

Minutes

SSCS Charter School Parent Council Meeting

Monday
6 PM
3/22/2010

SSCS Admin Office
2452 El Centro Blvd.
East Nicolaus, CA. 95659

1. **CALL TO ORDER.** The meeting was called to order at 6:11 PM.
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL** Corporate Officers present: Janet Marsh, CFO, Becky Cote, CEO, Lisa Voss, Corporate Secretary, Susie Clark, Operation Coordinator for IEM, John Wilberger, IEM District Liaison, Eric Schofstall, Education Coordinator, Brenda Christensen, Parent Council Secretary. 13 School Council members present: Susan Brown, Esther Dahm, Holly Guldager, Mary Lambeth, Nola Linn, Kimberly Marquez, Venisa McAllister, Glenda McBride, Ana Ordonez, Stacey Phillips, Susan Smith, Annette Tompkins, and Brandi Weems.
4. **HEARING OF THE PUBLIC**

Members of the public may be heard on any item. A person addressing the Council will be limited to 3 minutes, unless the Site Administrator grants a longer period of time. Comments by members of the public on an item on the agenda will only be allowed during consideration of the item by the Council. No one addressed the council.
5. **Action Items**

Susan Brown motioned to add an emergency action item. Mary Lambeth seconded the motion. Roll call was taken; votes were unanimously in favor.

Susan Brown motioned to vote in Brandon Bare, Christa Hylen, Dareth Luna, and Marianne Smits to fill the vacant board seats. Glenda McBride seconded the motion. Roll call was taken; 13 votes were unanimously in favor.

 - A. **Approval of Previous Meeting's Minutes** Susan Brown motioned to approve previous meeting's minutes. Holly Guldager seconded the motion. Roll call was taken; 16 votes were unanimously in favor.
 - B. **Approval of Agenda** Susan Brown motioned to approve March 22, 2010 Agenda. Holly Guldager seconded the motion. Roll call was taken; 16 votes were unanimously in favor.
 - C. **Approval of minutes from January 12, 2009, minutes from June 24, 2009, and agenda from October 12, 2009 (Tabled from October)**

Susan Brown motioned to approve minutes from January 12, 2009, minutes from June 24, 2009, and agenda from October 12, 2009. Esther Dahm seconded the motion. Roll call was taken; 16 votes were unanimously in favor.

D. Establish a STRS Work Reduced Program for South Sutter Charter

School Lisa Voss explained the policy. Venisa McAllister asked if teachers are required to work a minimum amount of hours. Lisa Voss pointed out the minimum hours in the attachment. Susan Brown motioned to approve SSCS STRS Reduced Workload Program: South Sutter Charter School participates in the STRS Reduced Workload Program pursuant Ed Code #44922. SSCS Directors will report to IEM, as the management company for South Sutter Charter School, on an annual basis which of their certificated staff wishes to and qualifies to participate in the STRS Reduced Workload Program. Kimberly Marquez seconded the motion. Roll call was taken; 16 votes unanimously in favor.

E. Approval of loan for South Sutter Charter School

Susie Clark, Operation Coordinator for Innovative Education Management explained the crisis our state is in and the impact on all schools. She went on to explain that the SSCS budget is in excellent shape. The state has reduced the funding for the 2009- 2010 budget by 12% of the 2008-2009 budget. Then because of state cash flow issues the state began deferring funding. 27% of the funding has been deferred until after the end of the school year. South Sutter will need to receive financing to meet payroll and other commitments of the school. Susie explained that Charter School Capital buys receivables and will set up an account for three of the IEM schools for a 3 year term with the ability to borrow up to 5 million dollars between all three schools. IEM as the management company will need to procure financing. At this meeting we will be reviewing for approval a resolution from Charter School Capital (CSC) as well as agreeing that IEM will secure financing from CSC or other institution as is in the best interest of South Sutter.

Holly Guldager asked how this will affect instructional funding. Susie Clark said there might be a cut in instructional funding next year, but that will depend on the reduced school funding, not as a part of this resolution. Susie explained the CSC resolution to the council. Becky's name was removed from the Resolution because it was a typographical error. Glenda McBride asked if the line of credit can be used for anything else. Susie explained that it can only be used for cash flow issues. Susie went over the following document and explained each section in detail:

**CALIFORNIA CHARTER SCHOOL
ACKNOWLEDGEMENT RESOLUTIONS**

The undersigned, on behalf of South Sutter Charter School (the "School"), a California public charter school in good standing with the State of California, hereby certifies that the resolutions set forth below were approved and adopted by the Parent Council (the "Parent Council") of the School, in accordance with its Charter and Section 47605 et seq. of the California Education Code, and its Memorandum of Understanding with the Marcum Illinois School District at a duly noticed meeting held on March 22, 2010 at 6:00 P.M., Pacific Time at 2453 El Centro Blvd., East Nicolaus, CA. A quorum of the members of the Parent Council was present at the meeting.

Sale of Receivables.

