

# ACE Transition Team Report

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NOVEMBER 2, 2015

# Executive Summary

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- ❑ In the fall of 2014, **BCSD expressed its concern with the governance of ACE and stated its intent to withdraw from the governance of ACE as of June 30, 2016.**
- ❑ The **Districts have constituted a joint team of policy makers and administrators** to research options and opportunities and to report back to the respective Boards with recommendations for the future of ACE.
- ❑ As a result of those discussions, the **Joint ACE Transition Team recommends the following:**
  - *The **partnership** between BCSD and JCSD for the operation and maintenance of ACE should be **modified for the 2016-2017 school year and terminated at the end of that school year** by mutual agreement of the Boards of both Districts.*
- ❑ **Successful implementation of that single recommendation will require three specific transitional courses of agreement and action** by both Boards:
  - *JCSD will assume the **governance and operation** of ACE for the 2016-2017 school year.*
  - *BCSD and JCSD will enter into an agreement (in addition to the existing operational agreement) so that **specific programs can be continued or added at the ACE campus**, governed and operated by JCSD, to provide CATE completer opportunities for BCSD and JCSD students during 2016-2017.*
  - *The two Districts will enter into **negotiations for the disposition and/or sale of the ACE property and facilities** with the intent of recouping their long-term investments.*

# The Joint ACE Transition Team

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- ❑ **Bill Evans**, Chair of the BCSD Board of Education and co-chair of the Transition Team (at the time the report was completed);
- ❑ **Priscilla Fraser**, former member and Vice Chair of the JCSD Board of Trustees (served except for last meeting of the Joint Transition Team);
- ❑ **Karen Gilbert**, BCSD CATE Director;
- ❑ **Jerry Henderson**, ACE Director (ex officio);
- ❑ **Tedd Moyd**, Chair of the JCSD Board of Trustees and member of the ACE Board;
- ❑ **Joann Orischak**, Member of the BCSD Board of Education and member of the ACE Board; and
- ❑ **Gary West**, JCSD Chief Officer for Finance/Data Management and co-chair of the Transition Team.

# Transition Team Mandate

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- ❑ Members of the Transition Team have agreed that the Team's mandate is about **CATE opportunities that can be provided to the students in both Districts.**
- ❑ Team members acknowledge that both **BCSD and JCSD wish to offer all appropriate CATE opportunities to all students**, within the basic CATE framework that each district can provide.
- ❑ Members of the Transition Team agree that **any recommendation created and presented to the Districts' Boards must address the CATE needs of both Districts.**

# BCSD Considerations

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- ❑ BCSD has developed or is developing several **CATE programs that will be available to many of its students in their high schools** or at magnet programs around the district
  
  - ❑ BCSD would probably **need to have access to the following programs at the ACE** site through the 2016-2017 school year:
    - Automotive Technology
    - Automotive Collision and Repair Technology
    - Welding (for Hilton Head and Bluffton students)
    - Beauty Culture
    - Others possibly
- ❑ The **programs at the BCHS center**, opening midyear 2015-2016, will primarily serve the students at BCHS, BHS and WBECHS and would include:
    - Mechatronics/Welding
    - Culinary Arts
    - AgriScience
    - Aviation and Avionics
  
  - ❑ The **programs at the May River High School center (MRHS)**, opening the beginning of the 2016-2017, will primarily serve the students at BLHS, HHIHS and MRHS and would include:
    - Mechatronics/Welding
    - Health Science
    - Cyber Security and Networking
    - Automotive and Avionics

# JCSD Considerations

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- ❑ JCSD probably **cannot create, before July 1, 2016, the facilities** for some of the identified CATE needs/opportunities
  
- ❑ As a result, JCSD would probably **need to have access to the following CATE courses on the ACE campus** for the 2016-2017 school year:
  - Automotive Technology (Transportation)
  - Automotive Collision and Repair Technology (Transportation)
  - Welding and Mechatronics
  - Early Childhood Development
  - Health/Diagnostic Services (CNA)
  - Beauty Culture (Cosmetology, Barbering, etc.)\*

- ❑ JCSD will need to **develop, by the end of the 2016-2017 school year, the facilities** for the following identified CATE areas:
  - Early Childhood Development
  - Health Diagnostic Services
  - Welding and/or Mechatronics
  - Automotive Technology (Transportation)
  - Automotive Collision and Repair Technology (Transportation)
  - Beauty Culture (Cosmetology, Barbering, etc.)\*
  - Information Technology\*
  
- ❑ JCSD will be able to **offer, for the 2016-2017 school year, the following CATE courses within its current facilities at RHHS**:
  - CATE Business Management
  - STEM Pre-Engineering and Technology
  - CATE Logistics Planning and Management (Business applications, management, marketing)

# ACE Options and Considerations

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1. **JCSD could assume the governance of ACE** and would continue its operation for JCSD CATE students and some BCSD CATE students. JCSD would continue to use its annual contribution to ACE as its operating budget; BCSD would pay a per-pupil fee for its students who might wish to take the courses offered at ACE that were not offered by BCSD.

