Williams: It's still based upon Superintendent Thurmond's recommendation to accept the superintendent's budget. Is that correct or not?

Sparks: It's based on a non-approved budget.

Hendrick: I guess I'm not really sure how to answer that question. You take the budget and whether it's \$174 difference one way or the other, but you take that base and you're building on all of your new revenue and expenditures. That's what is included in here. All the new revenue and expenditures that have happened since June.

Williams: Right. The document that we received on December 11th, the interim at that time. That was based upon the 2018-2019 budget? This document that we are now talking about discussing is based upon the superintendent's -

Hendrick: The variances are showing the difference between those.

Williams: There will be differences, right. It's a different interim document, no doubt about that. The issue is how we got here. It's a matter of process. If I can, because this is very important. Mr. Rolan, if you can get up and kind of lead us on this. This bit of transparency on how we got to the point where the State Superintendent Thurmond recommended a different budget than the board adopted.

Rolan: Yes. No. No. What happened is at the last meeting, Trustee Barke asked that the first interim budget come back based on the budget the board approved. Evidently, that didn't occur. What has occurred in the interim is the Budget Review Committee process took place. Now, to the extent the Budget Review Committee process at all impacts our litigation is what we discussed last time, right? Whether adopting a first interim budget, approving it, reviewing it or accepting it, any of those verbs had any impact whatsoever on the existing budget litigation. The next question is, what, if any impact, does the Budget Review Committee process and recommendation have to do with that? We are taking the position that the litigation will stand on its own.

The Budget Review Committee process has little or no impact on that. In order to be good stewards and allow everybody to be heard, we participated in that process without waiving any of our rights in the litigation. The Budget Review Committee process took place. I'm presuming that staff brought forth the superintendent's second budget based on the recommendation of the Budget Review Committee not in an attempt to refuse the board's request. That being said, there are processes and there are processes. This is the latter. The Budget Review Committee process is not put forth anywhere in statute. It just says you have to have one and they set a few timelines. We'll discuss those later. The state superintendent's office, first of all, the state superintendent has not approved the recommendations of the Budget Review Committee.

Boyd: Yes, he has.

Rolan: Since when? The letter doesn't say that he did it. It does not say that he approved anything. It said accepted, but it didn't say approved. Hear me out on this. The Budget Review

Committee threatened to engage in a process in October. In early October, we talked to the Budget Review Committee and the department of education and said, a number of condition precedent have to occur before you can even implement that process. They went forward with it anyway. On November 7th, I think it was, they gave us the list of candidates. It took us until, I think, December 4 something of that nature, for us to accept a budget review committee.

What happened is as soon as they said this process was going to take place on December 3. We reached out to CDE and said, "Hey, what does the process entail? We would like to meet and discuss the process. We would like to provide you with any and all information that we think is relevant. We would also like to have this take place in a transparent way subject to the Brown Act so the public could see it." That correspondence was ignored. On the 10th of December, we reach out to a BRC member, Budget Review Committee member, Ms. Rainey, Dr. Rainey, and said, "Hey, same thing. We're curious what process you're going to implement. We're happy to meet with you and discuss it. We would like to provide you information and insight."

Again, that was ignored. The very next day, the committee reaches out to staff and sets the meeting time, sets the meeting date, has discussions and accepts five or six documents from staff. Only one of them is the board's approved budget. This is in spite of us making two separate attempts to reach out and discuss process with them. The very next day, each board member is contacted individually, not through council, individually. They said, "Hey, we're going to complete this process on the 20th of December. You have a three-and-a-half, four hour window on the 18th to meet with us." No discussions with me. I'm beyond taking this personally.

No discussions with the board members about their particular schedules. They just set a three-and-a-half-hour timeline. What do we do? We write another letter saying we're concerned with the process. We're concerned with the possible Brown Act implications. Four of our five board members have scheduling conflicts. Guess what their response was? Just shout it out when you know it. We were ignored. On the 17th, I called Mr. Von Flue on the telephone. He happened to answer the phone. I said, "I'm Greg Rolen. I represent the board. Here's our problems. We have four of five board members with scheduling conflicts. We are concerned about the Brown Act. We have no idea what the process is."

