



**COMPASS PUBLIC CHARTER SCHOOL  
BOARD MEETING MINUTES  
March 11, 2010**

**Executive Session**

Following a roll call vote in public session, the board held an executive session pursuant to Idaho Code Section 67-2345 (l) (b) To consider the evaluation, dismissal or disciplining of or to hear complaints or charges brought against, a public officer, employee, staff member, individual agent, or public school student; (c) To conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency and (f) To consider and advise its legal representatives in pending litigation or where there is a general public awareness of probable litigation.

At 5:39 p.m., Chairman Barrus called the executive session to order. Members present were Chairman Barrus, Director Simmons, Director Adolf, and Director Fairbanks. Director Moorhouse joined the board via teleconference at 7:00 p.m.

The board gathered information and discussed details relating to the acquisition of the property and possible litigation.

At 7:10 p.m., Director Simmons *moved for adjournment, by unanimous consent*. Chairman Barrus declared the executive session adjourned, without objection

Public Session –The board met at Compass Public Charter School, 2511 W. Cherry Lane, Meridian, Idaho.

**1. Opening of Meeting**

- a. Call Meeting to Order: At 5:38 p.m., Chairman Barrus called the meeting to order.
- b. Roll Call: The clerk took the roll. Members present were Chairman Barrus, Director Simmons, Director Adolf, and Director Fairbanks. Director Moorhouse joined the board via teleconference at 7:00 p.m.
- c. Call for Executive Session: Chairman Barrus asked if there was a *motion to enter executive session pursuant to Idaho Code Section 67-2345 (l) (b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member, individual agent or public school student; (c) To conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency and (f) To consider and advise its legal representatives in pending litigation or where there is a general public awareness of probable litigation*. Director Adolf *so moved*. Director Simmons seconded the motion and a roll call vote was taken. Members voting in favor were Chairman Barrus, Director Simmons, Director Adolf, and Director Fairbanks. Director Moorhouse had not yet joined by teleconference.
- d. Reconvene Public Session: At 7:17 p.m., Chairman Barrus reconvened the public session.
- e. Pledge of Allegiance: Mr. Jacob led the pledge.
- f. Approval of Agenda: Chairman Barrus asked if there was a *motion to approve the agenda*. Director Fairbanks *so moved*. Director Simmons seconded the motion and a vote was taken. The motion passed with a vote of 4 in favor, 0 opposing.
- g. Approval of Minutes: Chairman Barrus asked if the board had had opportunity to review the minutes from the February 11, 2010 board meeting. Director Simmons *moved that the board approve the minutes from the February 11, 2010 board meeting, as presented*. Director Fairbanks seconded the motion and a vote was taken. The minutes from the February 11, 2010 meeting were approved with a vote of 4 in favor, 0 opposing.  
Chairman Barrus asked if the board had had opportunity to review the minutes from the March 2, 2010 special board meeting. Director Adolf *moved that the board approve the minutes from the March 2, 2010*

*special board meeting, as presented, by unanimous consent.* Chairman Barrus declared the minutes from the March 2, 2010 special board meeting approved, without objection.

- h. Persons wishing to speak to a Non-Agenda Item: Chairman Barrus identified Cindy Stroud as the only person wishing to speak to a non-agenda item. Mrs. Stroud stated that she had worked at Compass since it began and she expressed her trust in the board. She also thanked the board, administration, teachers, and parents for their dedication to the school's success and encouraged them to continue to trust in the strength of the school they have worked so hard to create.

## 2. Reports

- a. Administrators' Report: Administrator Trudeau reported that CPCS had received over 400 applications for the 2010-11 lottery. She also reported that school tours were continuing. Mrs. Trudeau announced that the last high school informational meeting would be held on March 18, 2010. Mr. Jacob added that the student who had been injured in a skiing accident would return to school the following week.
- b. PFA Report: Christy Haddock reported that the 100 day pancake breakfast was a big success. She also reported that the fourth grade parents had stepped up to cover the Wagons Ho field trip. In fact, they had donated more than the field trip would cost. Mrs. Haddock reminded everyone that the annual yard sale was approaching quickly and all donations would be appreciated.

## 3. Old Business

- a. Bank Account Modification: Chairman Barrus reported that she and Director Simmons had discussed the change with the teachers and they were supportive. Director Fairbanks *moved that the bank account be modified to eliminate the fees associated with offering staff members direct deposit.* Director Simmons seconded the motion and a roll call vote was taken. Members voting in favor of modifying the bank account were Chairman Barrus, Director Simmons, Director Fairbanks, Director Adolf and Director Moorhouse. There were no dissenting votes.

