

**RIVERSIDE COUNTY BOARD OF EDUCATION
3939 THIRTEENTH STREET • P.O. BOX 868 • RIVERSIDE, CA 92502-0868**

**MINUTES
REGULAR MEETING
December 13, 2006**

OPENING PROCEDURES

1. Call to Order by the President

The Regular Meeting of the Riverside County Board of Education was called to order by President Colapinto at 9:04 a.m. on Wednesday, December 13, 2006 in Room 17A-B of the Riverside County Office of Education, 47-336 Oasis Street, Indio.

2. Pledge of Allegiance to the Flag

The pledge of allegiance to the flag was led by Member Mediano.

3. Attendance

a. County Board of Education Members

Mr. Gerald P. Colapinto, President, Corona
Dr. Lisa Conyers, Vice President, Moreno Valley
Mrs. Lynne D. Craig, Riverside
Mrs. Betty Gibbel, Hemet
Dr. Vick Knight, Canyon Lake
Dr. William R. Kroonen, Palm Desert
Mr. Adolfo Mediano, Jr., Banning

b. Secretary to the Board

Dr. David Long, Riverside County Superintendent of Schools
Mrs. Monica Martinez, Secretary to the Board of Education

c. Invited Guests and Visitors

Ms. Kasey McCall, President, CSEA Chapter 693
Mr. Jack Clarke, Attorney, Best Best and Krieger
Mr. Rich Alverson, Superintendent, Julian Union High School District
Mr. William Wargo, Board Member, Eagles Peak Charter School - Vista
Ms. Kathleen Hermsmeyer, Eagles Peak Charter School – Inland Empire
Ms. Robin Mammoth, Eagles Peak Charter School – Inland Empire
Ms. Debbie Essel, Eagles Peak Charter School – Inland Empire
Ms. Debbie Daniel, Eagles Peak Charter School – Inland Empire
Mr. Warren Stratton, Eagles Peak Charter School – Inland Empire

d. Staff Members

Mr. Antonio Arredondo, Dr. Celia Ayala, Mrs. Patti Crawford, Mr. Rollin Edmunds, Mr. Russell Frank, Dr. Mike Jones, Mrs. Theresa Hyden, Dr. Sandra Schnack, and Mr. Kenn Young.

4. Public Comments

Pursuant to **Government Code Section 54954.3 and Education Code Section 35145.5** any person wishing to speak to any item on the agenda, or any other relevant matter, was given the opportunity to do so.

Mr. Rich Alderson, Superintendent, Julian Union High School District in San Diego County, introduced himself and shared that the Julian Union High School District is prepared to work with the Riverside County Office of Education (RCOE) to help resolve any issues regarding Eagles Peak Charter School.

Ms. Kasey McCall, President, CSEA Chapter 693, was present to address the board. On behalf of Chapter 693, she extended best wishes for the holidays. She shared that this year has been an exciting year for CSEA and RCOE. Ms. McCall mentioned that she is looking forward to attending the upcoming CCBE/PTA/CCSESA Annual Spring Conference in Palm Springs.

Mr. William Wargo, Board Member and Secretary of Eagles Peak Charter School in Vista, was present to address the board. Mr. Wargo spoke on behalf of the Eagles Peak Charter School Board of Directors. Mr. Wargo stated that they are very concerned about the impact the Eagles Peak Inland Empire Charter School may have upon their school. He noted that the Eagles Peak Charter School Board did not authorize the management of Eagles Peak Charter School to seek a charter from the RCOE Board that would be operated by a different corporation, and with a different board of directors. The charter that was approved by RCOE was not provided to the Eagles Peak Charter School Board until a few months' ago. It was the understanding of the Eagles Peak Charter School Board that they were to govern both schools. Mr. Wargo stated that the governance section submitted to RCOE references Eagles Peak Charter School, Inc., which is the name of the corporation that governs their charter school.