He says, "Don't worry, we're going to have this thing done by the 20th. We already got a lot of information." We offered information. He didn't accept it. But, they accepted information from the other side and just kind of let it slip. I told him, "Look. I'll try to make my board members available on your timeline, and I'll try to get you some information." That was about seven o'clock. I jumped on a plane, got on the phone with the board members. Apparently, Trustee Bedell had an urgent work matter that he couldn't make the meeting. We made that happen so he could talk to them telephonically. Trustee Gomez had no problems. The Executive Committee members, Dr. Williams came from surgery. He was dressed just like that.

The president happened to make it. We show up at 10. We're left in the lobby until about 10:30. Staff comes out and says, "Where's your Executive Committee member?" I said, "I can make her available when we have a meeting with the Budget Review Committee." We meet with that committee who incidentally said they didn't want lawyers present. I told them I would be there and said, "Look, we can get two Executive Committee members here at noon. Here's some

information you may need.” I transported, gave him 150 pages of material. Then, I gave them two hours to review that material. We go and have the meeting. They nodded a lot. The Executive Committee explained a number of things to them.

They explained that Vice President Williams had historically made motions to reduce the budget and was out voted. That a number of the board's constituents have requested department budget reductions. That Executive Committee members had personally witnessed what they believed to be unnecessary spending during conferences That the board members inquired into the possible budget reductions at the May 7 study session and were informed that they were subject to the discretion of the superintendent. The board moved and seconded particular reductions on the 26th of June. Then, the board adopted and approved an annual budget on the 26th of June, which included lower spending for lobbying, conferences and travel.

The board directed staff to prepare the budget, reflecting the particular reductions. Staff did not prepare a budget reflecting the particular reductions. Then the board noticed, posted and prepared another agenda for a special meeting on August 1, 2019, to pass a budget. Again, they passed a budget. Then, the board publicly and through counsel asked the superintendent to sign the budget. The superintendent refused to sign the budget. The board approved Trustee Lisa Sparks to act as board clerk to sign the state mandated form. She signed the state mandated form. We submitted the state mandated form. The budget allowed the department to meet all its financial obligations.

The BRC did not interview or talk to the board majority that voted for that budget. Trustee Sparks was not available for that, because she had a previous engagement that was over a year in the making. We knew she was going to be gone. We were posed with questions that we believe were fed to them by staff such as, “Before the supervisors granted you authority over the budget, did the board of supervisors approve the budget?” When we were asked, “When you made the budget reductions, did you direct staff where to send them, where to put the money back into?” They wouldn't have had that kind of knowledge had they not been consulting with staff. Yet, they did not ask us a single question about any of the 150 pages of documents that we submitted.

They make a recommendation. The recommendation in and of itself, people have referenced it, it is flawed. First of all, they said we had to have this completed by December 20. We didn't. It was a made-up date. The Budget Review Committee is supposed to meet by November 30. They're supposed to meet 10 days after the candidate list is selected. Both those timelines ran long before December 20. We were told we had to meet within a three-hour period on the 18th, because they had to have it completed on the 20th. We see no authority for that. That could have been for any number of reasons, but it wasn't mandated in statute and the state superintendent's office has the authority to extend that timeline 15 days and did not. What's that say?

The Budget Review Committee set some criteria for their work, which was to pick a budget. Pick one. That's not what the statute says. The statute says that you can approve, disapprove and then make recommendations based on the financial considerations. The whole criteria were in violation of the statute. The Budget Review Committee said that they tried to be a transparent third-party arbiter. We already talked about that. The recommendation said that the final report of the BRC is not subject to review and approval by the state superintendent. The report was to

be signed by all BRC members. The statute says that the state superintendent must approve the budget. What we have is, and this is the kicker, they don't mention the board's budget at all.

