

MINUTES
of the meeting of the
BOARD OF DIRECTORS of SOMERSET ACADEMY OF LAS VEGAS
October 9, 2014

The Board of Directors of Somerset Academy of Las Vegas held a public meeting on October 9, 2014 at 5:30 p.m. at 4650 Losee Road, North Las Vegas, Nevada 89081.

1. Call to order, roll call.

Board Treasurer Cody Noble called the meeting to order at 5:46 p.m. Present were Board Members Cody Noble, Will Harty, Crystal Thiriot, Amy Malone and Scott Hammond (arrived at 5:48 p.m.)

Board Members Eric Elison and Eric Brady were not present at the meeting.

Also present were Principal Gayle Jefferson, Principal John Barlow, Principal Elaine Kelley, Principal Dan Phillips, Principal Reggie Farmer, Principal Francine Mayfield and Academica Nevada Representatives Ryan Reeves, Bob Howell, Allison Salmon, Corinne Wurm and Carlos Segrera.

2. Public Comment.

No member of the public requested to comment at this time.

3. Approval of the Minutes of the July 16, 2014 Emergency Meeting.

Member Thiriot Motioned to approve the minutes of the July 16, 2014 meeting. Member Malone seconded the Motion and the Board unanimously approved.

4. Approval of the Minutes of the August 5, 2014 Meeting.

Member Noble asked about the upgrade to the North Las Vegas campus lighting. Mr. Reeves asked Principal Mayfield to speak to the progress of this upgrade and what her thoughts are.

Principal Mayfield stated that the upgrade was completed about a week and a half before the meeting, in all of the classrooms and hallways. Principal Mayfield stated that the teachers and students like the new lighting and that she has not had any complaints about the change. Principal Mayfield further noted that the new lighting is just as bright, if not brighter than the old lighting. Mr. Reeves sought to clarify that only one room was upgraded to begin with, prior to all rooms and Principal Mayfield confirmed this.

Member Malone Motioned to approve the minutes of the August 5, 2014 meeting. Member Hammond seconded the Motion and the Board unanimously approved.

5. Review and Approval of 2014 Financial Audit.

Mr. Reeves addressed the Board and introduced Mr. Jason Watkins of LL Bradford to speak with regard to the audit findings.

Mr. Watkins address the Board and noted that he is a partner at LLP Bradford and that he was there to report on findings of the schools financials.

Mr. Watkins noted the Statement of Net Assets and noted the adjustments of the lease payment at the Sky Pointe campus in that it would have been a pre-payment of the Lease for the current school year, not the past school year, which is the subject of the audit. Mr. Watkins also mentioned the expansion / improvement to the playground at the North Las Vegas campus and that this met the threshold for capitalization, which is \$5,000.00 as the actual cost was \$189,000.00.

Mr. Watkins noted that there were some payroll over accruals, which were accrued for the wrong period, totaling about \$50,000.00. Mr. Watkins advised that this change resulted in an overall reduction of expenses.

Mr. Watkins stated that the schools are in great financial state with the assets exceeding current liabilities and that there are funds to make improvements, related to growth. Mr. Watkins noted the Profit and Loss showing the types of categories and amounts for each. Member Thiriot inquired about the DSA fund and asked if this is the amount received per pupil and Mr. Watkins advised that this number is made up of other funds received as well.

Mr. Watkins noted the Governmental Fund Balance Sheet and explained the difference between the two types of balance sheets (i.e. assets are not capitalized, they are expenses). Mr. Watkins noted additional pages of the report and explained that many of these pages are supporting documents / information for the balance sheets.

Member Thiriot asked about the cost for Special Education and sought to clarify the difference between the amount spent / program costs and the amount of funding received. Mr. Reeves noted that these numbers are typical of Special Education costs / needs and further explained what was included the Special Education expenses. Mr. Reeves provided additional information on Federal Laws requiring the hiring of Special Education teachers. Member Thiriot noted that this is the biggest deficit to date. Mr. Reeves further added that while the number of Special Education students increased this year, Somerset also increased the diversity of the student population.

Member Harty asked about the Student Activities Account and why there is money coming in, however, nothing is going out and asked what the student activity fund is. Mr. Reeves noted that this fund is not part of the Board set budget each year because the Board does not know how much each fundraiser is going to raise. Mr. Reeves further advised that the spending of the Student Generated Funds (SGF) is left to the discretion of the administrators. Mr. Reeves advised as to what types of funds run through this account.

Mr. Harty sought to confirm that the number provided in the audit report is the net revenue of the SFG, as no money has gone out and Mr. Segrera confirmed this. Mr. Walker added that he appreciates the Special Education funding being used, as he has a student that has trouble reading and is helped by these resources. Member Harty asked what the total dollar amount received through the SGF fund and Mr. Segrera noted that he will provide this information. Member Harty noted that he is looking for some type of reconciliation for this account.

