Granada Hills Charter High School
Meeting of the Governing Board
January 9, 2017  4:00 p.m.  Library
Minutes

In Attendance:
Brian Bauer, Executive Director (non-voting)  Jody Dunlap, At Large Member
Steve Bourgouin, Retired Teacher member  Amita Naganand, Parent Member
Lorene Dixon, At Large Member  Jim Salin, At Large Member (Chair)
Joan Lewis, At Large Member  Jesus Vaca, At Large Member

The meeting was called to order at 4:00 p.m. Jody Dunlap led the Pledge of Allegiance.

Action Item #1 – Annual Election of Corporation Officers. Mr. Salin called for a motion to appoint GHCHS Corporation Officers as follows:
1. President – Brian Bauer
2. Treasurer – Eugene D. Straub
3. Secretary – Karla Diamond

Lorene Dixon made a motion to approve. Jody Dunlap seconded the motion. Unanimously approved with the following votes:

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Action Item #2 – Karla Diamond called for nominations for 2017 Governing Board Chair. Steve Bourgouin nominated Jim Salin. Joan Lewis seconded the motion. No other nominations were offered. Mr. Salin agreed to the nomination. Unanimously approved with the following votes:

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Chief Business Officer’s Report (Eugene Straub)

Action Item #3 - 2014-15 Audit Report Presentation and Acceptance (Robert Wilkinson of Wilkinson, Hadley, King & Co.)
Robert Wilkinson of Wilkinson, Hadley, King & Company, the audit firm selected by the Board, provided the Board with an overview of the 2015-16 audit report and reminded them that the audit is both a financial and compliance report. Mr. Wilkinson reported that the audit opinion is “unqualified”, which means that there are no weaknesses or deficiencies noted in the financial statements, and noted that there were no findings or questioned costs in the audit report. Additionally, as the school receives significant federal funding, the audit also includes the required OMB A-133 compliance audit of the school’s federally-funded programs. The Title 1 federal program was tested for compliance in this audit. Mr. Wilkinson reported that no weaknesses or deficiencies were found in the school’s federal programs, nor were there any findings or questioned costs reported related to the federal or state funded programs. Board members asked several clarifying questions and thanked Mr. Wilkinson for reporting. Steve Bourgouin made a motion to accept the 2015-16 audit as presented. Jesus Vaca seconded the motion. Unanimously approved with the following votes:

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Action Item #4 – Approval of November Financial Reports. Mr. Straub presented the November 2016 financial reports which detail the revenues, expenditures, fund balance, balance sheet accounts and statement of cash flow as of November 30, 2016. The reported year-to-date activity is compared to the 2016-17 Adopted Budget and the Revised Budget that have been approved by the Governing Board. The overall financial position of the school remains healthy and we continue to believe that the school will end the year with a strong surplus due to the higher than budgeted enrollment and ADA.

One key issue we will be tracking as we prepare the budget will be the potential for larger than expected CalPERS increases over the coming years. The CalPERS Board recently approved a reduction in the assumed rate of return on the CalPERS asset pool, and this may in turn lead to a higher employer contribution rates than originally expected to forestall any further erosion of the PERS base.

Mr. Straub also provided an overall statewide economic update and outlook from the State Controller’s Office, as well as information from School Services of California. We will continue to monitor the budget closely through the remainder of the academic year and will bring forward any budget concerns at future Board meetings.

Lorene Dixon made a motion to approve the November 2016 Financial Reports. Steve Bourgouin seconded the motion. Unanimously approved with the following votes:

| Steve Bourgouin | Yes | Jody Dunlap | Yes | Amita Naganand | Yes | Jesus Vaca | Yes |
| Lorene Dixon    | Yes | Joan Lewis  | Yes | Jim Salin      | Yes |           |     |

Action Item #5 – Mr. Straub presented an auditor engagement letter to confirm upcoming audit services that will be provided by Wilkinson, Hadley, King & Co. LLP. We have an option to secure services for one or two years. Lorene Dixon made a motion to approve the Auditor Engagement for the 2016-17 and the 2017-18 Audits. Jesus Vaca seconded the motion. Unanimously approved with the following votes:

| Steve Bourgouin | Yes | Jody Dunlap | Yes | Amita Naganand | Yes | Jesus Vaca | Yes |
| Lorene Dixon    | Yes | Joan Lewis  | Yes | Jim Salin      | Yes |           |     |

Action Item #7 – Mr. Straub requested the Board’s approval to confirm a commitment to Piper Jaffray & Co. for refinancing of the capital impact indebtedness on the Devonshire property with the California School Finance Authority through school facility revenue bonds. Steve Bourgouin made a motion to approve. Lorene Dixon seconded the motion. Unanimously approved with the following votes:

| Steve Bourgouin | Yes | Jody Dunlap | Yes | Amita Naganand | Yes | Jesus Vaca | Yes |
| Lorene Dixon    | Yes | Joan Lewis  | Yes | Jim Salin      | Yes |           |     |

