



Regular Meeting of the Board of Directors

Tuesday, May 9, 2017 6:00-9:00 PM

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 - a. Proposed Greenlighting Framework
7. Facilities Update
 - a. Authorization to Submit Applications for Charter School Facilities Program (Prop 51)

Mission - Navigator Schools drives phenomenal student achievement by developing top tier teachers and leaders who consistently improve innovative classrooms and schools.

AGENDA

Regular Meeting of the Board of Directors
Tuesday, May 9, 2017 6:00-9:00 PM
Gilroy Prep School
277 I.O.O.F. Avenue, Gilroy

POSTED: Gilroy Prep School Office, Hollister Prep School Office, Support Office, Website, teleconference locations
Teleconference locations: 1. 500 Main St, Salt Lake City, UT 84101 2. 1215 Talbryn Drive, Belmont, CA 94002

Mission - Navigator Schools drives phenomenal student achievement by developing top tier teachers and leaders who consistently improve innovative classrooms and schools.

NOTE: Times listed for Agenda Items are estimates only. Actual times may vary substantially dependent on circumstances.

I. Procedural Items

	<u>Item</u>	<u>Objective</u>
A.	6:00 pm Call to Order, Attendance and Opening Remarks <i>Caitrin Wright, Chair</i>	Discussion
B.	6:05 pm Consent Agenda <i>Caitrin Wright, Chair</i> <ol style="list-style-type: none"> 1. March 14, 2017 meeting minutes 2. Wellness Policy 	Action
C.	6:10 pm Public Comment on items not covered on the regular agenda <i>Caitrin Wright, Chair</i>	Discussion

II. Presentations, Discussion & Action Items

	<u>Item</u>	<u>Objective</u>
D.	6:15 pm CEO Report <i>Kevin Sved</i>	Discussion
E.	6:30 pm Finance Financial Update 2017/18 Preliminary Budget <i>Joyce Montgomery, Treasurer & Bryan Adams</i> Local Control Accountability Plan (LCAP) Update <i>Kevin Sved</i>	Discussion Discussion Discussion
F.	6:55 pm Governance Committee Update Conflict of Interest Code Retreat Date <i>Caitrin Wright & Kevin Sved</i>	Discussion/Action Discussion Action Action
G.	7:15 pm Navigator Schools Strategic Plan Update Proposed Greenlighting Framework <i>Kevin Sved & Andrew Bray</i>	Discussion
H.	8:30 pm Facilities Update Authorization to Submit Applications for Charter School Facilities Program (Prop 51) <i>Kevin Sved</i>	Action

III. Close of Meeting

	<u>Item</u>	<u>Objective</u>
I.	8:55 pm Adjourn Meeting	Action

CONSENT AGENDA

Tuesday, May 9, 2017

- a. Meeting minutes (March 14, 2017)

I. Procedural Items

Item

- A. **Call to Order, Attendance and Opening Remarks**
Caitrin Wright, Chair
Meeting called to order 6:01.
Attendance: Caitrin Wright, Joyce Montgomery, Alicia Gallegos-Fambrini, Nora Crivello, J.P. Anderson, John Glover
Caitrin- opening remarks – Highlights from school visits over the past 2 weeks – focus & joy in every minute of centers time in Kinder classes. MS – students playing the role as teachers. True commitment to improvement throughout the sites.
- B. **Consent Agenda**
Caitrin Wright, Chair
1. **December 13, 2016 meeting minutes**
 2. **Governance Committee Bylaws Change Recommendation**
 3. **Re-election of Caitrin Wright**
 4. **Wellness Policy**
 5. **Committee Meeting Minutes**
- Items 2,3,4 pulled from consent agenda for further review. Bring 2 & 4 back to the May 9th meeting.
Amended consent agenda – 1 & 5 – John Glover moved and Alicia Gallegos-Fambrini 2nd to approve Approved as amended.
3. Re-election of Caitrin Wright to the board for a two-year term. John Glover moved to approve, Nora Crivello 2nd.
Alicia noted Caitrin has done an amazing job as chair. Motion passed unanimously.
- C. **Public Comment on items not covered on the regular agenda**
Caitrin Wright, Chair
- No public comment.

II. Presentations, Discussion & Action Items

Item

- D. **CEO Report**
Kevin Sved
Kevin reviewed Prop 51 information from CEO report. Possible item brought back to May meeting. John shared need to work with GUSD to find a permanent solution for the students at GPS. (in case of high speed rail impact). Caitrin shared need to have a proactive thought

process around future of facilities.

John asked for facilities updates to be added to future agendas.

Alvaro Meza, GUSD, gave an update on high speed rail.

E.

Finance

Financial Update

Approve Annual Navigator Audit Engagement Letter

2017/18 Preliminary Budget/Site based salary increases 2017/18

Joyce Montgomery, Treasurer & Bryan Adams

Joyce & Bryan reviewed financial dashboard

Nora moved to approve, Caitrin 2nd to approve audit engagement letter. Motion passed unanimously.

Bryan reviewed preliminary budget for 17/18.

Kevin asked for direction from board to be able to prepare offer letters to school based employees.

Questions – what are areas of concern? What are the risks? Finance Committee recommended bringing the budget to the board much earlier in 17/18 for 18/19. Caitrin recommended building philanthropic relationships.

Caitrin moved to accept Kevin's recommendation regarding salary increases. Nora 2nd Motion passed unanimously.

F.

Governance

Board Engagement Update

Caitrin Wright, JP Anderson, & Nora Crivello

Nora & JP gave updates on Parent Club meetings – parents concerned about federal funding, growth, Hollister high schools. Kirsten will post "What is a board slide show" on the website.

Kevin shared the parent question regarding commitment to provide current level of service to all children, including special ed services, regardless of what happens at the federal level.

G.

Governance

Resolution designating Gilroy & Hollister Prep Schools as Safe Havens

Kevin Sved

Kevin introduced Safe Havens Resolution. John asked if training has been provided to office staff.

Joyce moved to accept, Alicia 2nd – Motion passed unanimously.

H.

Governance

Board Meeting Calendar/June Meeting date change

Caitrin Wright

Staff will follow up with board regarding dates for board retreat to coincide with strategic planning. Include Brown Act, Conflict of Interest trainings,

With retreat date as TBD, Joyce moved to approve board calendar and John 2nd. Motion passed unanimously.

Caitrin motioned to approve June 13th Nora 2nd as June meeting date. Motion passed

unanimously.

I. **Navigator Schools Strategic Plan**

Andrew Bray & Kevin Sved

Board conversation on impact statement.

Concerns regarding aggressive timeline, no high school, number of schools, statement regarding working with districts, maintaining high quality at current schools.

III. Close of Meeting

Item

J. **Closed Session**

Public Employment – CEO Evaluation

K. **Closed Session Report, Meeting Closure & Adjournment**

Caitrin Wright



Date: May 5, 2017

To: Board of Directors

From: Kevin Sved, CEO

Re: CEO Update

A) Priority: Build on and codify the existing academic excellence in schools

1. Silicon Schools Fund invited Navigator to apply for a grant to support the development and implementation of innovations at Navigator. A grant proposal was submitted resulting in one-year grant for \$85,000 to fund an Innovation Fellow. The Innovation Fellow help develop, study, refine and document 10-15 Navigator “moves” for personalized learning pathways to increase self-directed learning. The Innovation Fellow (job description attached) is a one-year, a full-time position who will work under the supervision of the Chief Academic Officer.
2. Increased organizational capacity to support data-driven instruction and documentation of Navigator curriculum is necessary to continue to build on and codify the academic excellence in our schools. The leadership team collaborated in developing the attached job description for the Data Analyst and Curriculum Specialist. This position was included in the budgeting process. Key duties of the Data Analyst and Curriculum Specialist include ensuring the integrity of Navigator Schools academic data, analyzing data to support instructional decisions, and coordinating the warehousing of Navigator curriculum.

B) Priority: Create excellent, sustainable organizational health through strong systems, processes and procedures, and culture.