They didn't even make reference to the board's budget in the recommendations. They said, "We picked this budget, because it was posted, it was discussed, and it meets financial obligations." They left out that the board's budget was posted twice, discussed twice, met financial obligations. The only difference between the two budgets is one was approved by the board and one wasn't. The whole reasoning for them approving one budget over the other applies equally to both budgets. In that, the process was somewhat one-sided. We did not get any mention of the documents, testimony or budget that we submitted. We are certainly taking issue with the recommendations of the budget committee, and I will not sing.

Williams: Thank you for that. That kind of gives me greater insight. You did a good job presenting that. What we have here, then, is the budget based upon the BRC, Thurmond's committee. It's not based upon the board approved budget, correct?

Rolen: That's correct. The options are the same as they were at the last meeting. You can table and ask the other budget to be brought back, or you can vote on this at the risk that it compromises the budget litigation.

Sparks: I move that we table and we do the same thing we did at the last meeting. Request the approved budget being included -

Rolen: We build the first interim off the approved budget. The budget approved on the 26th and the 1st.

Sparks: Yes.

Williams: I'll second that.

Barke: Any discussion?

Gomez: Clarify the motion. What are we doing here?

Rolen: There's a motion to table number nine and have staff bring back a first interim report built on the budget that was approved by the board on the 26th of June and the 1st of August. It's exactly the same as the last meeting.

Hendrick: Can I clarify something? The letter that we do have, it does say that they have approved the budget that was submitted by the superintendent. They are our approving agency. The state is the one who approves our budget after the board. That is the budget I am required to file since that is what the state superintendent has put in writing. I would also just like to note, Mr. Rolen, that the memo went out to the board members the same time it went out to us. We were all given the same amount of time.

One day. It basically said it's on this date, this is your time period. Would you like to submit any documentation? The same memo went to every single board member, because Darou and I sent it together. Everybody had the same notice. I think it's unfair to publicly say that somebody got something, and somebody didn't when everybody was notified at the same exact time. I did submit additional documentation as any board member could have done also. I just want to be clear on that.

Mijares: The other thing, Madam President, is this is pretty, clear to me. It says, "Accordingly and pursuant to Education Code Section 1624 B, the recommendation of the Budget Review

Committee is accepted for the reasons stated, and the budget presented on June 26, 2019, by the Orange County Superintendent of Schools at the Orange County Board of Education meeting is approved. Tony Thurmond, superintendent of schools. You got a copy of this.

Rolen: I did not.

Mijares: You didn't get a copy of this? Your name's on there.

[MR. ROLEN READS THE COPY OF THE LETTER THAT DR. MIJARES READ ALOUD]

Mijares: Greg Rolen, right there. It's a posted document. I'll make copies for anybody in this room that would like a copy, including yourself.

Rolen: No, I haven't seen this document.

Williams: What do we do here? We have a document that you haven't seen. Let me ask you this, is this signed by the superintendent?

Rolen: It's not. It's signed by a representative, Ms. Costancio. She signed other things.

Williams: Who's Ms. Costancio?

Rolen: She's a deputy director of thus and such.

Mijares: Deputy Superintendent.

Boyd: Superintendent.

Rolen: We've sent her correspondence. She's replied every once in a while. She's a legitimate individual.

Williams: My understanding is the Education Codes, it's Thurmond that can only accept or not accept a budget.

Rolen; That's the genesis of our litigation anyway. I don't know that any action by the board right now to accept the first interim report.

Williams: The superintendent's budget was not board approved, but Ms. Costancio's saying that that's the budget we go by.

Rolen: I'd have to read the letter, but evidently that's what he's representing that they say.

Williams: The motion -

Rolen: The motion's on the table.

Williams: - is to bring back next month an interim based upon the board approved budget with the reductions that we had at that time?