Mr. Walker further explained additional reconciliation pages. Mr. Walker continued on with explanation about Notes of Financial Statements which gives more details about balances with regard to the schools. Mr. Walker noted specific areas of the report that provides various accounting policies for schools / non-profits. Mr. Walker noted footnote number three regarding the Nevada State Collateral Program, which allows for funds to be protected.

Mr. Walker noted report details on leases totals and projected lease payments for property and / or equipment. Mr. Walker continued with noting other areas included in the Notes of Financial Statements.

Mr. Walker stated that with regard to the audit process, the management company was able to provide the documents needed in order to determine that the school's financial statements are presented properly. Mr. Walker advised that the ultimate opinion from the audit is that the schools are being financially ran the way that they need to be in order to succeed. The Board thanked Mr. Walker.

Member Harty Motioned to accept the report of the 2014 independent audit. Member Hammond seconded the Motion and the Board Unanimously approved.

6. Review of School Financial Performance.

Mr. Segrera addressed the Board and noted the financial summary as of August 31, 2014. Mr. Segrera advised that the most notable item of the financial summary is the receipt of additional outside revenue funding, with regard to DSA funds. Mr. Segrera stated that the additional amount equaled to about \$125.00 per student extra for the last fiscal year. Mr. Reeves further explained this additional funding and how / why adjustments were made to the per pupil funding amount. Member Harty sought to confirm that Somerset is receiving more money per student than budgeted and that there were more students accounted for than included in the budget. Mr. Segrera confirmed this to be the case. Additional discussion was had regarding how the budgets are created with regard to the number of students enrolled and per pupil State funding.

Mr. Segrera noted actual expenses for July and August 2014 and the budgeted amounts. Mr. Segrera noted that the budgeted overages for Sky Pointe and North Las Vegas were due to the upfront costs of curriculum or consumables purchased every year. Member Thiriot asked if this additional expense is more than budgeted. Mr. Reeves noted that expenses were not more than budgeted and Mr. Segrera continued by noting that it depends on where the expenses occur versus when the expense is budgeted. Member Noble asked if the other campuses expenses occurred at a different time, since they are not over budget as well. Mr. Segrera explained that those campuses are not showing overages because those campuses are brand new and had a break in rent amounts for the first two months. Mr. Segrera further explained the budget amounts for each campus.

Discussion was had regarding salary amounts and how they accrue. Additional discussion was had regarding timing of expenses versus when the expenses are budgeted. Mr. Segrera explained how some of the surplus numbers are achieved / obtained. Mr. Segrera referenced the balance sheet and noted that as of August 31, 2014 there was approximately \$4,787,000.00 in cash in the bank and that the total cash on hand, including the SGF funds is a little over \$5 million.

Mr. Segrera advised that the largest asset is the DSA receivables of about \$427,000.00 and that the largest liability is accounts payable, combined with that approved salary payroll amounts. Mr. Segrera advised that the remainder of the support materials are reports to back-up the figures found in the balance sheets. Mr. Segrera further noted that the support materials are broken up by campus for the months of July and August 2014. Mr. Segrera also noted the breakdown in the SGF account.

Mr. Hammond asked if there is a way to separate out the K-5 and 6-12 expenses and income for those campuses that have Middle / High School, so that it is easier for accountability purposes. Mr. Segrera noted that one issue that may arise from trying to separate these items is the reclassification of expenses up until this point. Mr. Segrera noted that it might be possible, however, the figures may not be entirely accurate.

Member Harty asked if the school Treasurer could help with figuring out what expenses belong to which section of the campus. Member Harty also inquired as to whether K-5 and 6-12 budgets are already split and then bought together for a total. Mr. Segrera advised that the budgets were formulated by campus. Member Harty commented that there are some line items that would need to be allocated and Mr. Segrera confirmed this.

Member Harty noted that this type of split would help with accountability of each principal at campuses where there are more than one principal. Discussion was had regarding processes taken when expenses go outside of the budget. Additional discussion was had regarding campus accountability.

Discussion was had regarding procedures in place and how expenses are allocated and to whom. Member Harty asked if there is only one Treasurer preparing purchase orders for K-5 and 6-12 and Mr. Segrera confirmed this to be true. Member Harty asked if the purchase orders could be coded with Elementary and Middle / High school. Mr. Segrera advised that this could be done and further explained the processes that could be taken to allocate expenses. Mr. Segrera further noted some of the challenges of going back to split up the items already expensed.

Member Hammond sought to clarify that if this system began in the next school year, that the accounting would be more accurate, however, if we attempt to do this with past expenses, by asking the Treasurer to help identify the expenses, there might be a little more accuracy going forward. Mr. Segrera noted that it might be possible and asked Principal's Barlow and Jefferson if they are signing purchase orders for the school in general or only for their respective grades. Principal Jefferson noted that at Sky Pointe, the Treasurer codes the purchase orders with Elementary and Middle / High School. Mr. Harty asked about the Losee campus and Principal Kelley noted that they do not separate their purchase orders out.