## 4. New Business

- a. 2010-11 Budgeting Options: Administrator Trudeau presented an explanation of projected state budget cuts and 8 different budget scenarios for the 2010-11 fiscal year. She stressed that the large cuts in discretionary funds were disproportionately difficult for charter schools to overcome because that is the only source for charter school facilities funding. Director Adolf asked Administrator Trudeau to verify that all 8 scenarios were based on a \$30,000 per month lease, while the current lease is \$38,607 per month. Administrator Trudeau confirmed that that was correct. Director Barrus asked Administrator Trudeau to verify that all 8 scenarios were based on the existing kindergarten model. Administrator Trudeau stated that all 8 budget scenarios were figured on one class of 24 kindergarteners, all choosing to stay for the whole day and pay \$150 per month for the extended day. Chairman Barrus recognized that several people had signed in to speak to this agenda item. She began with Bill Cassinelli. Mr. Cassinelli stated that he was troubled about reducing the lease payment. He felt that it would send the wrong message to the students. Mr. Cassinelli suggested that the board consider charging a fee for transportation or subleasing the building in order to make up for the shortfall. Chairman Barrus reported that CPCS is already subleasing the building to a church and that transportation fees were still under discussion. She reminded the audience that budget details would not be finalized until June and that the issue of the lease payment had been before the landlord for more than a year. Director Fairbanks stated that the board had been working diligently to negotiate a sustainable lease payment. Tami Hall was asked if she would like to comment. She stated that she had nothing at this point. Renee Jones shared her concern that the change in the middle school model would eliminate the advantage of students having a homeroom teacher to whom they were responsible. Chairman Barrus stated that the students are currently with their homeroom teacher for 2 ½ hours per day and the suggested model would allow them 2 hours per day. Mrs. Jones then stated that she does not support full-day kindergarten. Director Simmons asked if there is a state mandated cap on kindergarten size. Administrator Trudeau stated that there are just recommendations. Director Fairbanks asked if the state had reduced payment for full-day kindergarten. Administrator Trudeau answered that the state only reimburses for half-day kindergarten. Director Adolf asked if the state has a tuition limit. Administrator Trudeau said that it does not. Becky White said that she had heard of one charter school that had conducted a pledge drive, stressing the tax credit that

- donors would receive. Mrs. White also suggested that the board review medical benefits as an area to save money. Susan Luke affirmed her confidence in the administration and staff to make any model work, while maintaining school culture. She said that the staff seems to be willing to work harder, for less, in order to keep the advantages the school offers students, parents and staff. Mrs. Luke also asked the board to confirm that Compass was no longer able to afford the lease, as it is written. Chairman Barrus replied that the statement was true. Chairman Barrus thanked those who had commented and added that several people had sent comments, by email. Chairman Barrus then reported that approximately one year ago, Compass had contacted the landlord to let them know that state budget cuts were being made, making it difficult for CPCS to sustain the level of payments indicated in the lease document. The board has made efforts to cut costs across the budget, but without the landlord's cooperation, it was not enough. Chairman Barrus reported that the board had chosen to send a partial payment for the month of March and because of that, there was a chance the landlord could begin the eviction process. Ms. Barrus stated that if that process was begun, the board would keep parents as informed as possible. She asked that parents and staff bring questions directly to the board. Director Adolf stated that the board is struggling with the turn of events and that the board has every intention of keeping the school in operation. He stated that the board is doing everything in their power to make the right decisions, going forward. Chairman Barrus stated that the role of the Commission is to be our authorizer. They check to see that we are meeting legal and financial standards. The Commission has certain steps they must follow in order to help Compass correct any problems. The first step would be a notice of defect.
- Chairman Barrus asked if there was any more board discussion concerning the 2010-11 budget options presented by Administrator Trudeau. Director Adolf asked if options F, H, and J all include the double 4<sup>th</sup> grade. Administrator Trudeau replied that options H and J do. Chairman Barrus pointed out that any decisions made at the current meeting would not be final budget decisions, but the board would have to give the administration direction so that the lottery could be completed and teachers could be offered/not offered contracts for the 2010-11 school year. Director Fairbanks asked if school could offer help for a few families if the kindergarten tuition was a little higher. Administrator Trudeau replied that, as presented, the options may be able to provide for a few scholarships. Chairman Barrus asked if doubling 4<sup>th</sup> grade and extending the kindergarten day would adversely affect the lunch program and specials. Administrator Trudeau responded that the schedule has not been created, but she anticipated some need for modification. Director Simmons stated that requiring kindergarten tuition may give the school an exclusive feel, something the board hoped to avoid. Chairman Barrus asked Administrator Trudeau to talk about the impact of eliminating busing, something that had been suggested to the board. Mrs. Trudeau reported that for the 2009-10 year Compass will pay about \$30,000 toward busing costs. Due to state cuts, Compass expects to pay \$40,000 next year. She felt that Compass stands to lose as many as 100 students if transportation is eliminated, but charging a small fee for transportation might still be an option. Administrator Trudeau said that she would like to survey parents about transportation, kindergarten tuition, and what electives to keep. Director Simmons agreed with the idea of a survey and suggested that a survey be done among teachers to determine if they would prefer loss of specials or loss of E.A. time. Chairman Barrus suggested that a survey be done over the weekend and a board meeting be scheduled for Monday, March 15, 2010. Chairman Barrus directed the clerk to post a meeting to be held 4:00 p.m. on Monday, March 15, 2010 including an executive session pursuant to Idaho Code Section 67-2345 (l) (b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member, individual agent or public school student; (c) To conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency and (f) To consider and advise its legal representatives in pending litigation or where there is a general public awareness of probable litigation. She noted that the public session would be expected to reconvene at approximately 5:00 p.m. No action was taken on this item.
- b. Nominating Committee: Chairman Barrus stated that each year the board appoints a nominating committee to facilitate the board elections process. Director Simmons *moved that the board appoint Susan Luke as chair of the nominating committee.* Director Fairbanks seconded the motion. The motion passed with a vote of 5 in favor, 0 opposing. Susan Luke then reported that there would be 4 open positions on the board in July 2010. Position # 1 could be filled by appointment, position #4 (currently held by Chairman Barrus) to be filled by appointment, position #6 (currently held by Director Simmons) to be

