

ISLA – Board of Directors Meeting

Minutes

September 8, 2009, 6:30 p.m.

ISLA School Building - 12007 Excelsior Blvd, Minnetonka, MN – **Room# 122 (Upstairs)**

Board Members Present: Sonia Miller-Van Oort, Mark Mathison, Karen Terhaar, Melody Brombacher, Michael Valley, Kate Shamblott, Eric Peterson, Vanessa Bera, Briana Boeser

Others present: Teresa Aleckson, Ximena Rayo

Board Members not present: Kerry Krawczyk-LeMieux, Steve Semler

The meeting was called to order at 6:38 p.m. Eric read the Mission Statement. The agenda was adopted as presented.

The Board then reviewed the revised minutes from the August Board meeting. Several changes were made to provide additional detail to the original draft, and the Board adopted the minutes as modified.

There was no input offered by the public when called for.

The Executive Director introduced Ximena Rayo, ISLA's new Assistant Director. Ximena has a strong background in both immersion and IB. Ximena attended an IB immersion program as a learner in Santiago, Chile. She taught physical education, technology, and was an administrator at Adams Spanish Immersion Elementary School in St. Paul for nine years. Ximena worked at Park Center High School in their global studies program while Park Center went through their authorization for IB (they were already a Middle Years programme school). Karen told the Board that Ximena is very self-directed, she sees needs and fills them, and is a great addition to the ISLA staff. The Board offered a warm welcome to Ximena. Ximena said she is happy to be at ISLA and thinks this is a match made in heaven – it's a dream job for her. She loves the idea of IB and immersion in a smaller school where you can really get things done, where you can work hard and see the progress.

Teresa Aleckson gave the PTO Report. There was a general PTO meeting the week before school started. Many parents attended. 4th grade band was discussed: Teresa reported that a lot of research had been done prior to the meeting, and the PTO decided that afterschool 4th grade band was too much to manage and there was not a lot of support to continue pursuing this this year, especially since it would not be feasible in the future (with 50 4th graders). The PTO budget will be revised to reflect this cut. The PTO approved their Strategic Plan and approved changes to their bylaws. They gave grants to ISLA teachers for supplies. The school supply purchase program was a huge success: 72 kids bought their school supplies through the PTO program, and many of those used PayPal to pay for their supplies. Theresa reported that the PTO voted to clarify the dress code to allow turtlenecks ... but subsequently realized

the PTO does not have that authority (the dress code is controlled by the School Board). The PTO asks that the Board address this issue in the future. Theresa also reported that the PTO won an award for Small Parent Organization of the Year from PTO Today (their national organization). Brenda Fromm was instrumental in getting the award – and the PTO received a \$1,000 grant for its award. Ongoing PTO meetings will be held on Tuesdays. There is some confusion regarding holding the meeting on the 4th vs 5th Tuesday in September – this will be clarified and parents will be notified as soon as possible. **Action item: ISLA Committee chairs are to attend the September PTO meeting to inform and solicit volunteers for their Board committees.** Two of the TAs (Javier and Giovanna) were introduced to parents at the PTO meeting.

Under New Business, there was significant discussion regarding the Director's goals for 2009-2010, measurable outcomes for her performance-based compensation goals, and how she would be compensated this year. The Board reviewed last year's goals and then Karen presented her thoughts on this year's goals. In conjunction with her year-end performance evaluation last year, Karen had been directed to write broad, strategic goals that would help her focus on ISLA's future. The Executive Director's goals focused on staying true to ISLA's mission and ISLA's strategic plan developing a strategy regarding improving students' MCA test scores, and helping all staff do things in a more organized and purposeful way. She also would like to take the next step from writing job descriptions for staff to determining how best to delegate and divide labor amongst the leadership team this year. **Action Item: Karen & Ximena both need signed contracts.**

As the discussion continued, the Executive Director and Assistant Executive Director were both excused at approximately 7:55 p.m. PTO Chair Teresa Aleckson left at the same time. The Board discussed making Karen's goals measurable, so her performance-based compensation could be tied to them, but there was concern about the possibility of diluting or modifying her goals for the sake of making them measurable. To the extent that any of the goals proposed are intended to serve as the basis for any performance-based compensation, the Board agreed that they must be set in a measurable way—both to fairly determine whether financial rewards should be given and from a Board accountability standpoint. The Board discussed, however, that it could set separate and distinct performance-based criteria for purposes of compensation without using the goals the Executive Director shares as her personal goals for the year. For example, the compensation-related goals could focus more specifically on 2009-2010 goals already set forth in the strategic plan that are assigned specifically to the Executive Director.