1. A strong indicator of organizational health is the high rate of teacher retention going into 2017-18. Of the 30 members of the teaching staff invited to return for 2017-18, 29 have returned their updated employment agreements with new salary rates effective August 1.
2. The budgeting process for 2017-18 has included significant collaboration between principals, human resources, special education, technology, and our finance staff/consultants. Building on this year’s experiences, a timeline for 2018-19 will be developed that will provide a longer runway for the budgeting process, with preliminary budgets going to the Board in January 2018.
3. A revised component of compensation offers for 2017-18 includes a snapshot of total compensation that includes benefits. A sample of this total compensation sheet is attached.

C) Priority: Lead a thoughtful growth initiative

1. Please see attached report from the Director of Community Outreach.
2. Director of Community Outreach Kirsten Carr coordinated a visit from Michael Kirst, President of the California State Board of Education on Monday, March 27th. Dr. Kirst spent a few hours with us and was highly impressed. Dr. Kirst was joined by Dr. Debbie Flores, Superintendent of GUSD and board members Pat Midtgaard and Linda Piceno for the tour of GPS, and Dr. Lisa Andrew, Superintendent of HSD participated in the tour at HPS.
3. Other tours since the March CEO Update included: Another delegation of educators from Henry County Georgia; Rob Bernosky, HSD Board of Trustees; American Indian Model Schools; Tom Arnett, The Christiansen Institute & Morgan Hill Unified School Board of Trustees; Pajaro Valley

Unified School District (2 Assistant Superintendents and 5 principals); Robert Rivas, San Benito County Board of Supervisors and possible CA State Assembly candidate (visit facilitated by California Charter Schools Association); Sonia Flores, Principal of Gilroy Early College Academy (GECA), and Supervisor Mike Wasserman, Santa Clara County Board of Supervisors.

4. The support office has settled into the new office space in Hollister. The space has provided a more professional and productive work environment.
5. Directors, Principals, and our Business Analyst have spent significant time working on the strategic plan with Andrew Bray. Healthy conflict and dialogue is contributing to the development of a plan that is grounded in addressing real issues that will only get more complex as we grow. We are very thankful for the support of the Silicon Schools Fund and the Navigator Board for this growth planning process.

Attachments:

- Job description: Innovation Fellow
- Job description: Data Analyst and Curriculum Specialist
- Sample total compensation sheet
- Report from Director of Community Outreach



Innovation Fellow

Summary:

The Navigator Innovation Fellow will work under the supervision of the Chief Academic Officer to pilot, evaluate, refine, and codify Navigator moves to personalize learning pathways and increase self-directed learning. Once codified, the Fellow will train teachers to implement the personalized learning pathways. This is a one-year position that provides a leadership opportunity for the Innovation Fellow to prepare for future leadership opportunities.

Degree of Supervision:

The Data Administrator works directly under the supervision of the Chief Academic Officer, and in collaboration with other leadership and instructional staff.

Duties & Tasks:

1. Collaborate with CAO and other instructional staff to pilot, evaluate, refine, and codify Navigator 'moves' to personalize learning pathways and increase self-directed learning
2. Clearly document 10-15 Navigator moves for personalized learning pathways to increase self-directed learning, this will be the Navigator playbook for creating higher performing classrooms
3. In collaboration with Data Analyst & Curriculum Specialist and other appropriate staff, help create an electronic file sharing system that will store curriculum (showing how strategies were applied in action, with a minimum of 10 exemplars)
4. Train and support teachers to implement the personalized learning pathways.
5. Serve as "Project Manager" in coordinating and leading a mid-year meeting with leadership and staff from Silicon Schools Fund to provide update on the work underway, including key insights, Navigator moves that are emerging, and reflections on the process to-date
6. Serve as "Project Manager" in coordinating and leading end of year meeting update with leadership and staff from Silicon Schools Fund to provide update the year's work and key outcomes
7. Work with Vice Principal and Office Manager as appropriate, schedule release time for teachers as appropriate to observe and support each other in developing, refining, testing, documenting, and implementing innovations in personalized learning pathways
8. When appropriate, serve as coach for teachers who are implementing innovations
9. Provide tours and be available as resource to educators seeking to learn from the innovation work
10. Collaborate with school leadership to develop evaluation criteria to determine the effectiveness of the personalized learning pathway innovations
11. Performs related duties as assigned for the purpose of ensuring the efficient and effective function of the work unit
12. Travel to school sites for trainings and professional development to attend and/or facilitate

Physical Demands:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable the individual with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to use fingers repetitively, use wrists or hands in a twisting motion or while applying pressure, use both hands simultaneously, have rapid mental and muscular coordination, hear and understand speech at normal levels; have the ability to distinguish color and shades; sit at work station, stand, and/or walk for extended periods of time while at the school site.

The position requires lifting and/or carrying objects up to fifty (50) pounds, bend, twist, stoop, or kneel, and reach in all directions.

Work Environment:

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly working both inside and outside in changing temperatures, in direct contrast with District personnel alone and in the absence of an immediate supervisor; work with a high volume of work with tight deadlines.

Data Analyst and Curriculum Specialist

Summary:

The Data Analyst and Curriculum Specialist ensures the integrity for Navigator Schools academic data and analyzes data to support instructional decisions. The Data Analyst & Curriculum Specialist will coordinate the warehousing of Navigator curriculum.

Degree of Supervision:

The Data Analyst and Curriculum Specialist works directly under the supervision of the Chief Academic Officer.

Duties & Tasks:

1. Serves as Navigator Schools Illuminate Student Information (ISI) DNA Administrator
2. Supports staff with other Navi data systems (blended learning apps, etc.)
3. Train and support teachers in using aspects of the ISI for quizzes, assessments, grading and posting to the parent/student portal (in collaboration with and working through Academic Deans)
4. Identifying and collaborating with IT to resolve technical data issues resulting within Navigator Schools data systems
5. Collaborating with schools to develop data standards, procedures and training for Navigator Schools staff members
6. Develop and maintain documentation of data systems, standards and procedures
7. Responsible for all assessment data being imported into Navigator Schools ISI, collaborating with IT as appropriate
8. Collaborating with school leadership and IT to design and implement custom pages/data tables to improve functionality of ISI and reporting
9. Ensure integrity of data, verifying information regarding data quality and data completeness
10. Producing data reports as requested by Navigator Schools administration
11. Support the RTI process by providing a system to gather and document data for use in the Student Support Teams in each school
12. Coordinating and organizing curricular warehouse (Navi in a box, NS Academics, assessments) for Navigator Schools staff
13. Collect and analyze data
14. Work with any district/state agencies that collect assessment data
15. Create a weekly action plan: focused on hot spots and recognition
16. Design and implement data incentives for individual and groups of students
17. Create an annual presentation for the Navigator Schools Board on the assessment information and growth for the school year
18. Oversight of state testing, including CELDT and SBAC.
19. Create organization assessment calendars
20. Support the planning and implementation of intervention plans for all sites
21. Develop an organizational data dashboard

22. Support and collaborate with Academic Deans, in order to allow ADs to focus more on active coaching
23. Performs related duties as assigned for the purpose of ensuring the efficient and effective function of the work unit
24. Travel to school sites to attend and/or facilitate trainings and professional development

Physical Demands:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable the individual with disabilities to perform the essential functions.

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Year 2016-17

Jane Doe

Address

TOTAL COMPENSATION STATEMENT

Enclosed is a personalized statement prepared specifically for you. This statement shows the contributions will be made by Navigator Schools toward your Total Compensation Package. As you review this statement, you will see that the value of your

benefits, added to your annual pay, results in your total compensation.

The statement is designed to show you how much your service is valued by Navigator Schools.