Action Item #8(a) – Mr. Straub presented an update for approval to our Fiscal Policies and Procedures manual relating to the issuance, use and safeguarding of credit cards. Lorene Dixon made a motion to approve. Jody Dunlap seconded the motion. Unanimously approved with the following votes:

| Steve Bourgouin | Yes | Jody Dunlap | Yes | Amita Naganand | Yes | Jesus Vaca | Yes |
| Lorene Dixon    | Yes | Joan Lewis  | Yes | Jim Salin      | Yes |           |     |

Action Item #8(b) – David Bensinger, Administrative Director, presented the 2015-16 School Accountability Report Card (SARC) for the Board’s approval. This document provides information that can be used to evaluate and compare schools and is placed on the California Department of Education website along with other schools’ SARC’s. The SARC provides
general information, lists the school’s major achievements, and includes the Adequate Yearly Progress (AYP) and other academic performance metrics. Data reported in the SARC is to be consistent with data reported in the School’s Local Control Accountability Plan (LCAP). **Steve Bourgouin made a motion to approve the 2015-16 School Accountability Report Card. Jesus Vaca seconded the motion. Unanimously approved with the following votes:**

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**Executive Director’s Report – Brian Bauer**

**Brown Act (“Open Meeting Law”)/Board Governance Training** – Mr. Bauer presented a packet of materials provided by our legal counsel for new and continuing Board members. He reviewed the purpose and scope of the Brown Act and the Board’s responsibilities in complying with all requirements. Included in the review was information on Board agenda requirements, the public’s rights regarding Board meetings and closed session guidelines.

**Discussion/Action Item #9 – Certification of GHCHS Governing Board Compliance Review for LAUSD**

As part of the Governing Board’s fulfillment of its fiduciary responsibility to ensure that GHCHS complies with all applicable laws and other requirements, it is critical that the GHCHS Governing Board periodically review, discuss, monitor, and modify, if necessary, the school’s policies, systems, and procedures for compliance with such requirements. Each Board member was given a Compliance Review binder containing documentation and evidence in each of the following areas:

1. Criminal Background and TB Clearance for all employees
2. Teacher Credentialing and English Learner Authorization
3. Governing Board Information (Member contact information, resumes, Board meeting dates)
4. Open Enrollment and Lottery Guidelines
6. English Learner Master Plan
7. Discipline Foundation Policy and School Climate Bill of Rights
8. Student Suspension, Expulsion and Reinstatement Data
9. Parent/Student Handbook alignment to charter petition and applicable laws
10. Parent’s “Right to Know” teacher qualifications and non-NCLB compliant teachers
11. Certificate of Occupancy for Devonshire Campus
12. Brown Act, Political Reform Act, Public Records Act and Form 700 Compliance
13. GHCHS Articles of Incorporation
14. GHCHS By-laws
15. State and Federal programs and/or Grants (Child Nutrition, Prop 20 State Lottery, Education Protection Act, Special Education SB 740, etc.)
16. Local School Wellness Policy for participation in the National School Lunch/Breakfast Program
17. Local Control Accountability Plan and Stakeholder Engagement

Mr. Bauer reviewed each item individually, explaining the School’s processes and procedures to abide by all lawful requirements. Additional evidentiary documentation was presented for the Board’s review as well. Board members reviewed and asked follow-up questions. **Steve Bourgouin made a motion to approve the Compliance Review documentation. Lorene Dixon seconded the motion. Unanimously approved with the following votes:**

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Meeting adjourned to Closed Session at 5:10 p.m.

Meeting reconvened to Open Session at 5:35 p.m.

Chair Salin reported that the Board voted unanimously to accept a General Release of All Claims and Settlement Agreement with Al Nelson, to be effective immediately. Such Agreement provides severance in exchange for a release of all claims and rescinds prior Board action regarding termination in order to accept Mr. Nelson’s resignation from employment with Granada Hills Charter High School.

**Action Item #6 - Approval of Resolution 2017-01** - Mr. Straub was joined by Mr. Neal Millard from Musick, Peeler & Garrett LLP (bond counsel to the school) and Mr. Marc Bauer from Orrick, Herrington & Sutcliffe LLP (bond counsel to the issuer) to present and update to the Board on the proposed bond issuance to refinance the school’s purchase of the Devonshire property. Mr. Millard and Mr. Bauer walked the Board through the proposed structure of the bond transaction, the relationship between the school, the proposed LLC to be formed by the school and the California School Finance Authority.

Mr. Millard and Mr. Bauer shared further details with the Board regarding the means by which the bond would be repaid, the obligations of both the school and the LLC and the means by which the school would be eligible to apply for funding under the SB740 Facilities Reimbursement program.

Finally, Mr. Millard and Mr. Bauer walked the Board through the timeline from current steps to the closing of the transaction and the issuance of the bond in March 2017.

Following the discussion, and prior to the Board’s vote on the resolution, Mr. Straub, Mr. Millard and Mr. Bauer explained the proposed resolution that was brought forward for the Board’s consideration and approval.

**Lorene Dixon made a motion to approve Resolution 2017-01. Steve Bourgouin seconded the motion. Unanimously approved with the following votes:**

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Meeting adjourned at 6:04 p.m.