The broader question of whether ISLA should continue with a compensation structure for its Executive Director that includes any kind of bonus was discussed. It would also be possible to just set compensation by salary. By way of background, the Board discussed that performance-based compensation was utilized by ISLA in its first year of operation for two reasons: (1) in response to market issues and a desire to be as competitive as feasibly possible, and (2) uncertainty as to the number of students in the first year, which impacts funding, and therefore ISLA's ability to pay any given salary. As a result, for 2007-2008, the Executive Director's bonus was based entirely on recruitment and enrollment numbers. The second-year of

operations, the bonus-related criteria was focused on specific accomplishments by the Executive Director unrelated to enrollment.

Conceptually, the Board agreed that continuing performance-based compensation is desired and agreed that the goals need to be more action and outcome oriented in order to tie them to performance. Board members supported performance incentives and more innovative variations from typical public school compensation structures. In addition, others noted that performance-based compensation goals are part of the strategic plan for teachers and staff, and it made sense to keep that as part of the Executive Director's compensation as well. **Agenda Item:** *In the future, the Director's goals must be addressed in the spring, so they can be included in a contract that is signed before the school year begins.*

Mark moved that two weeks from today Karen deliver to the Board her revised goals and 3-5 action steps per goal; and the Board invites her input to measurable outcomes; but the Board does not want her to re-write her goals to make them more measurable; instead, the Board has designated two board members to meet with her in lieu of the Personnel Committee to assist her in developing measurable outcome(s) for each goal, if the Executive Director's revised goals still need work to make them measurable. These goals will be presented to the Board prior to the next Board meeting for approval at that meeting. If determined appropriate, these measurable outcomes will be used as criteria for the Executive Director's performance-based compensation. Michael seconded the motion. The motion passed unanimously. **Action Item:** *The Board requested that Karen email to the Board her revised list of goals with 3-5 action steps per goal within the next two weeks. Action Item: Board members will promptly review Karen's goals, and if further clarification is necessary regarding ways to measure the goals, Board members Eric & Briana volunteered and will meet with Karen to develop measurable outcomes.*

A recess was called at 8:26. The meeting reconvened at 8:38 with the Executive Director and Assistant Director present.

MACS membership was discussed. The benefits of the discount program, insurance program, training program, and what's on the password protected member only portion of the site are still not clear. The Board needs more information to make an informed decision. Eric moved to continue a decision on MACS membership to the next meeting, pending more information. Michael seconded. The motion passed unanimously. **Action item:** *Kate will get more information from MACS so that a decision can be made at the next meeting.*

Treasurer Michael Valley reviewed the monthly financial documents with the Board. The Food Service Fund reflects carry-over from last year (as do most of these). The Start Up grant shows no change. The Implementation Grant has been updated and will be closed on September 30, 2009; ISLA is on track to spend the remaining dollars. It is unclear when the State will begin implementing the 27% holdback. The July Financials show a surplus at the end of last year of about \$118,000.

Michael moved that the Board approve the financial documents. Mark seconded the motion. The Board noted that Michael has done a great job of creating the financial documentation that

was usable and understandable Michael said that we are relying on Josh, Karen, and Rhonda's input to create these statements. Rhonda puts the information in the spreadsheets. The Finance Committee reviews the information as presented, and presents it to the Board. As part of this process, Rhonda reconciles the statements and Josh writes the checks. This helps with checks and balances (i.e., appropriate segregation of duties under good accounting practices). Under Old Business, the Board discussed that they are still missing a Secretary. The Secretary would be a member of the Executive Committee, so they are short one member, too. With no volunteers, Kate will continue to act as Secretary. She is already on the Executive Committee and will continue to have one vote on that committee as Chair Elect.