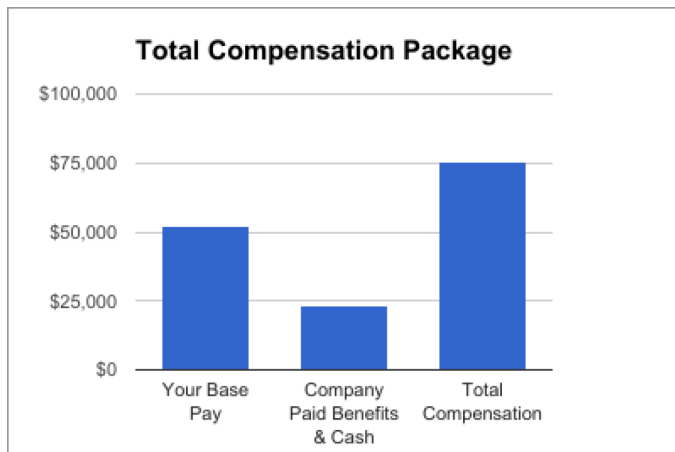
Thank you for your Service.

Navigator Schools

Base Pay		Other Income		Company benefits		Total Compensation
\$52,000.00	+	\$500.00	+	\$22,840	=	\$75,340

Annual Income	
Base Salary	\$52,000.00
Base Salary	\$52,000.00
Other Income Total	\$500.00
Stipend	\$500.00

BENEFITS	COMPANY CONTRIBUTION
Health Benefits Total	\$11,753
Medical	\$10,630
Dental	\$995
Vision	\$128
Income Protections Total	\$99
Life & AD&D Insurance	\$26
Long-Term Disability	\$73
Mandated Benefits Total	\$963
Workers' Compensation	\$634
State Unemployment	\$329
Retirement Benefits Total	\$7,303
Cal STRS	\$6,542
Medicare	\$761
Time Off Benefits Total	\$2,723
PTO	\$2,723
Benefits Total	\$22,840



Your Direct Compensation

Base Pay

This is your annual rate of pay. It does not include any 'extra' pay.

Your Other Company Paid Benefits

Health Care

Navigator Schools offers two health plan options that provide comprehensive medical and prescription drug coverage at different deductible levels through Anthem BlueCross and Kaiser Permanente for employees and their family members. You have the freedom to see any provider, but providers within the network offers the highest level of benefits.

Dental and Vision

In addition to health coverage, Navigator Schools provides dental and vision programs to help reduce your "out-of-pocket" costs through Unum (dental) and VSP (vision). This plan is designed to encourage preventive care which will diminish your need for costly corrective treatment in the future.

Basic Life and AD&D

Having Basic Life Insurance and Accidental Death & Dismemberment (AD&D) coverage to protect those you love is an important part of your benefits package. Navigator Schools automatically provides coverage at no cost to you.

Disability

Eligible full time employees are provided with Disability Benefits that are fully paid by Navigator Schools. If you are disabled due to an off-the-job injury or illness, you are eligible to receive disability income.

Retirement Benefits

For eligible employees participating in the California State Teachers' Retirement System, Navigator Schools will contribute 14.43% of the employee's annual salary to fund the retirement system. Navigator Schools contributes an amount equal to your own total medicare contributions.

Mandated Benefits

Mandated benefits include Unemployment and Workers' Compensation which are paid by Navigator Schools.

Your Paid Time Off

Navigator Schools recognizes the importance of providing leave programs that support the balance of your work and personal life. Full-time employees earn ten days of PTO per year.

Note: Every effort has been taken to ensure that the information in this statement is accurate; however, no warranty or guarantee is or intended. Calculations are based on the benefits plan provisions and your estimated contributions. The benefit amounts are only estimations. If a discrepancy is found to exist between your benefit statement and benefit booklets or summary plan descriptions, the provisions of those documents will govern.

Jane Doe

Address



Date: May 4, 2017

To: Kevin Sved

From: Kirsten Carr

Re: Community Outreach Activities

Update

Below is information on two recent activities which directly support the goals and priorities of the Navigator Schools Board of Directors and leadership team.

Know Your Rights Forum:

To both be responsive to the needs of our families and to show our commitment to providing a safe haven for them, Navigator Schools, in conjunction with Catholic Charities, hosted a Know Your Rights Forum for our most vulnerable members of our school family. The bilingual forum, held on Saturday, April 29th, was presented by members of Catholic Charities legal & outreach teams and included scenarios, important information and time for questions. Catholic Charities provided extra literature as well as a soft copy of the program for us to share with our families who were not able to attend.

Lottery outreach:

To best serve the target demographic at both Gilroy & Hollister Prep Schools, staff focused recruitment efforts on outlets to meet those needs. Below is a list of recruitment/information activities in both Gilroy and Hollister:

- *Gilroy:*
 - Flyers at check stands – Mi Pueblo
 - Flyers – Laundromat, Supermercado
 - St. Joseph's – flyers & information
 - St. Mary's Spanish speaking service– flyers
 - Head Start – flyers at Glen View site, enrolment forms collected Murray site
 - First Five- enrollment forms collected Swanston Avenue site

- *Hollister:*
 - Kinder Round Up – R.O. Hardin
 - Flyers – Little Baler Preschool, Presbyterian Church preschool
 - Enrollment day – Go Kids Preschool

Initial evidence is showing the trend is changing, but we still have work to do. 2017 lottery numbers are below:

- *GPS: 2016 FRL applicants - 66*
 - Total non-sibling applicants: 155
 - Siblings: 26
 - FRL siblings: 14
 - Target applied (by address): 88

- *HPS: 2016 FRL applicants - 53*
 - Total non-sibling applicants: 99
 - Siblings: 28
 - FRL siblings: 16
 - Target applied (by address): 62

2018/19 outreach will include all items listed above as well as enrollment dates at all First Fives & Head Starts in both towns.

Navigator Schools - 2016-17 Budget Summary
 April 2017

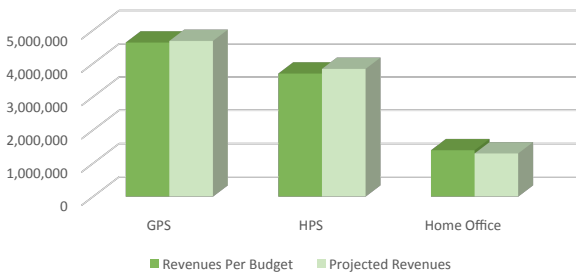
Income Statement - Combined CMO/GPS/HPS	2016-17 Projected (Estimate)	2016-17 Original Budget	Variance Favorable (Unfavorable)
Revenue	9,818,040	9,725,917	92,123
Expenses	9,277,959	9,456,335	178,376
Net Income - GAAP basis (audit)	540,081	269,582	270,499
Less Capital Outlay	-262,175	-72,053	190,122
Revenue less expenses & capital outlay	277,906	197,529	80,377

	<u>2016-17</u>
Beginning Fund Balance	2,469,528
Net Income - GAAP basis (audit)	540,081
Ending Fund Balance	<u><u>3,009,609</u></u>

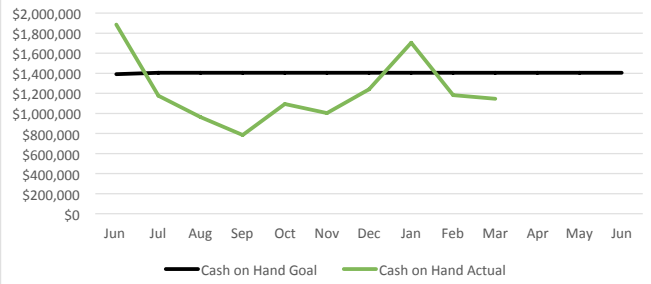
Revenues/Student *	10,199
Expenses/Student *	9,557
Fund Balance/Student	3,583

* Revenues and Expenses per student do not include CMO Management Fee Revenue/Expense because that is an intercompany charge.