filled by election, and position #7 (currently held by Director Moorhouse) to be filled by election. Mrs. Luke stated that the deadline to receive applications would be May 24, 2010 and reminded board members that they would need to reapply if their term was ending. Rich Fairbanks *moved that the board appoint Ric Jacob to serve on the nominating committee, by unanimous consent.* After Ric Jacob confirmed his willingness to serve, Chairman Barrus declared Mr. Jacob appointed to the nominating committee, without objection.

- c. Bond Resolution: The board considered the following resolution:

RESOLUTION DECLARING OFFICIAL INTENT  
TO REIMBURSE EXPENDITURES  
FROM PROCEEDS OF A FUTURE TAX-EXEMPT BORROWING AND TO  
ENTER INTO A FINANCIAL SERVICES AGREEMENT

WHEREAS, Compass Public Charter School (the "Charter School") is duly organized and existing pursuant to the constitution and laws of the State of Idaho; and

WHEREAS, the Board of Directors of the Charter School (the "Governing Body") is the governing body of Charter School and is authorized to act on its behalf; and

WHEREAS, the Governing Body has determined that it is in the best interest of the Charter School to undertake a project, for the purpose of acquiring land and improvements thereon, renovating such improvements, acquiring equipment for the educational facilities, and to reimburse itself for expended cash in connection with the project (the "Project(s)");

WHEREAS, the Governing Body currently intends and reasonably expects to participate in a tax-exempt borrowing with a qualified governmental issuer of bonds in order to finance the costs of the Project, and in that connection currently intends and reasonably expects there will be issued Nonprofit Facilities Revenue Bonds (the "Bonds"); and

WHEREAS, because the Bonds will not be issued prior to the commencement of the Project, the Charter School must finance certain of the costs of the Project, from funds on hand, on an interim basis prior to the receipt of the proceeds of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Charter School that:

Section 1. Expenditure of Funds. Expenditures are hereby authorized to be made from available funds on hand in order to pay the cost of the Project until the Bonds are issued and proceeds of the Bonds become available.

Section 2. Declaration of Official Intent. The Governing Body on behalf of the Charter School hereby declares its official intent under Treas. Reg. Section 1.150-2 to reimburse said expenditures with proceeds of the Bonds. The maximum principal amount of the Bonds is not presently expected to exceed \$10,000,000.

Section 3. Dates of Expenditures. All of the expenditures covered by this Resolution were or will be made on and after the date which is 60 days prior to the effective date of this Resolution (or otherwise were or will be preliminary expenditures of the type described in Treas. Reg. Section 1.150-2(f)(2)).

