Delaware State University
Dover, Delaware
Minutes of the Special Meeting of the Executive Committee of the Board of Trustees
Delaware State University
Friday, December 13, 2013

The Executive Committee of the Board of Trustees convened a special meeting on Friday, December 13, 2013 in the President’s Conference Room to discuss the Early College High School budget. Chairman Claibourne Smith called the meeting to order at 2:35 p.m.

Dr. Claibourne Smith  Dr. Harry Williams
Mr. David Turner  Ms. Carolyn Curry
Jose Echeverri  Dr. Teresa Hardee
Mr. Charles McDowell  Mr. Thomas Preston – via telephone
Mr. Wesley Perkins – via telephone  Dr. Alton Thompson
Mr. Jim Stewart – via telephone
Dr. Devona Williams – via telephone

President Harry Williams lead the discussion. He stated that the ECHS was historic, significant and connected to the University’s mission of providing access to students to a public university. President Williams recognized those persons who had been actively involved in working with the ECHS.

ECHS Recommended Budget

The President noted that there are three options to consider relative to the ECHS implementation: Option 1: Continue implementation; Option 2: Delay implementation and Option 3: Cease implementation. Drs. Hardee and Thompson worked on the various scenarios and the budget being recommended. The President asked them to present the material.

Dr. Alton Thompson, provost and vice president for Academic Affairs, indicated that in looking at the three options and considering the pros and cons of each, the pros outweighed the cons for Option 1: Continue implementation (see below).

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in future STEM students for the University</td>
<td>Undertake loans</td>
</tr>
<tr>
<td>Aligns with Strategic Plan</td>
<td>Some Levels of University in-kind support</td>
</tr>
<tr>
<td>Meets national demand</td>
<td></td>
</tr>
<tr>
<td>Access and opportunity for minorities and underrepresented population</td>
<td></td>
</tr>
<tr>
<td>State demand of college readiness</td>
<td></td>
</tr>
<tr>
<td>Influence retention and</td>
<td></td>
</tr>
</tbody>
</table>
After the determination was made to move forward, the next steps were to finalize the budget for submittal to the Department of Education.

The Provost discussed the proposed ECHS budget. He explained that it is a fully allocated budget and noted that the ECHS DSU Application Budget worksheet represented the true cost. He then discussed the assumptions.

Dr. Hardee, vice president for Finance, answered questions regarding specific line items on the budget application worksheet. A lengthy discussion ensued regarding grants, fundraising, debt capacity, and operations.

In response to questions regarding the number of applications received to date, Provost Thompson explained the enrollment targets and the application process. He stated that 36 applications had been received and by February 50% of the enrollment is required, 70% by March and 80% must be signed up by April 1. A marketing effort is in place to enhance the recruitment effort including meetings, print material and the marquee. Dr. Thompson was asked if there was “fall back” position should the enrollment not materialize. He answered that the space proposed for the ECHS could be used for Adult Continuing Education and Distance Learning.

The discussion turned to the charter management organization, (Innovative Schools), role and performance to date. Some concerns were expressed regarding the level of performance. Other possible management organizations were also discussed. Meetings have taken place with Innovative Schools and follow-up meetings are planned. It is anticipated that once the contract is signed, a greater receptivity to ECHS’s requirements will occur.

Mr. Charles McDowell presented a concern related to his dual role as a member of the Board of Directors for the ECHS and also as a member of the DSU Board of Trustees. When he’s acting in the role of a trustee he must think of the best interest of the University, but when he is acting as an ECHS Director he must act in the best interest of that entity. This may only be a conflict when ECHS has excess funds or if matters relate to tuition. Mr. McDowell indicated that he thought this was worth mentioning.

After further discussion, Chairman Smith asked if the Committee felt it had enough information to make an informed decision about approval or non-approval of the budget. He stated that the budget was due to the Department of Education (DOE) by Monday, December 16, 2013. The general consensus was that the concept of an early college was a good one, but there were concerns related to the risk and the large outlay of expenditures compared to the relatively small number of students. On the positive side, ECHS will provide a feeder group of students to DSU. Chairman Smith inquired about the cost to DSU
and was informed that $250,000 had already been loaned to ECHS and there may be a possible furniture expenditure approximated at $175,000. There were no further questions.

**Chairman Smith made the motion to approve the recommendation that DSU move ahead with the application/budget to the DOE. Vice Chairman David Turner seconded the motion with a proviso that:**

- ECHS will create a feeder pool
- ECHS will not stand on its own
- More transparency is needed
- Milestones and assessment of reputational risk are needed

*Motion carried.*

**Innovative Schools**

The discussion returned to the role of Innovative Schools both current and future. Innovative Schools is ECHS’ partner and if DSU is to execute, Innovative Schools should be providing the road map/game plan. Dr. Thompson explained that Innovative Schools was selected because of its expertise in the charter school area coupled with its lower cost than its competitor. It was noted that while Innovative Schools has a good success rate, the organization has never worked with higher education. Service levels are a part of the contract; however, DSU has not been comfortable with the current performance level. The Provost stated that Innovative Schools does have biweekly deliverables and targets. He also noted that he has had personal interactions with members of the Innovative Schools’ staff. An example is Ms. Debbie Doordan who met with him and developed a color-coded tactical plan. The majority voiced that more was still needed from Innovative Schools.

Some suggestions of needs/requirements voiced were the following:

- An understanding of what Innovative Schools can do
- An integrated project plan with, more project management discipline
- Enhanced student recruitment
- More aggressive fundraising with Innovative Schools’ marketing expertise and fundraising contacts

**Governance**

Vice Chairman David Turner stated that having two boards may present some confusion and some changes may need to be made to solidify DSU’s position relative to ECHS. The President indicated that DSU needs to sign the contract with Innovative Schools. The contract will be signed by Provost once all the negotiations are finalized. Mr. Amir Mohammadi is working through the negotiations.

*Chairman Smith made a motion that the meeting adjourn. Vice Chairman David Turner seconded.*

*Motion carried.*
The meeting adjourned at 4:45 p.m.

Respectfully submitted,

Claiborne D. Smith, chairman

Eleanor Wilson, board secretary

Minutes Approved at the February 25, 2014 Executive Committee meeting
1. Approved the recommendation that DSU move ahead with the application/budget to the Department of Education.

2. Approved adjournment