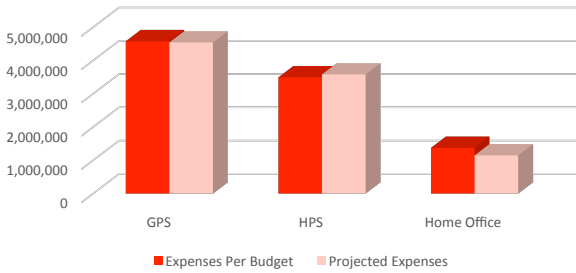
Revenue Report



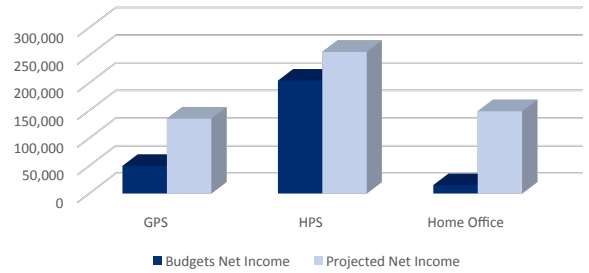
Cash Balance - Month End



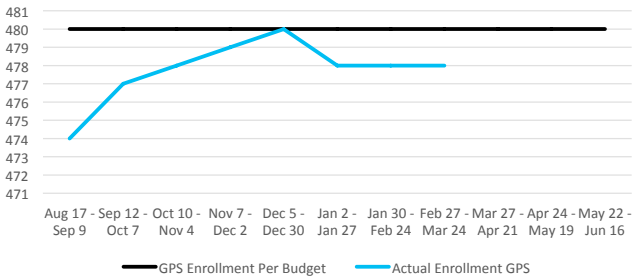
Expense Report



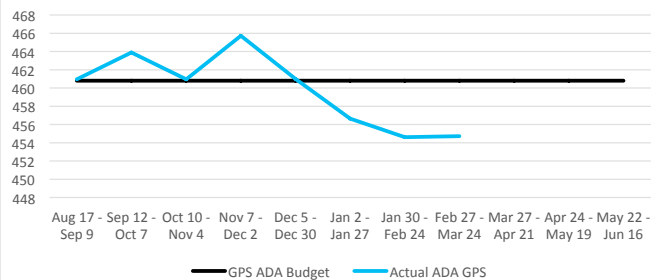
Net Income



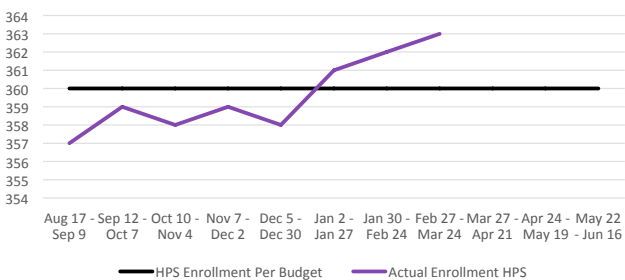
GPS Enrollment by Month



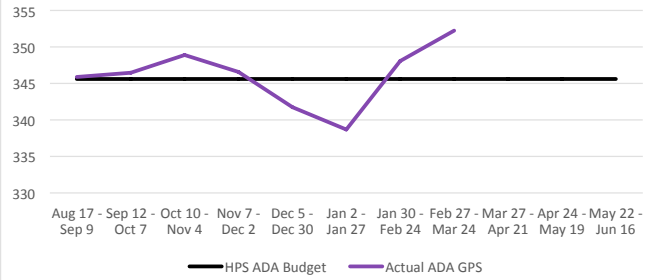
GPS ADA by Month



HPS Enrollment by Month



HPS ADA by Month



Navigator Schools - Financial Data
 April 2017

<u>Attendance and Enrollment Data</u>	<u>Total</u>	<u>GPS</u>	<u>HPS</u>
2016-17 ADA - Approved Budget	804.5	458.9	345.6
2016-17 ADA - cumulative through 3/31/17	805.7	459.55	346.2
2016-17 ADA % - cumulative through 3/31/17	96.3%	96.3%	96.4%
2016-17 Enrollment - Approved Budget	838.0	478.0	360.0
2016-17 Opening Day Enrollment	829.0	468.0	361.0
2016-17 Enrollment - cumulative through 3/31/17	836.6	477.4	359.3
2016-17 Enrollment - as of 3/31/17	841.0	478.0	363.0



	<u>Actual</u>	<u>Goal</u>
Cash balance as of 3/31/17	1,145,223	1,337,911
Annual Expenditures (not including CMO Mgmt Fees)	8,027,468	8,027,468
Number of Months Cash on Hand	1.71	2.00

Navigator Schools
Financial Board Report Narrative
April 24, 2017

From: Bryan Adams

2016-17 Net Income

	<u>Mar Bd Rpt</u>	<u>Orig Bd Rpt</u>	<u>Apr Bd Rpt</u>
CMO	\$114k	\$15k	\$149k
Gilroy Prep	\$103k	\$50k	\$135k
Hollister Prep	<u>\$293k</u>	<u>\$205k</u>	<u>\$256k</u>
Total	\$510k	\$270k	\$540k

- The \$30k improvement (\$548k - \$510k) in combined net income from last month is due primarily to a \$105k reduction in projected salaries and benefits due to conservative budgeting, less a \$67k unfavorable variance in many various categories of revenue and expenses.
- The current projected net income of \$540k exceeds the original budget of \$262k by \$278k, and the projected fund balance at 6/30/17 remains at about \$3MM. The net income variances from the original budget by entity are as follows:
 - **CMO net income favorable variance of \$134k (\$149k - \$15k)** is a result of the following:
 - \$322k favorable variance in salary & benefits because
 - 1) The Director of Finance left in July and was not replaced.
 - 2) starting in October (when the principal left) James Dent's salary was mostly allocated to GPS as he is now the principal of GPS and only part-time at the CMO.
 - 3) The SPED director's salary has been reallocated directly to the schools.
 - \$20k favorable variance for charging HPS's district for training.
 - (\$123k) unfavorable variance for reducing the CMO management fee from 19.3% to 18% (no effect on total NI)
 - (\$75k) unfavorable variance in consulting expense for Abacus consulting, function as the interim Director of Finance. This partially offsets the savings from the Director of Finance's salary and benefits, resulting in a net favorable variance in total expenses.
 - (\$8k) unfavorable variance in rent because of relocating in Hollister.
 - **Gilroy Prep net income favorable variance of \$85k (\$135k - \$50k)** is a result of the following:

- \$87k favorable variance for mandated cost reimbursement revenue.
- \$60k favorable variance in CMO fees as a result of reducing the percentage charged from 19.3% to 18%.
- \$26k favorable variance salaries & benefits after a thorough review of projected hourly wages.
- \$42k favorable variance in repairs & maintenance. This is mostly due to a contractor changing to an employee (the salary variance would be even more favorable if this person had not become an employee).
- (\$67k) unfavorable variance in technology software that was a timing issue for July 2016 expenditures that were received late and were originally budgeted in 2015-16.
- (\$50k) unfavorable variance in depreciation expense.
- (\$16k) unfavorable variance in LCFF funding due to the new FCMAT calculator becoming available from the CDE.
- (\$12k) unfavorable variance in special education contractors expense because the expense of a speech teacher was moved to a contractor (the salary variance would be less favorable if this person had remained an employee).
- \$15k favorable variance in various other expenses including dues and memberships, legal fees, and licenses & other fees.
- **Hollister Prep net income favorable variance of \$51k (\$256 - \$205k)** is a result of the following:
 - \$100k favorable variance for a grant from Silicon Schools.
 - \$87k favorable variance for Prop 39 revenue not budgeted. This is offset by Prop 39 capital expenditures (for clean energy facility upgrades) that are being depreciated and not expensed.
 - \$63k favorable variance in CMO fees as a result of reducing the percentage charged from 19.3% to 18%.
 - \$62k favorable variance for mandated cost revenue.
 - \$39k favorable variance in books and classroom supplies.
 - \$23k favorable variance in special education contractors.
 - \$10k favorable variance in parent club donations.
 - (\$173k) unfavorable variance in salaries & benefits due partially to special ed needs. We also allocated most of the SPED director's salary directly to HPS.
 - (\$116k) unfavorable variance in LCFF funding due to the new FCMAT calculator becoming available from the CDE.
 - (\$29k) unfavorable variance in technology software.
 - (\$15k) unfavorable variance in depreciation expense.

