HARBOR SPRINGS CHARTER SCHOOL GOVERNING BOARD

43466 BUSINESS PARK DRIVE • TEMECULA, CA 92590

REGULAR MEETING
MINUTES

February 27, 2013
2:00 – 5:00pm
43448 Business Park Drive / Temecula, CA 92590

I. PRELIMINARY

1. **Call to Order**: Legal counsel, Ms. Parks, called the meeting to order at 2:09pm.

PRESENT:

Pamela Ellard, Board President Jennifer Mejares Pham, Board Secretary Steaven Chan, Board Director Linda Rhoads Parks, Legal Counsel Kathleen Hermsmeyer, Executive Director Kyla Shofner, Executive Assistant/Board Secretary	Amy Podratz, Sr. Director of Business & Admin Operations Debbie Daniel, Sr. Director of Pupil Services Debbie Essel, Chief Education Officer Diane Anvari, Sr. Director of Human Resources

a. Dr. Hermsmeyer discussed that given the unfriendly political climate surrounding charters in Riverside County and the fact that River Springs is the largest charter school in the State (by 1500+ students), the time to open a new charter is now. Also, given that we never know what our sponsoring board's attitude toward our charter will be (and the fact that River Springs' renewal was so difficult to achieve), we want to diversify to protect our students, staff, and other stakeholders. Charter schools are usually much smaller than we are. In fact, we have more students than 50% of the districts in Riverside County.

b. Dr. Hermsmeyer added that although we will be diversifying into three separate charters, we will remain one school at heart. She added that we will maintain separate boards to ensure protection for each school against potential litigation.

c. Dr. Hermsmeyer: We are planning to move the Palm Street program under the Silver Springs Charter (with an enrollment of 150). Empire Springs can "afford" to pick up a larger academy which is why they are absorbing the Hemet programs from River Springs.

d. Dr. Hermsmeyer outlined the four new corporations being created:

- **i.** Brain Springs, Inc. – where intellectual properties are developed and sold to other schools; could also conduct teacher trainings
- **ii.** Summit Springs (have applied for Inc. although not yet endorsed) – a foundation that raises money for the extra things for all three charters (River, Empire, and Silver); it might also serve the function of recruiting, appointing, training, and nominating board members to all three schools
- **iii.** Silver Springs, Inc. – to set up a charter school based out of San Diego County
- **iv.** Empire Springs, Inc. – to set up a charter school in the Inland Empire (San Bernardino County); this provides the long term potential of serving students in multiple new counties (like Los Angeles)

2. *Action:* **Election of Temporary Officers**

a. Discussion:

i. Ms. Parks: The temporary officers will be in effect until the permanent bylaws are passed at a future board meeting.
ii. The board discussed among themselves who should serve in the temporary officer positions and agreed through a majority vote (**3 AYES; 0 NOES; 0 ABSENT**) on the following officer positions:
    1. **Ms. Ellard as (temporary) Board President**
    2. **Ms. Mejares Pham as (temporary) Board Secretary**

3. *Action*: **Approval of Agenda**
    a. **Ms. Mejares Pham moved to approve the agenda.**
    b. **Mr. Chan seconded.**
    c. Discussion: None
    d. **3 AYES (Mejares Pham, Chan, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

II. BUSINESS

4. *Action:* **Designation of Agent for Service of Process**
    a. **Ms. Mejares Pham moved to designate Ms. Linda Rhoads Parks as the Agent for Service of Process.**
    b. **Mr. Chan seconded.**
    c. Discussion:
        i. Ms. Parks: This is a technicality that, in the event Silver Springs is sued, notice and filing would be my responsibility.
    d. **3 AYES (Mejares Pham, Chan, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

5. *Action:* **Approval of Bylaws**
    a. **Ms. Mejares Pham moved to approve the draft bylaws with the amendment of Mission Springs to Summit Springs.**
    b. **Mr. Chan seconded.**
    c. Discussion:
        i. Ms. Parks: These bylaws are only a very preliminary set that will remain in effect until you apply for a charter. They will have to be amended before submitting a charter because all districts will require compliance with the Brown Act.
    d. **3 AYES (Mejares Pham, Chan, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

6. *Action:* **Approval of Preliminary 3 Year Budget**
    a. **Mr. Chan moved to approve the preliminary 3 year budget.**
    b. **Ms. Mejares Pham seconded.**
    c. Discussion: None
    d. **3 AYES (Chan, Mejares Pham, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