WHEREAS, the School receives and owns and will receive and own from time to time certain receivables or payments due from the State of California, Sutter County, the Sutter County Office of Education, the Sutter County Superintendent of Schools, the Marcum Illinois School District, and/or the United States federal government (in each case, the "Payor");

WHEREAS, Innovative Education Management, Inc., as the manager and operator of the School, instructs the Payor, pursuant to the Payor's policies and procedures, as to the location and manner of payment of the School's receivables;

RESOLVED: That the Parent Council deems it to be in the best interests of the School to authorize the School to sell up to \$1,666,667.00 of such receivables and payments (the "Receivables") to Charter School Capital, Inc. ("CSC") at a discount to face value.

RESOLVED FURTHER: That Innovative Education Management, Inc., on behalf of the School is authorized and directed to sell the Receivables to CSC from time to time pursuant to one or more Receivables Purchase Agreements and related Terms Letters between the School and CSC, substantially in the form reviewed by Innovative Education Management, Inc., with such changes thereto consistent with these resolutions as Innovative Education Management, Inc., shall approve, and including any amendments, supplements or modifications to the foregoing consistent with these resolutions as Innovative Education Management, Inc., shall approve from time to time.

RESOLVED FURTHER: That on the date and at the meeting noted above, the Parent Council has authorized by a motion duly made, seconded, and passed by majority vote, Innovation Education Management, Inc., the School's managing entity, to execute all transaction documents and related instruments to effect said sale of receivables.

RESOLVED FURTHER: That each of Randy Gaschler (President), Becky (name removed), Janet Marsh, (School Co-director), Susan Clark (IEM Corporate Secretary) (such persons and their duly elected and qualified successors, the "Authorized Officers") is authorized and directed, as applicable, to execute and deliver, on behalf of the School, the Receivables Purchase Agreements, the Terms Letters, the Paying Agency Agreements, and subject to the limitations set forth herein, such other agreements and other documents and instruments as may be necessary or desirable to effectuate the sale of Receivables contemplated hereby, including, without limitation, agreements or documents as may be necessary to facilitate the sale of Receivables by CSC to an affiliate or third party to finance its purchase of the Receivables, and further including, without limitation, such amendments, supplements or other modifications to any or all of the documents

described in this paragraph and consistent with these resolutions as an Authorized Officer shall approve from time to time.

RESOLVED FURTHER: That the Parent Council of the School deems it to be in the best interests of the School to authorize Innovative Education Management, Inc., on the School's behalf, to instruct the Payor, in the form provided by CSC, to make the payment of all revenues of the School administered and paid by the Payor in the manner described in the applicable Receivables Purchase Agreement, the Terms Letter, and/or the Paying Agency Agreement.

RESOLVED FURTHER: That any two Authorized Officers will execute instructions to the Payor, in the form provided by CSC, directing the payment of all revenues of the School in the manner described in the Receivables Purchase Agreement, the Terms Letter and/or the Paying Agency Agreement.

RESOLVED FURTHER: That the instructions described in the immediately preceding paragraph will not be altered in any manner nor any other instructions substituted in their place without the prior written approval of any two Authorized Officers, and without the express written consent of CSC and that the Payor is to disregard any change in disbursement instructions that are not counter-signed by any two Authorized Officers and CSC.

RESOLVED FURTHER: That a copy of this resolution must be transmitted to the Payor before the School can sell Receivables or receive any portion of the purchase price from CSC.

RESOLVED FURTHER: That Innovative Education Management, Inc., is hereby authorized and directed, on behalf and in the name of the School and subject to the limitations set forth herein, to make all such arrangements, to do and perform all such acts and things, and to execute and deliver all such instruments, certificates and other documents as it may deem necessary or appropriate in order to effectuate fully the purpose of each and all of the foregoing resolutions and the transactions contemplated thereby (hereby ratifying and confirming any and all actions taken heretofore and hereafter by such officers to accomplish such purposes).

Susan Brown motioned to approve Resolution to authorize IEM to obtain financing for South Sutter Charter School and to execute financing documents and related instruments, and to determine other matters in connection therewith financing may be through Charter School Capital or other institution as is in the best interest of South Sutter Charter School as determined by IEM. Brandon Bare seconded the motion. Roll call was taken; 16 votes were unanimously in favor.

6. Discussion Items

A. Enrollment Report Janet Marsh gave enrollment number of 1584 students when enrollment closed on March 15, 2010.

B. WASC Visit Update Becky Cote stated that from March 7-10, 2010, the WASC team came to visit. Though we have not received the final term, the WASC team was very pleased and gave positive reviews. We will post the results as soon as we have them.

7. **ADJOURN** Susan Brown motioned to adjourn. Holly Guldager seconded the motion. All in favor; none opposed.

This agenda was posted at least 72 hours prior at the IEM, Inc. Offices, 1166 Broadway Ste. P, Placerville, CA, Marcum Illinois Union School District and charter school office, 2452 El Centro Blvd., E. Nicolaus, CA.