Implementation of this strategy would require that BCSD and JCSD negotiate a new agreement.

2. **A private third-party entity could assume the governance of ACE** and would continue its operation as a for-profit institution. That third party entity would set fees for participation of students from BCSD, JCSD, other school districts, adult education programs, and/or other entities in need of career and technical training.

Implementation of this strategy would require that BCSD and JCSD negotiate a new agreement and governance for the operation of ACE and an agreement with the third-party entity. The third-party entity would negotiate agreements with other districts and/or programs that might participate in CATE classes at ACE.

# ACE Options and Considerations

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- 3. A public third-party entity could assume the governance of ACE** and would continue its operation as a not-for-profit institution. That third party entity would set fees for participation of students from BCSD, JCSD, other school districts, adult education programs, and other/or entities in need of career and technical training.

Implementation of this strategy would require that BCSD and JCSD negotiate a new agreement and governance for the operation of ACE and an agreement with the third-party entity. The third-party entity would negotiate agreements with other districts and/or programs that might participate in CATE classes at ACE.

- 4. The South Carolina Department of Education (SCDE) could partner with JCSD** to provide CATE opportunities in partnership with the two Hampton County school districts and/or the Colleton County school district, using the ACE facilities as well as facilities available in the other districts.

Implementation of this strategy would require that BCSD and JCSD negotiate a new agreement and governance for the operation of ACE and an agreement with SCDE. SCDE would negotiate agreements with other districts and/or programs that might participate in CATE classes at ACE.

# ACE Options and Considerations

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- 5. The ACE campus and/or facilities can be split into CATE-related areas** with modified course offerings and areas used for other purposes depending on available partnerships with new agreements.

Implementation of this strategy would require that BCSD and JCSD negotiate a new agreement and governance for the operation of ACE and an agreement regarding the use of the non-CATE part of the property and facilities.

- 6. The ACE property and facilities could be sold** with BCSD and JCSD splitting the proceeds per the existing agreement; or, one District may buy out the other, per the existing agreement, and offer programs for students from both Districts.

The existing agreement allows for this to take place.

- 7. BCSD and JCSD could continue the existing partnership** with modified course offerings to meet the CATE needs for students in both Districts.

The two Districts, in collaboration with the ACE Board, would plan any changes in course and program offerings as well as changes, if any, in the governance of ACE.

# The Recommendation

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The Joint ACE Transition Team make the following recommendation:

- ❑ *The **partnership** between BCSD and JCSD for the operation and maintenance of ACE should be **modified for the 2016-2017 school year and terminated at the end of that school year** by mutual agreement of the Boards of both Districts.*

# Transition Requirement #1

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## *Transition 1: Governance Agreement for ACE through the Transitional 2016-2017 School Year*

- ❑ **JCSD will assume, with agreement from BCSD, the governance of ACE** through the 2016-2017 school year in order to continue provision of selected existing CATE offerings at ACE and to add, if necessary, additional CATE offerings that are consistent with the recommendations of the JCSD CATE Advisory Council and the District's plans for implementation of those recommendations.
- ❑ JCSD will **continue only the courses and programs that are consistent with its future CATE plans**, with access to those courses and programs by BCSD students on a tuition basis.
- ❑ The **governance and use of the ACE facilities is essential as a transitional solution for 2016-2017** while JCSD creates the appropriate facilities within the District so it can provide CATE courses to its students beyond the 2016-2017 school year.
- ❑ JCSD will govern and operate the selected CATE programs through the **use of funds that have been designated in the past to meet the District's operational commitment** to ACE.
- ❑ The **ACE Board will be dissolved** and the JCSD Board will become the governing body for ACE only for the 2016-2017 school year.

# Transition Requirement #2

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## *Transition 2: Programmatic Partnership for ACE through the Transitional 2016-2017 School Year*

- ❑ Some students, from both BCSD and JCSD, currently enrolled at ACE will **need to complete CATE programs in 2016-2017 at ACE** if the opportunity to do so will not be available in the individual districts.
- ❑ JCSD has **identified CATE programs that it wishes to continue into the future** for its students. Facilities, within the District, for those programs (identified above) cannot be ready until the end of the 2016-2017 school year.
- ❑ Based on those needs (and, possibly, others), it is recommended that:
  - BCSD and JCSD enter into an agreement (in addition to the existing operational agreement) so that specific programs can be continued or added at the ACE campus, governed and operated by JCSD, to **provide those CATE completer opportunities for BCSD and JCSD students.**
  - The new agreement would include the **appropriate language to allow BCSD students to participate in any of those classes for which there might be space** within the State's guidelines for maximum class sizes.
- ❑ Entry level **BCSD students can participate in those classes at ACE where space is available.** BCSD students will be enrolled in their home schools in BCSD. JCSD will charge a per-pupil tuition fee consistent with existing JCSD policies and current state formulas related to serving out-of-district students.