Navigator Schools - 2016-17 Projection & Budget
April 2017

2016-17 Approved Budget v. Projection:

	Total Latest	Total Approved	Variance Favorable	GPS Latest	GPS Approved	Variance Favorable	HPS Latest	HPS Approved	Variance Favorable	CMO Latest	CMO Approved	Variance Favorable
	Projection	Budget	(Unfavorable)	Projection	Budget	(Unfavorable)	Projection	Budget	(Unfavorable)	Projection	Budget	(Unfavorable)
REVENUE:												
LCFF Revenue	6,947,171	7,118,383	-171,212	3,814,351	3,869,734	-55,383	3,132,820	3,248,649	-115,829	0	0	0
Federal Revenue	347,253	338,070	9,183	235,954	223,188	12,766	111,299	114,882	-3,583	0	0	0
Other State Revenue	992,184	757,608	234,576	539,161	453,208	85,953	453,022	304,400	148,622	0	0	0
Donations & Grants	141,469	0	141,469	6,000	0	6,000	110,469	0	110,469	25,000	0	25,000
Other Revenue	139,472	138,008	1,464	84,838	85,708	-870	31,934	32,300	-366	22,700	20,000	2,700
CMO Management Fees	1,250,491	1,373,848	-123,357							1,250,491	1,373,848	-123,357
REVENUE	9,818,040	9,725,917	92,123	4,680,304	4,631,838	48,466	3,839,544	3,700,231	139,313	1,298,191	1,393,848	-95,657
EXPENDITURES:												
Salaries	4,564,075	4,717,763	153,688	2,140,439	2,147,577	7,138	1,695,331	1,555,996	-139,335	728,305	1,014,190	285,885
Benefits & Taxes	1,098,231	1,119,910	21,679	529,697	548,899	19,202	415,060	381,043	-34,017	153,474	189,968	36,494
Books & Supplies	1,066,830	1,084,065	17,235	625,443	623,043	-2,400	405,587	439,209	33,622	35,800	21,813	-13,987
Services & Other Operating Expense	1,233,532	1,160,749	-72,783	512,860	515,404	2,544	488,760	492,746	3,986	231,912	152,599	-79,313
CMO Management Fees	1,250,491	1,373,848	123,357	686,583	746,859	60,276	563,908	626,989	63,081			
Capital Outlay	262,175	72,053	-190,122	115,323	29,353	-85,970	146,852	42,700	-104,152			0
EXPENDITURES	9,475,334	9,528,388	53,054	4,610,345	4,611,135	790	3,715,498	3,538,683	-176,815	1,149,491	1,378,570	229,079
REVENUE LESS EXPENDITURES	342,706	197,529	145,177	69,959	20,703	49,256	124,047	161,548	-37,501	148,700	15,278	133,422
GAAP Adjustments:												
Revenue Less Expenditures	342,706	197,529	145,177	69,959	20,703	49,256	124,047	161,548	-37,501	148,700	15,278	133,422
Add back Capital Outlay to Net income	262,175	72,053	190,122	115,323	29,353	85,970	146,852	42,700	104,152	0	0	0
Subtract Depreciation Expense	-64,800	0	-64,800	-50,000	0	-50,000	-14,800	0	-14,800	0	0	0
Net Income - GAAP Basis 2016-17	540,081	269,582	270,499	135,282	50,056	85,226	256,098	204,248	51,850	148,700	15,278	133,422
Beginning Net Assets @ 6/30/16	2,469,528			1,413,692			1,087,023			-31,187		
Net Income - GAAP Basis 2016-17	540,081			135,282			256,098			148,700		
Ending Net Assets @ 6/30/17	<u>3,009,609</u>			<u>1,548,974</u>			<u>1,343,122</u>			<u>117,513</u>		

Navigator Schools
2017-18 Preliminary Budget Narrative
April 24, 2017

From: Bryan Adams

2017-18 Preliminary Budget

CMO	\$11k
Gilroy Prep	\$297k
Hollister Prep	\$260k
Total	\$568k

- The total net income of \$568k reflects the following general assumptions:
 - Enrollment will increase from roughly 840 in 2016-17 to 960 in 2017-18 due to the addition of one grade at each campus. Hollister Prep is increasing from 360 to 420 students (16.67% increase), and Gilroy Prep is increasing from 480 to 540 students (12.50% increase).
 - New teachers added to the schools in proportion to the increase in enrollment.
 - CMO fees as a % of LCFF revenue decreasing from 18% in 2016-17 to 17% in 2017-18.
 - A proposed salary increase of 4% for school employees (both teacher and administrative), and 3% for all CMO employees. These are average increases, and will be applied to each employee based on merit. These percentage increases do not include raises due to promotions.
 - Three new positions at the CMO:
 - \$81k data analyst/curriculum specialist
 - \$42k accounting/ops support
 - \$40k community organizer
 - \$25k adding .5 IT administrator (part-time to full-time)
 - Benefits will increase by a slightly higher percent than salaries because of two factors:
 - STRS contribution rate increasing from 12.58% in 2016-17 to 14.43% in 2017-18.
 - Health insurance inflation is estimated at 8%.
 - Additional state mandated cost reimbursement revenue is omitted for now, until we receive word that this funding will exist next year. If this funding is renewed, revenue for the two schools would increase by a combined amount of roughly \$80k.
 - Other revenue and expense is for the most part projected to increase by the percentage increase in enrollment.

Navigator Schools - 2017-18 Preliminary Budget
April 2017

2017-18 Preliminary Budget:

	Total Preliminary Budget	Change from 2016-17 est.	% Change from 2016-17 est.	GPS Preliminary Budget	Change from 2016-17 est.	% Change from 2016-17 est.	HPS Preliminary Budget	Change from 2016-17 est.	% Change from 2016-17 est.	CMO Preliminary Budget	Change from 2016-17 est.	% Change from 2016-17 est.
<i>Enrollment Projection</i>	960	120	14.29%	540	60	12.50%	420	60	16.67%			
REVENUE:												
LCFF Revenue	7,979,983	1,032,812	14.5%	4,343,495	529,144	13.7%	3,636,488	503,668	15.5%	0	0	
Federal Revenue	403,203	55,950	16.5%	270,757	34,803	15.6%	132,446	21,147	18.4%	0	0	
Other State Revenue	771,475	-220,709	-29.1%	441,906	-97,255	-21.5%	329,569	-123,453	-40.6%	0	0	
Donations & Grants	36,885	-104,584		16,885	10,885		10,000	-100,469		10,000	-15,000	
Other Revenue	154,631	15,159	11.0%	104,744	19,906	23.2%	49,887	17,953	55.6%	0	-22,700	-113.5%
CMO Management Fees	1,356,597	106,106	7.7%							1,356,597	106,106	7.7%
REVENUE	10,702,774	884,734	9.1%	5,177,787	497,483	10.7%	4,158,390	318,846	8.6%	1,366,597	68,406	4.9%
EXPENDITURES:												
Salaries	5,133,602	569,527	12.1%	2,397,602	257,163	12.0%	1,888,129	192,798	12.4%	847,871	119,566	11.8%
Benefits & Taxes	1,342,034	243,803	21.8%	646,743	117,046	21.3%	503,548	88,488	23.2%	191,743	38,269	20.1%
Books & Supplies	828,728	-238,102	-22.0%	485,740	-139,703	-22.4%	289,716	-115,871	-26.4%	53,272	17,472	80.1%
Services & Other Operating Expense	1,390,520	156,988	13.5%	551,963	39,103	7.6%	575,278	86,518	17.6%	263,279	31,367	20.6%
CMO Management Fees	1,356,597	106,106	7.7%	738,394	51,811	6.9%	618,203	54,295	8.7%			
Capital Outlay	176,550	336	0.5%	120,025	90,663	308.9%	56,525	-90,327	-211.5%	0	0	
EXPENDITURES	10,228,031	838,658	8.8%	4,940,467	416,083	9.0%	3,931,399	215,901	6.1%	1,356,165	206,674	15.0%
REVENUE LESS EXPENDITURES	474,743	46,076	23.3%	237,320	81,400	393.2%	226,991	102,944	63.7%	10,432	-138,268	-905.0%
GAAP Adjustments:												
Revenue Less Expenditures	474,743			237,320			226,991			10,432		
Add back Capita Outlay to Net income	176,550			120,025			56,525			0		
Subtract Depreciation Expense	-83,438			-60,000			-23,438			0		
Net Income - GAAP Basis 2017-18	<u>567,855</u>			<u>297,345</u>			<u>260,078</u>			<u>10,432</u>		
Beginning Net Assets @ 6/30/17 (latest projections)	3,009,609			1,548,974			1,343,122			117,513		
Net Income - GAAP Basis 2017-18	<u>567,855</u>			<u>297,345</u>			<u>260,078</u>			<u>10,432</u>		
Ending Net Assets @ 6/30/18	<u>3,577,463</u>			<u>1,846,319</u>			<u>1,603,200</u>			<u>127,945</u>		