Member Noble noted that despite some inaccuracies from the past few months, going forward the expenses could be split out and accurate going forward. Discussion was had regarding when to put these new procedures in place. Mr. Segrera stated that budgets would need to be re-visited by sitting down with each Principal. Member Hammond asked if purchase orders are only generated for expenses other than those paid out of the SGF and Mr. Segrera advised that a purchase order is required for all expenses, regardless of which account the payment will be made from. Mr. Reeves further noted that the only expenses that do not have a purchase order are expenses that are recurring (rent, payroll, etc.).

Member Noble asked the Principals if this type of split is something they would like to see and what their thoughts are. Principal Barlow noted that his concerns with regard to text book costs and start-up costs that would need to be recouped from that. Principal Barlow noted the obstacles that can arise with regard to textbook purchases for Middle / High School, that can have an effect on expenses. Principal Barlow asked the Board to consider these factors when funds are allocated.

Discussion was had regarding how the budget numbers originated with regard to Elementary versus Middle / High School expenses. Additional discussion was had regarding the per pupil budget amount for different grade levels. Member Hammond noted the potential budget needs for Middle / High School and the differences needed for these grades. Member Noble noted that budget numbers will / should come to be with input from the Principals.

Principal Barlow reiterated the costs of textbooks for Middle / High School curriculum. Principal Jefferson also noted that some textbooks for Elementary are costly as well and that she would like to see equal curriculum for the Elementary grades as well. Additional discussion was had regarding costs for each grade and the curriculum required for each grade levels.

Member Noble noted that the budgets will be calculated and decided based on conversations / input from each individual Principal. Member Noble stated that the Board understands the differences in costs to run an Elementary School versus a Middle / High School. Member Hammond noted that working together will get this accomplished and reiterated the need for separate budgets for Elementary and Middle / High School. Mr. Howell noted that significant time was spend working with the Principals to form budgets. Mr. Reeves further noted that we have the best operating system in the State with the best Charter School resources in the State.

Member Harty noted that separating out budgets will allow for surpluses to be spent where needed. Additional discussion was had regarding surplus numbers and the amount of cash on hand needed. Member Harty noted that in conversations he has heard from one campus that they would like to have a piano and that splitting expenses out will allow the Board to see money on hand and how / where some surplus money could be spent.

Additional discussion was had regarding where the surplus could be used and Mr. Segrera advised that about \$200,000.00 of unbudgeted cash was spent on things needed during the last school year. Mr. Howell noted that the Principals have been great in waiting until the end of the year to see what surplus is left and identifying items they would like to see at their campuses.

The Board reiterated their request that going forward, they would like to see the financials split by campus and then by K-5 and 6-12 for those campuses offering those grades. The Board acknowledged that there may be some inaccuracies for the expenses already allocated. Discussion was had regarding how to allocated expenses and which expenses can be split. The Board asked to Mr. Segrera to use his best judgment and report back in December, at which time more discussion can take place regarding certain item allocations, if needed.

Principal Phillips noted that the Losee campus is still in their early stages, this being their first year in operation, and they are starting to realize the different needs for Elementary versus Middle / High School.

7. Review of Contract with Russell Caldwell, D.A. Davidson and R.W. Baird & Company.

Mr. Howell referred to contracts provided in the support materials. Mr. Howell noted that these contracts note that payment is contingent upon the completion of the bond issue. Mr. Howell advised that Russell Caldwell's contract included everything Mr. Caldwell represented at the previous Board meeting. Mr. Howell noted that while two underwriters had been chosen, when you select one you are selecting the group. Mr. Howell stated that D.A. Davidson is called a Best Efforts Underwriter and that their contract states that in the future they will do an offering of the bonds in the market and if a certain amount is sold, they will commit at that time to underwrite the bond issue. Mr. Howell noted that this process is known as Best Efforts Negotiated Bond Issue, which is very typical in the bond market. Mr. Howell stated that all the contracts breakout their services and costs associated.

Member Noble noted that at the last Board meeting, these contracts were acted on and he has already signed them. Mr. Howell noted that the contracts have been provided so that all the Board members can take a look at them.

8. Update on Bond Application Process, Approval of Appraisal Agreement and Resolution to Complete the Bond Application Process.

Mr. Howell reported on the bond process and noted that they are working with the Office of Business and Industry to complete the process. Mr. Howell noted that as this is the first bond issue done in the State of Nevada through a Nevada entity, it is a cumbersome process and that the bond application was filed about ten days prior. Mr. Howell noted that a time table had been provided in the support materials and advised that the hope is to have this completed by mid-December 2014. Mr. Howell outlined the next steps to be completed. Mr. Howell specifically noted a meeting taking place on November 4, 2014 with Standards & Poor's and the Board to discuss financials. Mr. Howell stated that after this meeting, depending on financials, wait list numbers and academics, a rating will be issued within two weeks. Mr. Howell noted that they will be looking at the Sky Pointe and North Las Vegas campuses, as those are the campuses ready to be purchased.

Mr. Howell advised that it is expected that the bond rating will be either a BB+ or BBB-. Mr. Howell further noted items in motion to get the process completed as soon as fast as possible.