Rolen: That's accurate.

Williams: Okay, and it's been seconded.

Bedell: I'm sorry, I had to take a break. In the interim, the motion made was to postpone what Renee talked about to next month to do an edit on the board approved budget that Lisa sent. Is that basically right?

Rolen: It's the same motion as the last meeting.

Gomez: Why would we do that if the state superintendent has approved the budget that was submitted by the superintendent?

Rolen: Two reasons, first reason, and I haven't seen the letter from the department of education saying that he had approved the recommendations of the Budget Review Committee. The recommendation from the Budget Review Committee are flawed. Third, we're not certain at this point what, if any, implications proving a first interim budget has on the existing litigation. We have been trying to talk to CDE about that. They've actually gotten back to us and wanted to speak with us about that.

Bedell: Do I still have the floor, Madam President?

Barke: Yes.

Bedell: It was usurped by Trustee Gomez. We've got to have a little humor in this. Do we damage anything -

Rolen: No.

Bedell: - by waiting a month? Does anything happen to us? Can we not pay bills? Does faculty not get paid, teachers not get paid, whatever? Do the lights go off? Does anything happen?

Hendrick: In code, you do not have to approve the first interim. You do have to, because we have revisions of more than \$25,000. Like I said, I added \$22 million in revenue and over \$17 million in expenditures. You should be approving those revisions. If you don't, that would be up to CDE to decide what the ramifications of that are. By you not taking action, I'm not sure what their thoughts will be on that. I've tried asking that question. They said it's never happened. They haven't answered that question yet.

Bedell: The \$17 million that you have to pay would not be jeopardized, would it?

Hendrick: It could, I don't know.

Bedell: That's for programs and people?

Hendrick: Yes.

Bedell: I'm done.

Barke: Beckie? Any comments?

Gomez: No.

Barke: Any further comments from here?

Williams: No further comments.

Barke: Do you have further comments?

Sparks: No.

Barke: Then, I'll call for the vote.

Sparks, Williams, and Barke: Aye.

Gomez: Oppose.

Bedell: No.

Barke: Passes 3-2. We took action on item 10 earlier. We are at board discussion.

Williams: I'm up on deck here. The charter school certificate says, as we know from the past, there was some concern regarding the credibility of the school. When potential families would walk into the main entrance and into where they would do all of the registration and administrative work, one of our charter school folks said that we'd like to have something that is officious in appearance. We took that, and Nina has created last month, and we saw the document. I can't recall the results of which one did we favor?

Barke: I think the one with the orange?

Boyd: Yes, it was the fancier one with the gold trim around it. The request, though, that you wanted us to look at was having it larger. It doesn't come in larger paper. I mentioned that most often it's made larger by borders that are put in a frame and so forth. We could make it whatever size in terms of that. Then, you were wanting a number put on there. The number that they get takes 60 to 90 days, so it's after approval. You had wanted us to look to find out what that time

frame was for the certificate. It's just a matter of whether or not the board wants the number on there. It's not issued until that point in time, or whether once it's approved, we finalize the certificate.

Williams: Right. Thank you, Nina, for all of the background and research and work you have done. I think the number is important. You could give it an officious appearance. Most of the charter schools are not going to start out the block, anyway, in 60 to 90 days continuing with classroom, signing and getting everything going to school activities. It's usually many months later. I have no problems with the number on there.

Boyd: Consensus? Everybody okay with that?

Barke: Yes, I am.

Boyd: Charter school number?

Barke: Yes. Okay, next item is board policy on new member governance.

Bedell: I'll postpone that.

Barke: Okay. Term limits committee report?

Williams: I'll defer to you.

Gomez: We started some preliminary research on all of the school districts in Orange County. I shared that with Dr. Williams the other day, but we're not close to finishing that. When we have some additional information or we're able to research all the districts, then we'll report back.

Barke: Just a question, and not that it really matters. Are you also going to look at other counties?