# Transition Requirement #3

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- ❑ ***Transition 3: Governance and Use of ACE following the Transitional 2016-2017 School Year***
- ❑ Upon approval of both the BCSD and JCSD Boards and, if needed, appropriate changes to the existing legislation and agreements, the **two Districts will enter into negotiations for the disposition and/or sale of the ACE property and facilities** with the intent of recouping their long-term investments.
- ❑ The **sale of the property is essential if JCSD is to build facilities for CATE programs** as recommended by the JCSD CATE Advisory Council. JCSD must recoup an amount at least equivalent to 50% of the appraised value of the property and facilities.
- ❑ The Joint ACE Transition Team **recommends that TCL be provided the opportunity to assume operational control of the ACE property and facilities**. TCL has made a proposal to expand its programs onto the ACE properties and to develop further the facility as a regional workforce training center. That proposal and related documents are included in the Appendices.
- ❑ Disposition and/or sale of the ACE property and facilities is **contingent upon agreement that the buyer would allow the implementation of Transition 1 and Transition 2 during the 2016-2017 school year**.

# Implementation of the Recommendation

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The implementation of this recommendation **will require resolutions and actions by the Boards of BCSD and JCSD**, individually and collaboratively, that create the authority for both Districts to revise and/or repeal part or all of the existing operating agreement and to create new operating agreements with regard to ACE:

- ❑ Both the BCSD and JCSD Boards agree to **all aspects of the recommendation and take formal and public votes** on the full recommendation.
- ❑ Both the BCSD and JCSD Boards agree that **JCSD and BCSD will have access to and use of the ACE property and facilities for CATE programs through the 2016-2017 school year.**
- ❑ The **existing Agreement between BCSD and JCSD regarding the governance, operations and capital needs of ACE will be modified** as appropriate for implementing this recommendation.
- ❑ Collaboratively, the Finance Officers and the Facilities Officers of **both Districts will develop a plan to dispose of and/or sell the ACE property and facilities.** That plan will require the approval of both Boards. Upon approval, the ACE property and facilities will be sold at the earliest possible opportunity. An appropriate buyer must comply with the stipulations of the full recommendation.
- ❑ JCSD will use the **funds secured from the sale of its 50% interest in ACE for the sole purpose of designing and building facilities within JCSD to offer the identified CATE programs** for JCSD students.
- ❑ JCSD will use the **funds previously budgeted annually for ACE operations for the sole purpose of operating newly developed CATE programs** to be offered within JCSD.
- ❑ BCSD will use the **funds previously budgeted annually for ACE operations for the sole purpose of operating the expanded CATE programs** within BCSD.

# Notes about the Recommendation

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- ❑ The Joint ACE Transition Team recommends that the Boards of both Districts acquire the appropriate legal services, enlist the support of other government entities (local County Councils, Legislative Delegations, and other stakeholders) so that **action can be taken immediately**.
- ❑ **If the recommendation cannot be implemented now, then the time frame for meeting CATE requirements for students will be delayed**, which can result in the need for additional consideration for use of the ACE property and facilities.

# Conclusion

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The recommendation, if implemented in a timely manner **will meet the CATE needs of the partner Districts, will allow those Districts to move forward with their own CATE programs, and will dispose of the ACE property and facilities in a way that will also allow for the creation of another valuable resource for the economic development of the region.**



# Appendices

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- A. Original ACE Legislation (1975)
- B. Supplementary ACE Legislation (1961-1979)
- C. Original ACE Agreement
- D.
  1. BCSD ACE Position Statement (Fall 2014)
  2. JCSD Position Statement (July 2014)
  3. TCL Position Statement (February 2015)
- E. Other Agency Stakeholders
- F.
  1. Fall 2015 ACE Schedule (9/25/2015)
  2. Spring 2016 Schedule (9/25/2015)
  3. 2015-2016 ACE Staff Directory (9/25/2015)
- G. 2015-2016 ACE Enrollment (9/25/2015; S1 and S2)
- H. TCL ACE Position Statement (Summer 2015)
- I. TCL Presentation to Joint ACE Transition Team (June 16, 2015)
- J. TCL Concerns
- K. BCSD CATE Planning
- L. Profile of the South Carolina Graduate
- M. TCL Proposal and Work Keys Passage Rates

# ACE Transition Team Report

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## Questions and Comments