7. *Action:* **Determination of Number of Directors**
    a. **Ms. Mejares Pham moved to start the charter school with three (3) board members, moving to five (5) within two years.**
    b. **Mr. Chan seconded.**
    c. Discussion: None
    d. **3 AYES (Mejares Pham, Chan, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

8. *Action:* **Adoption of Accounting Year**

a. **Mr. Chan moved to adopt the July 1st to June 30th accounting year.**
b. **Ms. Mejares Pham seconded.**
c. Discussion: None
d. **3 AYES (Chan, Mejares Pham, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

9. *Action:* **Adoption of Principal Place of Business**

a. **Mr. Chan moved to adopt the temporary principal place of business as Temecula, CA.**
b. **Ms. Mejares Pham seconded.**
c. Discussion: None
d. **3 AYES (Chan, Mejares Pham, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

10. *Action:* **Authorization to Open Bank Accounts and Designation of Officers who will be Authorized to Sign Checks**

a. **Mr. Chan moved to authorize staff to open bank accounts and to designate the Board President and Secretary to sign checks.**
b. **Ms. Mejares Pham seconded.**
c. Discussion: None
d. **3 AYES (Chan, Mejares Pham, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

11. *Action:* **Authorization to Pay Expenses of Incorporation and Organization**

a. **Ms. Mejares Pham moved to authorize payment of expenses of incorporation and organization not to exceed $10,000.**
b. **Mr. Chan seconded.**
c. Discussion: None
d. **3 AYES (Mejares Pham, Chan, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

12. *Action:* **Authorization to Enter into Loan Agreement with River Springs Charter School**

a. **Mr. Chan moved to authorize a loan agreement with River Springs Charter School to cover the initial incorporation and organization costs not to exceed $10,000.**
b. **Ms. Mejares Pham seconded.**
c. Discussion: None
d. **3 AYES (Chan, Mejares Pham, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

13. *Action:* **Authorization to Enter Into Contracts for Legal and Financial Consulting**

a. **Mr. Chan moved to authorize staff to enter into contracts for legal and financial consulting.**
b. **Ms. Mejares Pham seconded.**
c. Discussion:
    i. Ms. Parks: This action gives the staff authorization to enter into contracts although it does not designate specific contractors.
d. **3 AYES (Chan, Mejares Pham, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

14. *Action:* **Authorization to Draft and File for Tax Exempt Status**

a. Ms. Mejares Pham moved to authorize staff to draft and file for tax exempt status.
b. Mr. Chan seconded.
c. Discussion:
    i. Ms. Parks: This process takes at least six months to complete.
d. **3 AYES (Mejares Pham, Chan, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

15. *Action:* **Authorization to Obtain Nonprofit Mailing Permit**
    a. **Mr. Chan moved to authorize staff to obtain a nonprofit mailing permit.**
    b. **Ms. Mejares Pham seconded.**
    c. Discussion: None
    d. **3 AYES (Chan, Mejares Pham, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

16. *Action:* **Authorization to Obtain Federal and State Tax ID Numbers**
    a. **Ms. Mejares Pham moved to authorize staff to obtain Federal and State Tax ID numbers.**
    b. **Mr. Chan seconded.**
    c. Discussion: None
    d. **3 AYES (Mejares Pham, Chan, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

17. *Action:* **Adoption of Conflict of Interest Policy**
    a. **Mr. Chan moved to adopt the Conflict of Interest Policy.**
    b. **Ms. Mejares Pham seconded.**
    c. Discussion: None
    d. **3 AYES (Chan, Mejares Pham, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

18. *Action*: **Authorization to Develop Charter Petition**
    a. **Ms. Mejares Pham moved to authorize staff to develop a charter petition.**
    b. **Mr. Chan seconded.**
    c. Discussion: None
    d. **3 AYES (Mejares Pham, Chan, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

19. *Action:* **Authorization to Enter into Negotiations with Prospective Chartering Entities**
    a. **Mr. Chan moved to authorize staff to enter into negotiations with prospective chartering entities.**
    b. **Ms. Mejares Pham seconded.**
    c. Discussion: None
    d. **3 AYES (Chan, Mejares Pham, Ellard); 0 NOES; 0 ABSENT. Motion adopted.**

20. **There being no further business, it was moved by Ms. Mejares Pham and seconded by Mr. Chan that this meeting be adjourned at 3:30pm.**

Jennifer Mejares Pham, Board Secretary — Date: 4/11/13

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Springs CHARTER SCHOOLS