Gomez: We didn't start out that way, but we certainly can.

Barke: Just a thought.

Gomez: Other county boards.

Barke: Yes.

Gomez: Add to our work. No problem.

Barke: Sorry. OCBE Benefits Committee Report.

Bedell: That will report out in March.

Barke: Okay. Superintendent announcements?

Mijares: Yes, Madam President, members of the board. It's an honor to be with you today. Just a couple of quick things that are absolutely important. Number one is that we have 35 OC campuses that were named as 2020 California Distinguished Schools.

Barke: Outstanding.

Mijares: We scored the second highest in the state only next to LA. That's because that's the behemoth, LA. They've got like four times the population of everybody else or at least like us. That's very -

Bedell: Impressive.

Mijares: - laudable. It's commendable.

Board and Audience: [Applause]

Mijares: We have some board members present from our districts. You're to be commended because, really, it's the hard work that goes in right to the heart of the classroom. Teachers, students, parents involved, excellent leadership and it's made the difference. I want to thank them for all of that. I also want to let you know that indeed we had a Building A Stronger United

Community. It was a joint effort between the OC Human Relations Commission. This is the commission that's appointed by the Board of Supervisors and the Orange County Department of Education.

I just wanted to give a shout out to Stacy Deeble-Reynolds, Stephen Lambert , Christine Olmstead who really helped , and Dr. Hittenberger to shape this. It was great. We're doing another one for school administrators, teachers, counselors and others in two weeks. That'll be on the 22nd. I wanted to give a shout out to Nina, and the Charter Schools Unit. As you can see, Nina, I hope I don't miss anybody. Aracely and Kelly are here all the time. David, Teresa, who isn't here today, and you have Ana Torres, Leila, or is it Leela ?

Boyd: Leila.

Mijares: And Felipe, the new guy that we hired. This is the Charter Schools Unit that we have in place that helps to strengthen the charter schools that this board has approve well as other charters who need our support. Because of the fiduciary side of that, even though you make the approvals, we deal with the fiduciary element, which we can't disengage from despite the fact that some would like us to. That's our responsibility and it will be with ISSAC, it will be with SAUSD, and OCSA. We definitely are diplomatic.

We want to be good servants to them, but we want to make sure that what happens in the classroom is the right thing for kids. Right? It would be as though they were our kids. My sons are in that classroom. I want to make sure they're getting the best educational program available. Nina, thank you for all the work that you do, because it's a lot of work. You do that on top of several other things. I don't know how you do it.

Boyd: The team does a great job.

Mijares: Commendable.

Board and Audience: [Applause]

Mijares: That's all I have under my reports.

Barke: Thank you.

Boyd: I need to correct my update, because the next board meeting will be February 5th, closed session beginning at 5 o'clock and the general board meeting will be at 6 p.m.. We'll get that posted to the website tomorrow so that people will have notice. Just want to mention to you all that the 2020 National Charter School's Conference has been announced in Orlando, Florida, June 21st through 24th. If there's interest in attending the national conference, please let Darou know. We have several of you signed up for the statewide conference, which is in Long Beach in March. There also is a Mental Health Forum on January 22, at 11 a.m. to 3:30 p.m. We'll be sending you a copy of a flyer tomorrow. If there's interest, you can let Darou know so that we can make sure that we have you recognized. That same day is the Orange County School Boards Association meeting that will be held here at 4 p.m.. Kevin Gordon, with Capital Advisors will be doing an update for our board members county wide. Immediately following that will be the Orange County School Board Association's Board of Directors, which Beckie represents you with that group. Reminder that there's also an office closure this month on Monday, January 20th due to Martin Luther King Day. Those are your announcements.

Barke: Thank you. Will you be sending us out on the National School Board meeting, too? Will you send information on that?

Boyd: We'll send you some information. I don't know that we have all the information in terms of what their breakouts and so forth, but we have a hold the date and some general information. We'll get that to you.