Mr. Howell advised that the appraiser will come out to appraise the properties and that the purchase price will not be more than the appraised price. Mr. Howell encouraged all the Board members to be present at the upcoming meeting with Standards & Poor's so that they can offer their story of Somerset Academy.

Mr. Harty asked what he initial bond offering will be and Mr. Howell stated that it will be about \$43 million. Mr. Harty asked what this will cover and Mr. Howell advised that this will cover the following:

- Purchase of the North Las Vegas Campus;
- Purchase of the Sky Point Campus; and
- Costs to build out the rest of the Sky Pointe Campus (the gym and remaining classrooms).

Member Noble asked if the purchase of the North Las Vegas Campus included the additional building and Mr. Howell advised that this purchase will only include the current 40,000 square foot building, as the owner does not wish to sell the other building.

Mr. Howell stated that the bond issuance will save the school money. Member Harty asked that if the interest rates rise and are no longer favorable, when Somerset can pull out. Mr. Howell advised that this will be monitored and if it looks like things are no longer favorable, a meeting with that Board will be scheduled to discuss. Mr. Howell further noted that Somerset is not obligated and can go until the last day before closing to back out. Mr. Howell further advised that there is no risk to the Board and that they will evaluate the market before entering and will not proceed if the situation is not advantageous.

Mr. Reeves spoke with regard to the necessary Board action allowing for documents to be completed expediently. Mr. Reeves noted that the appraisal agreement and any costs associated with the appraisal and a resolution to empower the Board Chair to enter any other agreements necessary throughout the bond process, need to be approved.

Member Thiriot Motioned to approve the appraisal agreement and made a resolution to empower the Board Chair with whatever needs to happen to complete the bond application process. Member Hammond seconded the Motion and the Board unanimously approved.

9. Principals Report and Evaluation of Administrators.

Mr. Reeves noted that this agenda items has two elements, the Principal reports and Principal evaluations. Mr. Reeves noted that the support materials for the Principal Evaluations were not provided to the Board prior to the meeting and asked if the Board would like to table this portion of the agenda item until the next Board meeting in December, 2014. Mr. Reeves further noted the rules for a closed session, if the Board chose to do so. Member Noble asked if there is a deadline that the Principal evaluations need to be done by and Mr. Reeves advised that other than the end of the year, he is not aware of any deadline. Mr. Reeves further noted that any changes to Principal salaries would be retroactive to the beginning of the fiscal year. The Board agreed to table the Principal evaluations until the next meeting.

Principal Kelley reported on the ribbon cutting ceremony at the Losee campus, which took place the day before. Principal Kelley further noted that this event was very successful and thanked everyone for attending. Principal Kelly advised that they have been working on getting all students, curriculum and furniture into the classes and situated. Principal Phillips noted that the Losee campus is a very lively and thriving campus and is so excited to see the progress. Principal Phillips further noted that it has been fascinating to see the sibling interactions and the student interactions with that Administration. Principal Kelley noted that they are all

working together across the campus and it has been going really well. Member Noble asked what support the Losee campus needs from the Board. Principal Phillips noted that other than the learning process undertaken to find out the level of each student, they are moving full steam ahead. Principal Kelley noted that one of the biggest issues on the Elementary side is getting student records from CCSD or other outside agencies, as there has not been a lot of cooperation from those areas. Member Noble noted that the Board will work to see how they can help in this area.

Principal Mayfield noted that they opened successfully at the North Las Vegas campus and have had several opportunities to interact with that community. Principal Mayfield stated that she has been working with new faculty so they know they are supported. Principal Mayfield further noted that they have had successful professional development days and is feeling comfortable with how things have been going. Principal Mayfield stated that she would like to see quarterly surveys go out so that she can get feedback sooner rather than later. Principal Mayfield acknowledged Bethany Farmer for getting all the Somerset Principals together to collaborate and facilitate so that Somerset is moving forward as a united Somerset school working together for the same goals. Principal Mayfield noted that she likes working with all the Somerset Principals and Assistant Principals. Member Hammond stated that he had met with a top individual from Infinite Campus and advised that this individual can be contacted directly. All of the Principals agreed that they would like to contact this individual, as there are many issues with this program. Principal Mayfield noted that this is uncharted territory, as some of the standards are new for everyone. Member Thiriot asked if Infinite Campus has a parent portal that allows parents to go in and check their students' grades. Principal Barlow advised that this portal has not been rolled out as of yet, however, it can be accessed through the student portal. Discussion was had regarding the time line of when this portion would be rolled out and the Principals noted that they are working on getting all the required information entered so that they can send out log in information to the parents, allowing the access to this portal. Member Thiriot asked if this will be an easier process next year and the Principals stated that it will, this year was delayed because all student data had to be entered from the bottom up. Member Hammond added that the issues being seen with Infinite Campus are also being seen within CCSD as well. Member Noble asked Principal Mayfield if there is any way that the Board can support her and her campus. Principal Mayfield stated that simply knowing that the Board is here if enough for now, as everything is going well.

