



**Da Vinci Schools Board of Trustees
Meeting Minutes
September 15, 2011**

Board Members Present:

Don Brann, Vice President
Cheryl Cook, Secretary
Gary Wayland, Treasurer

Staff Present:

Matt Wunder, Executive Director
Nicole Temple, Principal-DVIA
Tom Johnstone, Wiseburn Superintendent
Tom Cox, Wiseburn Chief Business Officer
Melanie Franko, Executive Assistant

Visitors Present:

Marshall Vellelunga, Da VinciParent

Call to Order

Meeting called to order by Don Brann at 7:41 a.m. on September 15, 2011, at Wiseburn School District Board Room, 13500 Aviation Boulevard, Hawthorne, CA.

Approval of Minutes

June 22, 2011 minutes approved.

First: Gary Wayland; Second: Cheryl Cook; Motion carries.

From the Board

- Don welcomed everyone to the first Board Meeting of the new school year.
- Cheryl remarked how exciting it is for the school to be starting its' third year, the amazing progress that has been made, and that her son is doing well at Da Vinci.
- Board members commented on the great coverage they have received from Rob Kuznia of the Daily Breeze, and are grateful to Matt for keeping Rob informed.
- A short discussion regarding the WASC visit followed. Don explained that they visit a school each time there has been a substantial change, which in this case is the addition of a new ninth grade. Nicole plans to pursue WASC later, and will utilize Don's strong relationship with WASC.

Discussion Items

1. Financial Report (Tom Cox, Matt Wunder)

- Tom Cox distributed and discussed the "Da Vinci Design and Da Vinci Science Charter Schools 2010-2011 Summary, Modified Accrual Basis." His comments:
 - With a net increase of \$559,720 to the Fund Balance, there is now a Total Ending Fund balance of \$1.5 mm; \$500,000 is for special education and one-time expenditures, and \$1mm is for economic uncertainty.
 - Da Vinci exceeds the state requirement of maintaining 5% of gross revenue in cash.
 - The ending balance in the 501(c)3 account of \$293,398 is primarily end-of-the-year money that will be transferred. The amount of \$150,000 in federal grants is the remaining portion of the \$1.2mm start-up funding.
 - Gary explained that the 501(c) funds are primarily grants, Annual Giving donations, and funds that pass through for events such as overnights, proms, etc. (where Purchase Orders are not accepted), and that this account is audited. Matt pointed out that Gary devotes considerable resources to help Da Vinci, which is greatly appreciated.



- Per Tom, 4 items that are submitted to the County are the budget, 1st and 2nd interim reports, and an audit.
- Tom's comments regarding the "2011-12 Adopted Budget":
 - Budget shows ADA revenue now for all grades, K-12
 - Federal revenue of \$146,462 is a one-time inflow to fund Counselors, and it will be funded by ongoing revenue next year.
 - The fundraising and grant revenue amounts of \$75,000 and \$150,000 are part of the \$293,000 shown for the 501 (c) account previously discussed.
 - The county indicated to change the cut per student from \$350 to \$250, which results in the \$271,450 "Other" expenditure on the last page (1085.8 ADA*\$250 per student). This is called for by current law (due to the trigger that is in place), and more precise information will not be available until January. September results on state finances will give some indication of what to expect.
 - Don's contact in Sacramento, David Walrath, estimates that \$150 will be the maximum cut for K-12, and that it would be handled as a deferral, with September and October shedding more light on the topic (Don passed out copies of email communication).
 - Da Vinci is showing a balanced budget with \$26,317 Net Income after taking \$250 potential cut per student and added requests into account. This balanced budget was submitted to the county.
- A discussion regarding enrollment followed.
 - Matt indicated that full enrollment had just been reached. ADA is not at risk during the first 15-20 days of school, but will have an impact if not fully enrolled after a month or if students are lost before April 15 (e.g. between the two semesters). Tom's figures are based on 97% attendance for 900 high school students (874 used for revenue calculation in the Adopted Budget).
 - Gary inquired why the under-enrollment, given the waiting lists in place. Matt explained that there was not a School Secretary in the summer, and Da Vinci missed calls of inquiry and calls conveying withdrawals. Also, students do not give advance notice and by the time Da Vinci is aware that a space is available, the individuals on the waiting list have already started school elsewhere.
 - Solutions for next school year include having a School Secretary throughout the summer and over-enrolling. If space was available, it would be preferable to open an additional cohort of 9th graders (since we know there will be attrition over the 4 years).
 - Though Da Vinci will try to inform families by April 15 as to acceptance, since you lose them if you wait too long, the real scenario cannot be known until mid to late August. Students often want to stay with their friends and will pull out of Da Vinci to go to Hawthorne or Leuzinger for that reason.
 - As Don noted, what really matters is what takes place in the classroom, and people too often judge schools based on physical appearance and test scores.
 - Cheryl commented on how the staff did such a great job increasing enrollment, while Don thanked Tom Cox for his efforts.
- Matt explained that a Memorandum of Understanding between the two Boards (Da Vinci and Wiseburn) is being formulated to pin down the relationship. There will be a draft within the next few months. Tom Cox's position has the relationship work well, and Don indicated how essential and timely Tom Cox's service has been.