Barke: Great, thank you. Okay, wonderful. Legislative updates. Anything -

Bedell: I want to say that it was very moving this past Sunday to attend the honor of our beloved former member, David Boyd. It was a very robust group with robust comments. It was a very nice, warm event that I think he would have appreciated.

Gomez: Yes, very much.

Bedell: One of his interests was in the Kennedy's and he died on the day of the anniversary of JFK's assassination. It was one of his key intellectual things that he liked to study. I was honored to participate in it.

Barke: Very nice. Thank you. Beckie, anything else?

Gomez: No, thank you.

Barke: Nothing? Any board member comments? No? Nothing else?

Gomez: We have a public comment, I think.

Barke: What's that?

Boyd: You have one public comment?

Barke: Oh, yes.

Boyd: Kathy Moffat?

Moffat: Good afternoon, President Barke, members of the board, superintendent. I just wanted to give some input on some of the issues covered in today's meeting. First of all, with regard to the Irvine International Charter with the Mandarin immersion program. Obviously, I've listened as you all did to the presentations by both the charter school and Irvine Unified. It was identified that there was a lack of qualified, experienced administration, thin resources for professional development, educational training, supervision, and unsound educational program among which the concerns were non-aligned curriculum to California standards, insufficient plans and budget for special education, below level salaries and below the level of competing Orange County school districts.

I wanted to tell you that within my school district, my name is Kathy Moffat. I'm also a trustee for Orange Unified School District. We have in our school district a school that features Mandarin immersion. Fletcher Elementary has been doing this for the past seven years. It's been very, very successful. This kind of a program doesn't have to be done in just a charter school. It can be done. It can be done better within a regular school with all the supports, all the expertise and all the extra energy and expertise of a school district backing it up. I just wanted to say that our program has grown and improved over the years, and it is hugely successful. Our initial class members are now in middle school.

The extension of the Mandarin immersion has grown each year as they have aged within the program. It's won lots of awards and accolades. I also want to applaud the state legislature and the governor for the passage of AB 48, which will replenish the state coffers. It puts Proposition 13 of 2020 on the ballot. If that proposition is approved by the voters, it will replenish state coffers so that school districts, like mine, who have embarked on school facilities renovation and

school construction can apply for it. They can have a chance of getting state matching funds. Our voters who approved our bond in 2016. They're very eager to have these state matching funds to make their tax dollars go even further. I would encourage all of you to support Proposition 13 on the 2020 ballot. Thank you.

Boyd: That's the only public speaker that we have at the end.

Barke: I think we need to adjourn back into closed session.

Boyd: Recess.

Barke: Recess into a closed session for a short time.

[PRESIDENT BARKE STRIKES THE GAVEL ONCE TO SIGNAL THE BEGINNING OF RECESS FOR THE CLOSED SESSION. UPON CONCLUSION OF THE CLOSED SESSION, PRESIDENT BARKE STRIKES THE GAVEL ONCE TO CONTINUE THE REGULAR MEETING]

Barke: We are back in session. We will start with Jonathan Brenner reporting out.

Boyd: I'm ready for you.

Brenner: I'm reporting out from the closed sessions from today's meeting. On items number one and two, updates were received by the board. No action was taken other than review and approval of our invoices dated December 31, 2019. The board approved those invoices for payment by a vote of 4-1. Trustees Bedell, Barke, Williams and Sparks voting in favor and Trustee Gomez voting no. No closed session was held on agenda item number three. That's the report out for the closed session.

Boyd: Thank you so much.

Brenner: Thank you.

Barke: Greg was going to do number three, I think.

Williams: No, he just did it.

Barke: Oh, you did it. I'm sorry. Okay, I move to adjourn.

Williams: So moved.

Barke: All right.

Boyd: Thank you.

[PRESIDENT BARKE STRIKES THE GAVEL ONCE TO SIGNAL THE CONCLUSION OF THE REGULAR BOARD MEETING]