Principal Farmer advised that they have come through their rough patch with that opening of the new Stephanie campus. Principal Farmer noted that the pickup process took an hour and forty minutes on the first day of school, however, they have it down to just under a half an hour. Principal Farmer noted that his campus has had some data days and that they are all excited to be back to all about the kids and back to being in the classroom. Principal Farmer stated that Bethany Farmer just did a training for the K-3 teachers on math intervention and the teachers are very excited at this targeted intervention and hope to see the struggling students moving forward. Principal Farmer added that they are all happy to be back to the good things they do. Principal Farmer added that they are excited about the sports program that is up and running. Principal Farmer advised of the sport that they are offering. Member Hammond asked if the Stephanie campus' sports program are competing with other schools or doing intramurals. Principal Farmer advised that they are competing against other Charter Schools.

Principal Jefferson advised that they recently had data day at the Sky Pointe campus and have decided on the Elementary side to record their data a bit different than they have in the past. Principal Jefferson noted that in the past, the focus has been on achievement, however, since the school is being measured by growth, they are going to start measuring the students on growth and achievement as well. Principal Jefferson noted that they will be using some quadrances on their data walls to talk about growth and will work on this throughout the year. Principal Jefferson advised that they have a site based instructional coach that works with Bethany Farmer and is constantly utilized by the teachers and noted areas in which the instructional coach has been involved. Principal Jefferson advised that the PTO is going strong and that they will be holding their Trunk-or-Treat and invited everyone to attend. Principal Jefferson noted a new program that they will be

starting called All Pro Dads and I Moms, in which they will have events for moms and dads to attend with their children that will offer short videos as conversation starters between parents and students. Principal Jefferson stated that they have their ongoing professional development every month and staff meetings where teachers can share things going on in their classrooms. Principal Jefferson noted other exciting things going on at the Sky Pointe Elementary campus, including their participation in the sports league.

Member Noble asked Principal Farmer and Principal Jefferson what support they need and Principal Farmer noted that just knowing they are here is great.

Principal Barlow recognized Kristy Driscoll, the Assistant Principal for the Middle / High School at the Sky Pointe campus and noted that she has done a great job. Mr. Barlow stated that Ms. Driscoll has been in charge of the athletics and noted some of the participation challenges they have come across. Principal Barlow noted that one of the biggest challenges they are finding is not having enough space and asked that if anyone knows anyone that has space they can use to please let him know. Principal Barlow advised that they had just gone through an intervention week and recognized that some of the students may not be performing at their best. Principal Barlow further stated that they have pulled these students out of their electives and P.E. classes to work with them independently. Principal Barlow added that they started out with 182 students scoring at 69.4% or lower and since implementing this new one-on-one assistance, there were able to push 112 of those students to score above a C grade. Principal Barlow also noted that they have been looking at the trends and are noticing that kids in 6th-7th grade are losing out on study skills and organization skills. Principal Barlow advised that they are looking at ways to strengthen those skills in the hopes that this will produce better grades. Principal Barlow noted some events that are coming up in the next few weeks. Principal Barlow also advised that the 10th graders will be taking the PSAT in the weeks to come. Principal Barlow noted that an anti-bullying campaign will be taking place in the Middle School grades. Principal Barlow provided an example of the newly designed Sky Pointe Athletic Letter.

Member Hammond asked about the PSAT's and if this is something that Sophomores usually take and Principal Barlow noted that CCSD pays for all Sophomores to take the test and then if they want to re-take it as a Junior, the student would then pay for the test. Member Hammond asked if this is budgeted for and Principal Barlow noted that he talked with his Parent Committee about this to ensure that these types of costs are covered. Member Hammond asked where these funds came from for this year and Principal Barlow advised that this came out of the SGF funds. Member Noble asked if the Board could provide any support to Principal Barlow or his campus and Principal Barlow had no requests at this time.

Mr. Reeves spoke with regard to the Charter School Association of Nevada's Board meeting and conference that recently took place. Mr. Reeves advised that during the conference, the Nevada State Public Charter School Authority Director, Patrick Gavin gave a presentation listing all the five star schools of which only three Charter schools in the State had five stars across all grades and one of them is Somerset Academy. Mr. Reeves noted that one of the Somerset Assistant Principals gave a presentation at the conference as well. Mr. Reeves stated that Somerset's involvement, influence and effect on the Charter School Community as a whole should be applauded. The Board thanked the Administrators and Teachers for all they do in making the school a success and offered that they are here to help in any way they can.

10. Evaluation of EMO, Academica Nevada.

Mr. Reeves referenced the survey sent out to the Board members and Principals, requesting their evaluation of Academica Nevada. Mr. Reeves noted that only five responses had been received and noted some of the comments provided. Mr. Reeves encouraged all those that have not yet responded to please do so, as this helps Academica Nevada improve their services. Member Noble noted that he does not recall receiving a request to complete the survey and would like to place this on the agenda for the next meeting so

that everyone has a chance to respond. The remaining Board members agreed and this item was tabled until the next meeting.