2. Facilities (Tom Johnstone, Tom Cox, Don Brann, Matt Wunder)

- Tom Cox explained that the challenge will be next year, and that it is crucial to start doing long-term planning now. It is necessary to look at how every space, every classroom is being used and how can it be used next year, since there will be an additional 128 students at Design and an additional 64 at Science next year.
- One further complication is that Da Vinci will have a large 11th grade class next year (2012-13), and then it will settle down the following year (2013-14). Matt thinks we may have lost enough of the 11th grade that this may no longer be a problem, though Tom pointed out that it is the number of classrooms being used that is the crucial question, not just the number of students.
- One question is whether K-8 will stay in the current location.
- Determining appropriate facilities is one of the top goals for the year.
- The biggest issue will be at the Sepulveda site where there will be another 128 9th graders. Some suggestions were:
 - Whether SELPA could find another site for the group that is behind the Design school; the feeling is that they would move if they could find a place for their high-need students
 - If they do not move, Don inquired about the possibility of two or more additional portables either on the south edge of the site by moving the fencing or where the storage bins are located.
- The original idea to maintain two small schools (120 per grade → 480 to 500 per school) is still the goal, but Design will be much larger than 480 next year.
- Even once the schools are combined onto one campus, the goal will be to maintain two small schools with positive vibes like they have now.
- The long-term plan for high school facilities is more complicated.
 - Tom pointed out that it will not be easy to acquire land, though Don will be helping to lead the effort.
 - In the Environmental Impact Report (EIR) stage, there cannot be a strong preference shown to any one site, or you will be accused of not looking at alternatives.
 - Three sites currently mentioned El Segundo, one on opposite corner from Science, and the city-proposed site (environmental concerns).
 - There is a push to get the EIR done by spring 2012 to be able to go ahead with a purchase; if not, condemnation comes into play, and that will take awhile
 - Gary inquired about the timing of the negotiation stage; Tom explained that some negotiations can go on during the EIR stage, so that a quick purchase might be possible.
 - Timing:
 1. Select architect this fall, however, architecture depends on the configuration of the land. WSD Board may issue RFP for architectural services this fall.



2. Architect would need approximately 9 months to draw up the plans.
 3. It may be slowed down by environmental work (done in the fall of 2013, then 18 months for construction) → 2014 completion.
 4. Process slowed down by the El Segundo City Council, but there are new elections in the spring of 2012 – this could be an important factor.
 - Matt and Don were impressed with Gensler's expertise.
- On a side note, Gary pointed out that with AB165 summer school must be on a voluntary fee basis – cannot charge for summer school. If summer school is recommended for remedial kids, the school will now have to pay for the services.
 - Cheryl asked for an update on unification. Gary explained that there is a conceptual discussion as to whether unification could take place without opposition. The election would be in November of 2013 at the earliest – probably July 1st, 2014. Some view it as inevitable; others are just trying to see what they can get out of it. The El Segundo tax base is the issue and how much WSD would take. There have been good discussions taking place, and if everyone is in agreement, they could start crafting legislation.

4. Funding Determination (Matt Wunder, Tom Cox)

- Jeff Rice of A+ has been previously approved to analyze the funding determination for independent based (i.e. non-classroom based) charters.
- The reason for funding determination is to mitigate the risk of the K-8 enrollment staying under 20% of total enrollment. It would possibly allow DVIA to serve as many students as they like without having to worry about being “2 kids over” (which would affect \$'s for total school).
- The method utilized is an analysis of expenditures. Jeff works closely with staff to determine which expenditures meet the formula, and therefore what portion of ADA would be received.
- First step is to look at the enrollment of all grade levels; if independent study piece is clearly under 20%, the funding determination is not needed. If independent study is above 20%, then you conduct a funding determination to know % of ADA you receive (100%, 85%, or 70%).
- If a funding determination is conducted, all last year's expenditures are analyzed, and this is submitted to the state. A funding determination letter is then received that is valid five years.
- If you think funding determination will result in less than 100%, you can stop the process (and plan to not report a few students – just lose ADA on a few).
- The initial plan was to operate at 19.5-20%. Since there are significant amounts of money involved, a funding determination letter may be the best approach.

5. Flexible Spending and Retirement Accounts (Tom Cox, Matt Wunder)

- The administrator of the flexible spending accounts will change to BRMS for the 125 (IRS tax code) plans for both high schools.
- The options for retirement plans are also being analyzed. Some investment options are 403(b) and 457(b); did not offer Tax Sheltered Annuity last year. Schools First would be the administrator.
- The goal is to have it up and running in October, to be able to start with the November 1st check.



6. Public Comments/Further Discussion

- Marshall Vellelunga inquired whether a Da Vinci representative would be speaking at High School night at Dana, and having the Dana students tour Da Vinci. Matt explained that those programs are in place.
- With regard to the lack of sports at Da Vinci, Matt explained that an intramural program is underway. Sports are a key reason why students do not choose Da Vinci.
- Don inquired about the Da Vinci college counseling program, and indicated that he would like to know the universities where Da Vinci students are accepted.
- With regard to college interviews, Marshall contributed an important question his son has been asked, which is as follows: “How has the community benefited from your presence and how will you be missed when you leave?”
- Matt also quoted Stephanie Knutson’s phrase that schools look for “interested and interesting students.”

7. Da Vinci Innovation Academy (Nicole Tempel)

- Some of the positives of the K-8 program that Nicole described are the amazing staff and the great sense of community.
- This parent population requires more extensive communication as well as higher expectations for quality and service (such as the lunch service, which has been challenging).
- Another challenge is the time it takes for students to get into a rhythm and routine, given they are only on site half the time.

Closed session

Action Items:

See attached list of Board Approvals

Upcoming Events

Next Board meeting date to be determined

Adjournment

Meeting adjourned at approximately 11:30 to tour Da Vinci Innovation Academy facility.