Mr. Wargo stated that the Eagles Peak Charter School Board did not authorize management to transfer leases, furniture, equipment, books or supplies to Eagles Peak Inland Empire Charter School. Each of these assets was pledged by the Eagles Peak Charter School Board for the repayment of a \$3.75 million dollar loan taken out by Eagles Peak Charter School in May 2006. These assets, along with the ADA generated by students currently enrolled in Eagles Peak Inland Empire Charter School, was pledged by officers at Eagles Peak Charter School to repay this debt. The Eagles Peak Charter School Board expected the enrollment at Eagles Peak Charter School to be approximately the same this year, as it was last year. The creation of Eagles Peak Inland Empire Charter School and the subsequent shift of nearly

50% of the students to the new charter school a few weeks ago, later evidences the fact this could not be the case.

Mr. Wargo stated that in documents submitted by Eagles Peak Inland Empire Charter School to Riverside County SELPA, to gain admission to the SELPA, states that Eagles Peak Charter School, Inc. will govern the new Eagles Peak Inland Empire Charter School. Mr. Wargo mentioned that the good name of the organization was used to obtain membership under false pretenses. Mr. Wargo stated that in order to obtain the fiscal sovereignty of both schools, they are seeking an amendment to the charter, approved by the RCOE Board, to clearly designate the understanding of the parties when the charter was granted. The understanding was that Eagles Peak Charter School would govern both schools. This would allow Eagles Peak Charter School to regain the economy of scale that it lost when 50% of students were transferred to the new school. The Eagles Peak Charter School Board are aware that RCOE required a significant amount of funds and indemnity to better protect the economy in the event of a dispute like this; however, these funds could not be pledged to the county by Eagles Peak Inland Empire Charter School, as they are all collateral on \$3.75 million dollars in loans taken out by Eagles Peak Charter School. Wells Fargo Bank has first call on all funds of Eagles Peak Inland Empire Charter School, not the RCOE. As a result, RCOE is being put at risk. Mr. Wargo believes that we all need to work together and if an agreement is not reached soon, it is possible that both charters schools will collapse financially. Mr. Wargo noted that documents supporting these events are on file at Eagles Peak Charter School and a copy will be provided to RCOE as soon as possible.

5. Approval of Agenda

It was moved by Member Kroonen and seconded by Member Conyers.

That the agenda for the December 13, 2006, Riverside County Board of Education meeting be approved.

7 Ayes
Motion adopted.

CONSENT CALENDAR
Items 6-8 were enacted with a single motion.

It was moved by Member Kroonen and seconded by Member Craig.

That the Consent Calendar be approved as presented.

7 Ayes
Motion adopted.

6. Approval of Minutes

Minutes of the Regular Meeting of the Riverside County Board of Education, November 8, 2006.

7. Personnel Services

Certification List #CL 12-06, as recommended for approval by the Riverside County Superintendent of Schools.

HEARINGS

1. Expulsion Appeal #100606E – This matter was resolved and is no longer before the Riverside County Board of Education.

INFORMATION/DISCUSSION ITEMS

1. **Eagles Peak Inland Empire Charter School Update**

Dr. Kathleen Hermsmeyer, Executive Director of Eagles Peak Inland Empire presented a report, which included information on enrollment, facilities, and programs. Dr. Hermsmeyer shared that the Riverside County Achievement Team (RCAT), Beginning Teacher Support and Assessment (BTSA) program, and staff members, Mrs. Patti Crawford and Mr. Rollin Edmunds have been very supportive to their charter.

Member Gibbel requested information regarding the issues that have risen between the two charters. Mr. Carl Yoder of Eagles Peak Inland Empire Charter School discussed the assets of the two schools. He stated that negotiations are taking place between the two schools and are working towards paying their portion of the debt. They are also working closely with Wells Fargo Bank to refinance Eagles Peak Inland Empire Charter School's portion of the debt. Mr. Yoder stated that when the original budget was created for Eagles Peak Inland Empire Charter School, they had planned on a combined entity, where the costs of both charter schools were shared.