11. Review and Approval of Plan for Progressive Discipline.

Ms. Wurm addressed the Board and advised that there were a few items changed on the policy, per principal requests, with regard to progressive discipline. Ms. Wurm also noted some specifics regarding NRS statutes and the definitions of weapons, including what is and is not considered a dangerous weapon. Ms. Wurm stated that additional language was added regarding when the school can and cannot expel a student, as well as the steps necessary to take place to preserve / protect the students' due process rights. Ms. Wurm stated that the additions to the policy will ensure that all procedures are complete per NRS Statutes, as well as provide guidance for the Principals

Member Thiriot sought to confirm that this policy was written with Principal input as well as NRS Statutes regarding what can and cannot be done. Ms. Wurm confirmed this. Mr. Reeves noted that in the Charter Application, the discipline policy was written with the intent to up the standards on discipline as well as academics, however, it came to light from the Board's Council, Jeff Blanck that if it does not fall within Statute, the rules cannot be enforced. Discussion was had regarding possible changes within NRS Statute.

Member Noble asked when Board action would become necessary within this policy. Ms. Wurm explained that if a due process complaint from a parent came up or need for an expulsion, this is when the Board would be asked to take action. Member Noble asked if a student can be expelled without Board action and Mr. Reeves stated that they cannot. Member Noble asked if there is something less than expulsion that requires Board action and Mr. Reeves noted that a suspension over ten days would require Board action. Member Noble asked if the Board would be notified if a mandatory suspension was issued and Mr. Reeves advised that they would. Mr. Reeves further explained that the Board would act as a fact finder and would be asked to review the facts warranting a mandatory suspension / expulsion.

Member Noble sought to clarify that no discipline of more than ten days would take place without the Board being involved and Mr. Reeves confirmed this to be the case. Mr. Reeves explained that there are two main areas of concern for legal action against the School / Board, outside of the typical premise liability, one being due process claims regarding Special Education and the other being due process claims arising from discipline. Mr. Reeves stated that in order to ensure those types of claims do not arise, the Principals have been asked to notify Academica of any suspensions so that they can be tracked and ensure that progressive discipline is taking place. Mr. Reeves also noted that this tracking will also allow for monitoring of students for habitual discipline issues to prepare / keep documentation for the Board to have if needed.

Mr. Reeves further outlined the progressive discipline steps and when parents are notified by the school. Member Thiriot asked if all Principals have read this and know to follow it. Mr. Reeves advised that this policy was revised with specific input and based on open communication with the Principals. Member Thiriot stated that she hopes this empowers the Principals and Teachers to feel like a process is in place regarding continual discipline issues. Mr. Reeves noted that review and approval of this policy takes place yearly, as required by the State.

Member Noble Motioned to approve the Progressive Discipline Plan as contained in the provided support materials. Member Thiriot seconded the Motion and the Board unanimously approved.

12. Education Committee Update.

Member Hammond spoke with regard to the meeting and noted that years ago when Somerset first opened, it was thought that there would only be one campus, which then grew to two campuses. Member Hammond

noted that at first, with only two campuses, it was not a big deal because there were set thoughts about classes to be taught throughout the campuses, however, as more campuses are opened, it has been realized that things are not being done uniformly between campuses. Member Hammond noted that while this is not necessarily a problem because it allows autonomy for the Principals, however, it has come to a point where some campuses might want to offer classes not offered at other campuses (i.e. other languages other than Spanish). Member Hammond stated that this is one area to be worked through as far as logistics when offering classes at some campuses and not at others and whether this is something that should be explored.

Member Thiriot advised of the assignments and research tasks handed out at the meeting and noted that the next meeting is tentatively set for November 20, 2014 at 5:30 p.m. at the Losee campus.

Member Harty asked if this subcommittee will also be looking at the ultimate goal as to how many campuses Somerset will eventually consist of. Member Hammond stated that he had not envisioned this as being something this committee would consider, however, if the Board wants this to be part of this committee or another committee, that can happen. Member Noble noted that while this topic has informally come up in other discussions, he would like to see a separate committee formed to address this topic. Discussion was had and it was decided that this topic will be placed on the agenda for the next Board meeting.

Member Noble thanked everyone who serves on this committee and noted that it is important for the campuses to run similarly to each other. Member Hammond agreed that he would like to see the same vision while allowing for autonomy.

13. Review and Approval of Revised Agreement with Nevada Charter School IT Services.

Mr. Reeves reminded the Board that during the first year of operation, IT service costs were high and that ways were sought to bring these costs down, while having the sole focus be on the Academica Schools. Mr. Reeves added that with that in mind, Nevada Charter School IT Services dba Intellatek (hereinafter referred to as Intellatek) was formed. Mr. Reeves further noted that while this past school year was Nevada Charter Schools IT Services' first year in existence, Intellatek was already in existence and being run by JJ Christian.

Mr. Reeves noted the staffing numbers for Intellatek as well as the student to computer ratio currently at the campuses. Mr. Reeves further advised that in order to maintain the current goal of having someone on campus at least three times a week, and to service the number of computers being used, an increase in the service fee from \$3.00 to \$3.50 per pupil, per month is being sought. Mr. Reeves noted that this increase will allow the number of staff to increase in the coming months.