The Director began her report with an enrollment update. She reported that ISLA lost 2-3 students from half-day Kindergarten but that all-day Kindergarten has 25. The school added one new student to 1st grade, two students to 2nd grade, one to 3rd grade, and two new to the 5th/6th grade class (one in each grade). There is one opening in 1st grade. Michael informed the Board that the additions in the upper grades made up for the lack of students in K-1 and said the financial projections should be in line with ISLA's current enrollment.

Karen next gave an update on the visas. The H1B visas start October 1, and are then valid for three years. ISLA is still working on Cap exempt visas. The school is creating a relationship with Hamline to qualify for this type of visa. Our new Assistant Executive Director Ximena will help with this (Pam and Amanda are both working on it, too). Both new teachers and Juan Carlos should be here to start work on October 1.

Karen informed the Board that the MCA results still need to be evaluated in depth, strand by strand. In addition, ISLA needs to contact the State regarding attendance and other errors that went into last year's erroneous reporting and results. There was a software error that needs to be corrected. But ISLA did not notice and report the error at the appropriate time, so now Karen is trying to determine how ISLA can appeal to the Commissioner to resolve this issue. This needs to happen for both the MCA and MARS reporting data.

Karen also reported on a letter from Josh that went to all parents regarding the 27% holdback and ISLA's need for a line of credit. There has been no response from parents. There was some discussion regarding the letter coming from Stenmark, instead of our Treasurer, which apparently happened in this instance due to timing and availability issues. There was also discussion regarding the letter being signed by "ISLA's Business Manager;" when ISLA has no such direct employee. It was discussed that it might be preferred to have such a letter designate the contractor from whom it is coming- Stenmark.

There was some discussion regarding the Coalition for Charter School Management. Meetings conflict with work, making it difficult for Board members to attend. **Action Item: ISLA staff (perhaps Rhonda or Ximena) need to attend these meetings and be responsible for reporting back to the Board on what transpires.**

Chair Sonia Miller-Van Oort reported on three items. First, she briefly reviewed an admission decision appeal received from a prospective 1st grade parent between this meeting and the last Board meeting. Due to this timing and the impending start of school, the Executive Committee

called a special meeting to review the appeal, conduct its review, and come to a decision on behalf of the Board. A decision was issued after the Executive Committee had a chance to thoroughly consider the issue, and the Executive Director's admission decision was upheld. Second, the issue of whether a quorum was likely for the October Board meeting given fall break, but it was decided that the October 13 meeting would proceed as scheduled. Finally, the Chair reported her intent to initiate monthly correspondence between the Board and ISLA parents. She asked each Committee Chair to send her a brief report that she could share with families in a newsletter format. **Action Item: Committee Chairs should please send Sonia brief updates by 9/11/09.**

Kate gave an update on the Facility Committee. This committee met immediately prior to the Board meeting. Christianson & Company presented a new site opportunity in Hopkins. The committee drove to this location for a site visit. It's a great building, good site, plenty of parking, some green space with potential to build more (as well as a city park and ball fields across the street), and three pick up/drop off locations. The big issue is zoning, which is not institutional. Christianson & Company will continue to pursue this space with the building owner. Christianson & Company gave the committee an update on other sites. One previously favored site was toured with a contractor. The required remodel is probably cost prohibitive, even with a reduced purchase price. Another site the committee is interested in has a current tenant that is renegotiating their lease and may want to remain in the location for an additional year. Other locations continue to be researched, but no viable options have emerged at this time. Many locations are available just blocks outside the HSD boundaries. In addition to the search, Christianson & Company is working on financing options with the committee. To this end, a Facility Finance Task Force was formed to explore these options. Both Kate and Michael will be part of this Task Force, along with Andy Babula, a parent with commercial real estate experience. Kate will continue to explore options at Faith for next year and for permanent space.

The other committees are gearing up and will have reports next month.

Melody moved to adjourn. Eric seconded the motion. The motion passed unanimously. The meeting was adjourned at 9:46.