Mr. Yoder stated that Eagles Peak Inland Empire Charter School, if split, would not be in danger of bankruptcy. There would be additional costs of duplicating services and costs of supporting cost of debt and assets. The ADA, programs and operational budget are sound.

Member Kroonen asked what the implications are for this Board as the original chartering agency. Mr. Jack Clarke responded by stating that RCOE has a financial liability and the matter is being looked at closely. The SELPA Governance Council has also placed their membership on hold until further review. There will be a report back to the Board once these issues have been resolved.

2. **2005-2006 Audit Report of Riverside County Office of Education presented by Vicenti, Lloyd and Stutzman**

Mr. Kenn Young introduced Ms. Naomi Gordon from Vicenti, Lloyd and Stutzman. Ms. Gordon provided an overview of the 2005-2006 audit report. The audit meets both federal and statewide requirements and there were 18 areas of compliance. Ms. Gordon expressed appreciation to the Riverside County Office of Education staff for their full cooperation received during the audit.

3. **Operation Recognition**

Dr. David Long shared information on Operation Recognition. This program provides diplomas to residents of Riverside County who missed completing high school due to military service in World War II, the Korean War, or the Vietnam War, or due to internment in WWII Japanese relocation camps. A ceremony will be held at the Riverside County Office of Education on May 16, 2007 at 10:00 a.m.

4. **Teen-Line (Cedar-Sinai)**

Dr. David Long shared information on the Teen-Line program, which will be available in Riverside County. This program is sponsored by Cedar-Sinai Medical Center. It provides a 24-hour telephone hotline and educational outreach services to schools, youth groups and to troubled teens.

5. **2006-2007 First Interim Report as of October 31, 2006**

Mr. Kenn Young reviewed the 2006-2007 First Interim Report as of October 31, 2006.

6. **Independent Audit Firm Selection**

Mr. Kenn Young shared that the Riverside County Office of Education has been utilizing the independent auditing services of the Certified Public Accountancy firm Vicenti Lloyd and Stutzman for several years. These services have been provided through a three-year contract, and the most recent agreement with Vicenti Lloyd and Stutzman expired upon the completion of their independent audit services for the 2006-07 fiscal year. The Board requested that the Riverside County Office of Education issue a Request for Proposal (RFP)

from qualified certified public accountancy firms to perform the annual audit services for a three-year period. Staff and a designated member of the Board, will hold interviews with qualified respondents to the RFP. A recommendation will be brought forward to the Board for approval.

7. **Fiscal Report**

The budget transfers and adjustments for November 2006 were reviewed.

8. **Introduction of Issues That May Be Addressed at Future Meetings**

Member Kroonen shared information on an electronic service that could assist with future Board meetings. He is interested in feedback on the potential of this type of service.

Member Kroonen also shared information on an informative safety workshop he attended at the California School Boards Association (CSBA) conference that would be very beneficial to our board.

9. **President/Board Member/Superintendent Comments**

President Colapinto congratulated Member Craig for being selected Vice President of the California County Boards of Education.

Members Kroonen and Mediano shared that he enjoyed the California School Boards Association (CSBA) conference in San Francisco.

Member Gibbel shared information from the sessions she attended at the CSBA Conference.

Member Knight shared that there were over 4,000 people in attendance at CSBA Conference and enjoyed the workshops.

Member Craig shared that she attended the Arlington Learning Center open house. She recently attended a First Five meeting and thanked Dr. Celia Ayala for a great job on the commission.

Dr. Long shared that although enrollment in Riverside County is increasing, a few districts are either in neutral or declining enrollment.

Calendar of Events:

March 22-25, 2007, CCBE/PTA/CCSESA Annual Spring Conference, Palm Springs
April 14-17, 2007 – NSBA Annual Conference, San Francisco

Break: 9:57 am – 10:12 am

Adjournment: 10:43 a.m.

NEXT REGULAR MEETING - 9 a.m., **Wednesday, January 10, 2007**, Riverside County Office of Education – Board Room (fourth floor), 3939 Thirteenth Street, Riverside.

President

Secretary