Mr. Reeves noted the advantages to having this system / support in place versus employing a single individual on a single campus. Mr. Reeves further noted the services / upgrades that have been provided / accomplished by Mr. Christian and his staff.

Member Noble inquired about the system of a technician being on site three times a week and what specifically that means. Mr. Reeves noted that someone would be onsite for at least four hours a day, three times a week. Mr. Reeves advised that the technician would check in with the office staff and be there to address any issues. Mr. Reeves further advised that there is a set schedule so each campus knows when a technician will be at their campus. Mr. Reeves stated that if a ticket is sent in for an issue requiring onsite help, a technician would be sent to the campus to assist, if one is not already on site.

Member Noble asked if this is a new system or if this is something that has been in place since the beginning of the year. Mr. Reeves advised that the onsite schedule has been in place for about two weeks, as the first month or so of school was spent completing new installations. Mr. Reeves further noted how each

campus opened the 2014/2015 school year with computers and networks up and running, which is different from years past.

Member Noble asked how a ticket is addressed once submitted. Mr. Christian advised that typically there is a full time person at the help desk and that within thirty minutes of ticket submittal, the ticket is addressed and assigned to a technician. Mr. Christian noted that if a technician is on campus already, they will be assigned the ticket or the issue will be handled remotely. Mr. Christian further explained the ticket resolution process, depending on the factors associated with the ticket.

Member Noble asked if there is ever a time when an administrator has to put a ticket in more than once for the same issue and whether this ticket system has been in place all school year or if this is a new system. Mr. Christian explained that the ticket system that was in place did not work well with the needs of the school and a new one was implemented. Mr. Christian added that with regard to multiple tickets, sometimes more than one ticket gets submitted for the same issues, however, there are checks in place to ensure that all tickets are responded to, even if they are duplicative of each other. Member Noble further asked if it ever happens that a person has to submit more than one ticket for the same issue, because the issue was not resolved. Mr. Christian advised that for the first month or so of school, because they were still working on installing new devices, there may have been some delay in assisting with new tickets, however, things have settled down and tickets are being addressed timely. Mr. Christian further added that users that submit a ticket are asked to rate the service they received and all five staff members have received 90% or higher.

Member Hammond asked the Administrations / staff present at the meeting for their thoughts and if issues are being handled timely and whether or not there are any areas that need to be worked on. Principal Farmer stated that Intellatek has done a great job and even came in and fixed issues that were related to another's work. Principal Farmer added that things are being done timely and he has noticed the technicians on his campus. Principal Farmer reiterated that the service being received now is far superior to the service received during the first year in operation.

Mr. Christian noted that the entire network was rebuilt for each campus and that this is an added benefit to everyone. Mr. Christian further noted that he is working on getting together with everyone to find out their concerns, the growth they would like to see and their visions for their campus so that Intellatek knows what needs to be accomplished.

Principal Jefferson noted that things have not been as smooth at her campus. Principal Jefferson stated that she feels that for the amount of money budgeted for IT services, she would like to see someone onsite (speaking for the Elementary side of Sky Pointe). Principal Jefferson further added her thoughts on how an onsite person would benefit her campus. Principal Barlow added that some of the confusion as to whether a technician has been onsite it might be that the technician is in the Middle / High School building and seen by the Elementary Administration, because there were no issues on that side to be handled. Principal Barlow noted some issues that have been taken care of on the Middle / High School side. Mr. Christian advised that he will look into the splitting of time by the technician on the Elementary versus Middle / High School campuses. Mr. Christian also advised that they try to let the Office Manager and Principal know that they are on campus and ready to be of assistance where needed. Principal Barlow noted that he has received messages advising that the technician is onsite.

Discussion was had regarding the budget for IT services in relation to the current system versus hiring someone onsite. Mr. Reeves further spoke with regard to quotes received for new campuses opening and that for all of the services being provided, this would not be something one onsite person could not handle and in turn, would need to outsource services, therefore increasing the total cost for IT services. Mr. Reeves further noted that if hiring an onsite person was cost efficient to the school/campus, this avenue would be recommended to the Board, as has been done with other types of services for Somerset.

Principal Mayfield spoke with regard to the IT services at her campus and noted that some areas have been great and others could use some work. Specifically, Principal Mayfield suggested that Intellatek work with someone on campus that is tech savvy to work in conjunction to help get immediate issues resolved. Additional comments from staff spoke with regard to the speed that issues are being resolved. Principal Jefferson noted that she would like the technician to let her know specifically when they are on campus. Mr. Christian noted that they do try to find the Principal to advise of their arrival, however, sometimes they are not able to locate the Principal or Office Manager. Mr. Christian stated that additional steps will be taken to ensure that the Administration knows when a technician is on campus. Mr. Christian further offered that the Principals can call him at any time if something is not being addressed and he will make sure it is taken care of.