Navigator Schools - 2017-18 Budget Comparison to 2016-17
 April 2017

Income Statement - Combined <i>CMO/GPS/HPS</i>	2017-18 Preliminary Budget	2016-17 Projected
Revenue	10,702,774	9,818,040
Expenses	10,134,919	9,277,959
Net Income - GAAP basis (audit)	567,855	540,081
Less Capital Outlay	-176,550	-262,175
Revenue less expenses & capital outlay	391,305	277,906

	<u>2017-18</u>	<u>2016-17</u>
Beginning Fund Balance	3,009,609	2,469,528
Net Income - GAAP basis (audit)	567,855	540,081
Ending Fund Balance	<u>3,577,463</u>	<u>3,009,609</u>

Revenues/Student *	9,736	10,199
Expenses/Student *	9,144	9,557
Fund Balance/Student at Year End	3,727	3,583

* Revenues and Expenses per student do not include CMO Management Fee Revenue/Expense because that is an intercompany charge.

TELECONFERENCE LOCATIONS & AGENDA POSTING SITES:

Support Office - 650 San Benito Street, Suite 230, Hollister, CA 95023

5858 Horton Street, Suite 451, Emeryville, CA 94608

900 Island Parkway, Redwood City, CA 94065

83 Great Oaks Blvd., San Jose, CA 95119

Navigator Schools Website

Zoom phone number: 1-646-558-8656 – Zoom code: 878 382 415

NOTE: Times listed for Agenda Items are *estimates only*. Actual times may vary substantially dependent on circumstances.

Item Meeting was called to order at 3:02 PM. Present were Joyce Montgomery, Chair; Nora Crivello, Member; Caitrin Wright, Member; Kevin Sved, CEO; Bryan Adams, Consultant; Melynda Tan, Business Analyst.

A. Comment on items not covered on the agenda

-There were no public comments.

B. Review of current financials with dashboard

-Consultant Bryan Adams presented an update of the financials with \$30K improvement net income from March 2017.

C. Local Control and Accountability Plan (LCAP)

-CEO Kevin Sved showed students' performance from the California School Dashboard. The 2017-18 LCAP will be brought to the June meeting after move stakeholder impact.

D. Review of Proposed 2017-18 Budget

-The updated preliminary 2017-18 budget and related narrative was reviewed and discussed. The staffs' health and retirement benefit increases were reviewed closely. The budget includes an average salary increase of 4% for school employees and 3% for all CMO employees.

E. Long-Term Projections: Status and Process

-Bryan introduced the Long-Term Projections and noted that it is a 'work-in-progress.' Chair Joyce Montgomery proposed a LCFF formula for 3rd school by using different scenarios based on that schools past year formula.

F. Reminder for next meeting

Adjournment: The Meeting was adjourned at 4:03pm.

Local Control Accountability Plan Update
April 28, 2017

A new requirement in developing the 2017-18 Local Control Accountability Plan (LCAP) is to address school results as captured in California's new "Dashboard."

(<https://www.caschooldashboard.org/>) The site features reports on multiple measures of school success, including test scores, English learner progress and suspension rates. Using a color coding system, the Dashboard makes it easier to see areas of strength (blue or green), areas of challenge (red or orange), and in between (yellow).

Gilroy Prep (GPS)

Dashboard Highlights

- Blue (highest) for ELA
- Green (second highest) for Math and English Learner Progress
- No student group two or more performance levels behind "all student" performance

Dashboard Concerns

- Orange (second lowest) for Suspension Rate. This was determined based on the following:
 1. The baseline year (2013-14) the suspension rate was 0.0%. (No student suspensions were reported.)
 2. The status year (2014-15) the suspension rate of 2.7% is medium. (10 students of 377 students were suspended.)
 3. The change from 2013-14 to 2014-15 of 2.7% is determined to be a significant increase.

LCAP update: In 2015-16, the suspension rate was 1.6% and the current year we are at a suspension rate of 1.45%.

Hollister Prep (HPS)

Dashboard Highlights

- ELA - Blue (highest level)
- Math - Blue
- No student group two or more performance levels behind "all student" performance

Dashboard Concerns

- Orange (second lowest) for English Learner Progress. The percent of students showing progress on CELDT test and reclassified to fluent English proficient. Math and ELA scores show that our EL students are doing very well. What will we do to better support EL students to demonstrate English fluency as measured by the CELDT?
- Orange (second lowest) for Suspension Rate. This was determined based on:

1. The baseline year (2013-14) the suspension rate was 0.0%. (No student suspensions were reported.)
2. The status year (2014-15) the suspension rate of 2.0% is medium. (5 students of 255 students were suspended.)
3. The change from 2013-14 to 2014-15 of 2.0% is determined to be an “increase.”

LCAP update: In 2015-16, the suspension rate was 1.3% (4 students out of 300). Combining the lower status and the improvement, HPS would have moved into the “green” for 2015-16. However, in the current year we are at a suspension rate of 1.7%, which is an “increase” that would move HPS into the “orange” for 2016-17.

LCAP Stakeholder Input and Approval Process Timeline

HPS - Bilingual Parent Coffee - Friday, April 28

HPS Strategic Plan & LCAP update - Tuesday, May 23, 6:00pm

HPS Staff Meeting Wednesday - May 24

HPS Bilingual Parent Coffee - Friday, May 26 8:30 am

HPS Parent Club - Friday, June 2 8:30 am

GPS Staff Meeting - Wednesday, May 17

GPS - Strategic Plan & LCAP update - Thursday, May 18, 6:00pm

GPS Parent Club - Monday, May 22 6:00pm

GPS Bilingual Parent Coffee – Monday, June 5, 8:15am

Navigator Board of Directors Meeting – Tuesday, June 13, 6:00pm

Item

- A. Opening/Objectives
Public Comment on items not covered on the agenda
Meeting called to order 3:03 – In Attendance: Caitrin Wright, JP Anderson
Staff: Kevin Sved, Kirsten Carr
- B. Committees vs. Advisory Committees
Governance Committee is recognized by name as a board committee in by-laws so Governance Committee will remain a standing committee. Finance & Governance Committees will review scope of work & influence and come to board at next meeting with a recommendation, if appropriate.
- C. Conflict of Interest Code
To comply with the request from Hollister School District, one of our authorizing districts, legal counsel recommended we draft our own conflict of interest code. Process includes FPPC review, advertising our process, soliciting input, waiting period. Legal counsel will help us through the process. Governance committee will share recommendation/sample of conflict code with board for approval.
- D. Board Member Recruitment
Update from board members on connectors or potential board members they have added.
Committee discussed ways to generate more interest/names on board cultivation list including talking with teachers, finding opportunities for people to visit campus (event, luncheon, tours)
- E. Retreat Date Recommendation
Staff will get more dates from Andrew and then share with the board via Doodle
- F. Board Member Engagement
JP working to sync GPS & HPS parent club activity. JP will work with Caitrin & Kevin on intro to possible board members.

Possible engagement could include topics of interest/expertise of our board members. For parents & staff.