Section 4. Issuance of Bonds. The Charter School presently intends and reasonably expects to participate in a tax-exempt borrowing with a qualified governmental issuer of bonds within 18 months of the date of the expenditure of moneys on the Project or the date upon which the Project is placed in service, whichever is later (but in no event more than three years after the date of the original expenditure of such moneys), and to allocate from said borrowing an amount necessary to reimburse the Charter School for its expenditures in connection with the Project.

Section 5. Unavailability of Long-Term Funds. No funds for payment of the Project from sources other than the Bonds are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the Charter School pursuant to its budget or financial policies.

Section 6. Confirmation of Prior Acts. All prior acts and doings of the officials, agents and employees of the Charter School which are in conformity with the purpose and intent of this Resolution, and in furtherance of the Project, shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 7. Effective Date of Resolution. This Resolution shall take effect immediately upon its passage. Chairman Barrus explained that if the board is able to obtain bond financing, the adoption of this resolution would allow Compass to recuperate some expenses from the proceeds of the bond. Director Simmons added that this was an anticipatory measure. Chairman Barrus asked counsel if the fees associated with the lease and purchase agreement, paid to special counsel, would be reimbursable. Board attorney, Chris Yorgason, replied that the work of special counsel would fall within the designated time frame, and while this type of fee was not expressly stated in the treasury regulation, it was likely that the fees would be reimbursable. Chairman Barrus asked how long the resolution would be in effect. Mr. Yorgason replied that it lasted for 18 months. Director Simmons *moved that the board adopt the "Resolution Declaring Official Intent to Reimburse Expenditures From Proceeds of a Future Tax-exempt Borrowing and to Enter Into a Financial Services Agreement."* Director Adolf seconded the motion and a roll call vote was taken. Members voting in favor of adopting the resolution were Chairman Barrus, Director Simmons, Director Adolf, Director Moorhouse and Director Fairbanks.

d. Action from Executive Session: Chairman Barrus stated that there were no action items from the executive session.

5. Consent Agenda

a. Chairman Barrus asked if board members had had opportunity to review the consent agenda, which contained a check register (2/1/2010-2/28/2010) showing expenses of \$73,338.32, a budget report from February 2010, an activities account report showing a balance of \$7,311.28, a Local Government Investment Pool account report showing a balance of \$805,663.51. Clerk Stover noted that by the next report, she expected the student activities account to need an adjustment to cover yearbook costs. Director Fairbanks *moved that the consent agenda be approved.* Director Adolf seconded the motion and a roll call vote was taken. Members voting in favor of the motion were Chairman Barrus, Director Simmons, Director Adolf, Director Moorhouse, and Director Fairbanks. There were no dissenting votes.

6. Recess: At 9:20 p.m., Chairman Barrus called for a short recess.

7. Call for Executive Session: At 9:30p.m., the board returned from recess and Chairman Barrus asked if there was a *motion to enter executive session pursuant to Idaho Code Section 67-2345 (l) (b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member, individual agent or public school student; (c) To conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency and (f) To consider and advise its legal representatives in pending litigation or where there is a general public awareness of probable litigation.* Director Adolf *so moved.* Director Moorhouse seconded the motion and a roll call vote was taken. Members voting in favor were Chairman Barrus, Director Simmons, Director Adolf, Director Moorhouse and Director Fairbanks.

8. Reconvene Public Session: At 10:15 p.m., Chairman Barrus reconvened the public session.

9. Adjournment: At 10:15 p.m., Director Adolf *moved that the board adjourn, by unanimous consent.* Chairman Barrus declared the meeting adjourned, without objection.

### Executive Session

Following a roll call vote in public session, the board held an executive session pursuant to Idaho Code Section 67-2345 (l) (b) *To consider the evaluation, dismissal or disciplining of or to hear complaints or charges brought against, a public officer, employee, staff member, individual agent, or public school student; (c) To conduct deliberations concerning labor negotiations or to acquire an interest in real property which is not owned by a public agency and (f) To consider and advise its legal representatives in pending litigation or where there is a general public awareness of probable litigation.*

At 9:30 p.m., Chairman Barrus called the executive session to order. Members present were Chairman Barrus, Director Simmons, Director Adolf, and Director Fairbanks. Director Moorhouse joined the board via teleconference.

The board gathered information and discussed details relating to the acquisition of the property and possible litigation.

At 10:15 p.m., Director Moorhouse *moved for adjournment, by unanimous consent*. Chairman Barrus declared the executive session adjourned, without objection

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Chairperson

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Secretary

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Date Approved