Member Hammond asked the campuses if they are ready for the standardized testing that will be taken via computer year. Mr. Christian noted that an initial assessment was recently sent to the Charter Authority and that many of the recommended levels have been surpassed. Mr. Christian further noted the items in place and advised that the schools are ready for testing. Member Hammond stated that if there is something that IT feels needs to be in place for this testing, that SWITCH has been helping in this area and they might be able to help Intellatek as well. Discussion was had regarding the negotiations that took place with regard to the band width at each campus.

Mr. Christian further explained other areas, such as Share Pointe, that are being worked on to better the system and resources available. Member Thiriot asked about online security for the students and Mr. Christian explained the firewalls and other items in place to ensure the kids are safe while online and that the security settings are ultimately the choice of the Principals. Additional discussion was had regarding internet security. Principal Phillips added that the online ability has been great in allowing students and teachers access to other avenues to learn /teach. Member Hammond noted that sometimes things are over secure and do not allow the use of some programs that could be beneficial.

Member Noble noted that he would like to see some of the discussed service provisions provided in the contract as well as some changes to the contractual language. Member Noble and Mr. Reeves to discuss the contract language at a later time.

Member Thiriot Motioned to approve the terms of the contract, regarding the increase of the fee from \$3.00 to \$3.50, per pupil, per month. Member Malone seconded the Motion and the Board unanimously approved.

14. Discussion and Possible Action Regarding Standards Based Grading.

Member Hammond stated that it had come to his attention that there were two aspects of this topic that need to be discussed. One being retracting standards based grading, which was previously voted against. The second being the need for a uniform grading system. Member Hammond noted that he is aware that some of the Principals feel very strongly about keeping the Standards Based Grading, however, no action has been taken on whether this should be uniform throughout the campuses. Mr. Hammond further noted that because no Board action was taken and that if there are Principals that do not want to use this grading system, there is nothing stating that they have to.

Member Noble asked what is currently happening and Principal Farmer advised that now that Infinite Campus is up and running, they have collaborated and worked together to get everything into Infinite Campus and are all using Standards Based Grading in some form, as some are using a hybrid version of this grading system, along with the Traditional Grading system. The Principals also stated that the Middle / High school is using the Traditional Grading system to insure proper High school transcripts can be generated in the future.

Member Hammond noted that it appears that all the campuses are using the Standards Based Grading system, however, he wondered if future administrators will want to use the same system and if they will be granted the autonomy to choose whether to use this system versus another. Member Noble asked if the campuses need to use the same grading system to be uniform and Member Hammond stated that he does not believe so. Member Malone noted that she thinks Standards Based Grading is ok for the elementary grades, because then it would not be confusing if a student moved to a different campus.

Mr. Reeves noted that the minutes from the April 22, 2014 Board meeting state that a discussion whether or not to use the Standards Based Grading system and that only a Motion to return all campuses back to a Traditional Grading system came up for vote, which did not pass through. Mr. Reeves stated that there was no motion on whether or not to allow the Principals the autonomy to choose a grading system for their individual campus. Mr. Reeves further stated that he believes the Education & Curriculum Committee will play a role in these types of decisions where it needs to be decided whether to be uniform or allow for autonomy. Mr. Reeves noted that this committee can have open conversations with Administrators, Teachers and Parents to bring back to the Board for possible actions.

15. Review and Approval of Revised Enrollment Policy.

Mr. Reeves stated that at the last Board meeting, the Board approved the enrollment policy and asked that a draft revised copy be brought to this meeting so that the Board could review the specific changes made. Mr. Reeves noted that further action was not needed, unless the Board wished to make additional changes to the policy. Member Noble stated that he had some concerns regarding the policy and whether enough was done to delineate what is explained in the policy as to what happens at each campus versus the school as a whole. Member Noble noted that he does not feel that the written policy is clear enough and could use some clarifications. Member Noble stated that he will work with Academics to amend the written policy.

16. Public Comments and Discussion.

Ms. Salmon of Academics reported on some discounts received from School Specialties, from a promotion that took place last year giving 10% back on future purchases if products were purchased from specific companies. Ms. Salmon advised that the discount money earned by each campus must be used by December 31, 2014 and can be used to purchase anything sold by School Specialties or any of their sister companies. Ms. Salmon reported that the total amount of the discounts is \$30,147.36, which is broken down by campus as:


1. North Las Vegas - \$259.05;
2. Stephanie - \$4,970.27;
3. Sky Pointe - \$8,376.14; and
4. Losee - \$16,541.90.

Further discussion was had as to how the money was awarded, based on the amount of money spent on items for the new school year. Ms. Salmon encouraged the campuses to use this money on big ticket items, such as furniture for the next school year. Ms. Salmon further noted that this is one of the advantages of ordering early and thanked the Board for approving these purchases.

17. Adjournment.

Member Hammond Motioned to adjourn the meeting at 8:35 p.m. Member Harty seconded the Motion and the Board unanimously approved. The Meeting was adjourned.

Approved on: 12/02/14



**Secretary of the Board of Directors
Somerset Academy of Las Vegas**