Next meeting – start laying out plan for next year. Including calendar of events for school year.
- G. Adjourn Meeting – 3:58pm



Date: May 4, 2017

To: Members of the Board of Directors

From: Kevin Sved, CEO

Re: Conflict of Interest Code

Recommendation

It is recommended the Board adopt a Conflict of Interest Code to comply with Fair Political Practices Commission (FPPC) regulations.

Background

Legal counsel recommends charter schools comply with Fair Political Practices Commission (FPPC) regulations. However, completing the entire FPPC Statement of Economic Interests Form 700 entails disclosing extensive information, much of which would not pose a conflict of interest as related to governing and operating charter schools. The FPPC allows governmental agencies to adopt a Conflict of Interest Code specifies the potential areas of economic interest that would pose a potential conflict of interest based on the type of governmental agency. Therefore, it is recommended that Navigator adopts a Conflict of Interest Code that is specific to the potential conflicts of Board Members and key decision-making staff of a charter school.

The first step in the process of obtaining FPPC approval of a Conflict of Interest Code is for the Board to approve a Conflict of Interest Code. The approved code is then submitted to the FPPC for preliminary review. There is a list of detailed subsequent steps that legal counsel can support Navigator to fulfill, including establishing a written comment period relating to the conflict of interest code and preparing a written explanation of the reasons for designation and disclosure responsibilities which is referred to in the Notice of Intention to Adopt a Conflict of Interest Code.

Attached is a draft Conflict of Interest Code that specifies the types of economic interests that pose potential conflicts of interest for charter schools and that would need to be reported. With a recommendation from the Governance Committee, Navigator legal counsel adjusted a sample code for Navigator's purposes.

Summary

Adopting a Conflict of Interest Code will help ensure that Navigator complies with Fair Political Practices Commission (FPPC) regulations while alleviating the burden of reporting economic interests that do not pose a conflict of interest.

Attachments:

-Draft Conflict of Interest Code

NAVIGATOR SCHOOLS CONFLICT OF INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations §18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict of interest code for the **Navigator Schools**.

Individuals holding designated positions shall file statements of economic interests with **Navigator Schools** which will make the statements available for public inspection and reproduction (Government Code § 81008). All statements will be retained by **Navigator Schools**.

**APPENDIX A
DESIGNATED POSITIONS**

<u>Designated Positions</u>	<u>Disclosure Category</u>
Members of the Governing Board	1, 2
Corporate Officers (e.g., President, CFO/Treasurer, Secretary)	1, 2
Chief Executive Officer	1, 2
Chief Academic Officer	2
Principal	1, 2
Director of Human Resources	2
Director of Community Outreach	2
Director of Technology and Operations	3
Director of Student Services	3
Maintenance and Operations Manager	2
Student Information Systems Manager	3
Business Analyst	3
Consultants/New Positions	*

*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The CEO or designee may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The CEO or designee’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code (Government Code § 81008).

APPENDIX B
DISCLOSURE CATEGORIES

Category 1

Designated positions assigned to this category must report:

- a) Interests in real property that are located in whole or in part within a two-mile radius:
 - of any school district that has authorized a **Navigator Schools** charter school, or
 - of any facility utilized by **Navigator Schools**' charter schools, or
 - of a proposed site for a **Navigator Schools** facility.
- b) Investments and business positions in business entities, and sources of income (including gifts, loans, and travel payments) of the type that engage in the purchase or sale of real property or are engaged in building construction or design.

Category 2

Designated positions assigned to this category must report:

- a. Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) that are contractors engaged in the performance of work or services, or sources that manufacture, sell, repair, rent or distribute school supplies, books, materials, school furnishings or equipment of the type to be utilized by **Navigator Schools**.

Category 3

Designated positions assigned to this category must report:

- a. Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) that are contractors engaged in the performance of work or services, or sources that manufacture, sell, repair, rent or distribute school supplies, books, materials, school furnishings or equipment of the type to be utilized by the designated position's department.

Navigator Proposed Greenlighting Framework

May 3, 2017

Guiding Questions for Discussion

- Is the overall greenlighting process clear and likely to be effective?
- Are the specific greenlighting criteria appropriate?
- What issues should we be considering that we haven't addressed?

The aim of today's discussion is to get feedback from the board. No formal board action is being requested.

Greenlighting: Purpose

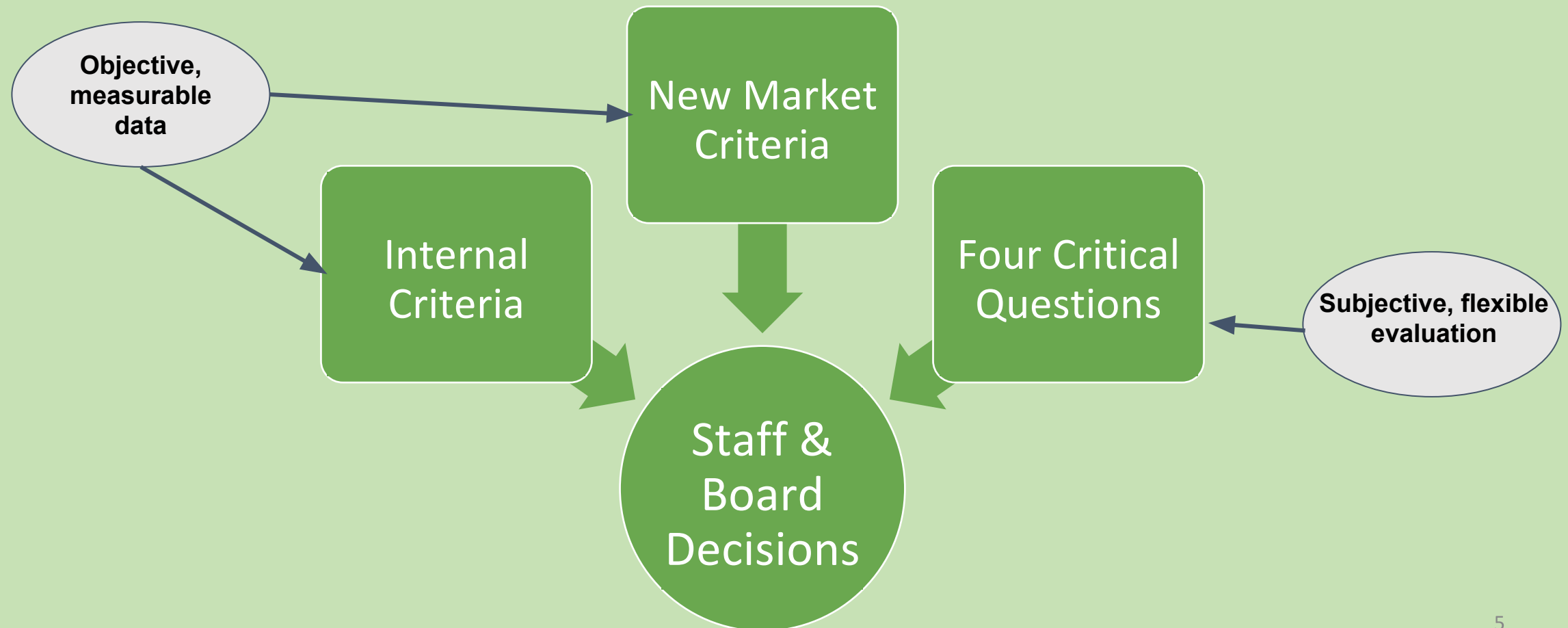
- The aim of our greenlighting process is to ensure that Navigator engages in only high-quality, strategic growth
 - Only open new schools when the **existing organization** is healthy and performing well
 - Only enter **new markets** that position Navigator for high impact and success (and that are within agreed upon target geography)
- Greenlighting will occur within the context of a broader strategic plan approved by the board
 - Greenlighting provides “stage gates” along an already mapped growth plan - considered a best practice among CMOs

Greenlighting: Process

- Our greenlighting tool contains criteria that will be evaluated by the Navigator leadership team and board
 - 24 month before launch: greenlight market development
 - 18 months before launch: greenlight charter submission
 - 12 months before school opens: greenlight school opening
- Staff gathers and analyzes greenlighting data and CEO submits greenlighting report and recommendation at board meetings
- Board makes final greenlighting decisions
 - The rubrics are a guiding framework but board must factor in broader context and exercise its discretion (“art not science”)

Greenlighting: Framework

Greenlighting will be based on three categories of information:



Internal Criteria

Academic
performance

Organizational
health

Financial
strength

Founding
team

New Market Criteria

Demonstrated
need

Community
support

Facilities

Pathway to
authorization

Fundraising

Internal Criteria

	24 months	18 months	12 months
Academic Performance: SBAC Percent of students who have been at Navigator for at least three years that meet or exceed proficiency on SBAC	70%	70%	70%
Organizational Health: Enrollment Actual enrollment as percentage of target	>99%	>99%	>99%
Organizational Health: Staff Retention Percent of full-time staff who return annually (Fall to Fall)	75%	75%	75%
Organizational Health: Staff Satisfaction Percent of staff that are “likely to recommend working at Navigator to a friend” (as measured by the Fall/Spring surveys)	80%	80%	80%
Financial Strength: Reserves Percent of current fiscal year expenses held in reserve	20%	20%	20%
Financial Strength: Sustainability Percent of GPS & HPS costs that are covered by philanthropy	<5%	<5%	<5%
Founding Team: Principal and Seed Teachers	At least six potential founding team members identified	Potential Principal identified	Principal and two teachers confirmed

New Market Criteria

	24 months pre-launch	18 months pre-launch	12 months pre-launch
The Need: Poverty Rates	At least 80% FRL in target area schools	At least 80% FRL in target area schools	At least 80% FRL in target area schools
The Need: School Performance	No schools in the target area with 60%+ FRL beat state averages in math and reading	No schools in the target area with 60%+ FRL beat state averages in math and reading	No schools in the target area with 60%+ FRL beat state averages in math and reading
Community Support: Student Recruitment	NS staff have held parent meetings.	Letters of intent for 70% of first year seats & 50% of willing teacher signatures	Letters of intent for at least 100% of first year seats & 100% of willing teacher signatures
Community Support: Community Engagement	NS staff have met with district leadership, parents, and community organizations.	8+ parent leaders share their experience meeting with district board at a NS board meeting requesting charter to be submitted in their community.	15+ parent leaders share their experience meeting with district board speak at NS board meeting requesting charter to be opened in their community.
Facilities	Preliminary market analysis complete	At least two potential facilities identified. Estimated cost is less than \$(TBD) per student at full enrollment, or Prop 39.	Viable facility formally confirmed at cost of less than \$(TBD) per student at full enrollment, or Prop 39. Facility available at least one month prior to school launch.
Pathway to Authorization	Authorization plan in place with likelihood of success	Draft of high quality charter application written and on track to be submitted no later than February	Charter obtained or appeal to state board is underway
Fundraising	Viable fundraising strategy in place	(1) Year zero funders of new school and support office identified with high likelihood of success. (2) New school breakeven by year [x].	(1) Funders of new school and support office confirmed for year 0-2. (2) New school breakeven by year [x].

Four Critical Questions

These questions will be considered at each stage of the greenlighting process and allow for consideration of subjective and contextual factors.

1. Is the school model clearly articulated and codified?
2. Is the Support Office team thriving and does it have the capacity to support growth?
3. Are organizational systems and structures strong and driving effective execution?
4. Will the political landscape support successful community engagement, authorizing, facilities, and enrollment in the target market?

Greenlighting Process for 2019 school launch

Date	Key Staff Activities	Key Board Activities
April-June 2017	<ul style="list-style-type: none"> Conduct market research and develop key community relationships 	<ul style="list-style-type: none"> Board feedback on greenlighting process at May meeting Board feedback on strategic plan at June meeting
July 2017	<ul style="list-style-type: none"> Prepare Greenlighting Report CEO greenlighting decision 	
August/September 2017 (24 months pre-launch)	<ul style="list-style-type: none"> Present recommendation of target market (one or possibly two markets) to board using greenlighting criteria 	<ul style="list-style-type: none"> Board meeting to determine whether to greenlight (1) on-the-ground market development and (2) preparation of charter application
Fall/Winter 2017	<ul style="list-style-type: none"> Continue on-the-ground market development and community engagement efforts Draft charter application 	
December/January 2018 (18 months pre-launch)	<ul style="list-style-type: none"> Prepare Greenlighting Report CEO greenlighting decision 	<ul style="list-style-type: none"> Board meeting to determine (1) greenlighting of charter submission and (2) continued market development
February 2018	<ul style="list-style-type: none"> Charter submitted to district 	
Spring/Summer 2018	<ul style="list-style-type: none"> Intensive on-the-ground market development and school planning Identifying new school founding team Charter appeal if necessary 	
July 2018	<ul style="list-style-type: none"> Prepare Greenlighting Report CEO greenlighting decision 	
August 2018 (12 months pre-launch)		<ul style="list-style-type: none"> Board meeting to determine greenlighting of school launch

Charter Appeal Process: 2019 school launch

Date	Charter Status	Notes
February 2018	Charter submitted to district	
May 2018	Charter denied by District	30 days for public hearing, 30 days to decide, 30 additional days with mutual agreement
June 2018	County appeal filed	
September 2018	Charter denied by County, staff and board decide whether to file state appeal	30 days for public hearing, 30 days to decide, 30 additional days with mutual agreement
October 2018	State appeal filed	
March 2019	State appeal decided	State will take approximately 120 days
August 2019	School Opens	



Date: May 5, 2017

To: Board of Directors

From: Kevin Sved, CEO

Re: Authorization to Submit Applications for Charter School Facilities Program (Prop 51)

Recommendation

It is recommended that the Board authorize the CEO to submit applications for charter school preliminary apportionment through the state's Charter School Facilities Program, which would provide possible funding from Proposition 51 to support new construction for Hollister Prep and Gilroy Prep.

Background

Both Gilroy Prep School (GPS) and Hollister Prep School (HPS) are housed in facilities provided by their respective districts through an annual Proposition 39 process. Thus far, arrangements with sponsoring districts have been favorable for Navigator. However, the current sites for GPS and HPS both have challenges in the next 2-5 years.

Gilroy Prep School - High Speed Rail is likely to cause GPS to be relocated. The route through downtown would displace GPS, and that route is a near certainty, though the High Speed Rail (HSR) Authority isn't officially scheduled to decide on the route through Gilroy until December 2017.

Hollister Prep School - The current footprint for HPS does not have sufficient space to grow K-8 unless significant changes are made to the campus layout. It would not be feasible to relocate existing buildings, most of which are near or beyond their useful life.

Currently, neither GPS or HPS is prioritized in district master plans for new facilities. Navigator has collaborated with both GUSD and HSD to explore long-term facility solutions for GPS and HPS.

With the passage of Proposition 51 in November 2016, \$500 million has been made available for the Charter School Facilities Program (CSFP). The CSFP provides preliminary apportionments (reservation of bond authority) for new construction projects and rehabilitation of district owned existing facilities that are at least 15-years old. The deadline to submit an application is June 5, 2017. The bond funds can provide up to approximately 50% of project costs. Through the Charter School Finance Authority, funded projects are also eligible for low-cost financing (2% over 30 years) for 50% of project costs. If grants are awarded, this could provide financially viable pathways to secure facilities that meet the long-term needs for both GPS and HPS. Additionally, applying for the grants does not obligate Navigator to accept the grant so if at a later date it is deemed to not be in the best interests of either GPS or HPS, the Board can deny approval of the grant agreement. More detailed information on the CSFP and application process can be found at <https://www.dgs.ca.gov/opsc/Programs/charterschoolfacilitiesprogram.aspx>

Summary

Bond funds made available through the Charter School Facilities Program (CSFP) could provide financially viable pathways to secure facilities that meet the long-term needs for both GPS and HPS. It is recommended for the Board to authorize submitting applications for the CSFP.