

ISLA – Board of Directors Meeting

Minutes

April 13, 2010, 6:30 p.m.

ISLA School Building - 12007 Excelsior Blvd, Minnetonka, MN – **Faith Hall**

Board Members Present: Melody Brombacher, Briana Boeser, Kerry LeMieux, Vanessa Bera, Eric Peterson, Steve Semler, Michael Valley, Kate Shablott, Mark Mathison (second half of meeting), Sonia Miller-Van Oort, Karen Terhaar

Staff present: Ximena Rayo

Visitors present: Theresa Aleckson, Jill Prohofsky, Richard Barnett,

The meeting was called to order at 6:35 p.m.

Melody read mission.

The agenda was adopted as presented.

The minutes from the March 9 Board meeting were adopted as presented.

PTO Report: The PTO now has a representative to the MAIN parents group meeting (MN Advocates for Immersion Network). There will be a Roller Gardens event this Friday, and a host family information meeting on Saturday at 12:30 at Boston Garden. The next PTO meeting is April 27.

New Business:

February Financials

- Should not need cash flow loan until July/August, if at all.
- Cash flow shows actuals through February, estimates below February: still projecting a positive cash balance through summer; may need to draw on line of credit just to make payroll depending on payments from state

Michael moved to approve the cash flow through February and the February financials through February. Eric seconded. Motion passed unanimously.

Update on line of credit

Met with Venture Bank. It's going to work out and we'll be able to get a line of credit for \$100K. It's a better deal than some other options, will cost us a little, but don't need personal guarantee and are competitive with other options. Will move accounts to Venture Bank from US Bank, per Venture Bank's requirements, too. Michael moved that the Board approve three signatures for the accounts at Venture Bank: our Executive Director, current Board Treasurer, and our Stenmark contact/Josh Mellon as signers on the account. Melody seconded. Some discussion regarding possibly having Vice-Treasurer as

signatory as well. We have policies in place that require certain approval/signatures/etc and that will be shared with the bank and continued. Motion passed unanimously.

Budget for next year

The Budget proposed by Finance Committee included (i) change of Assistant Director's position from .5 FTE to .8 FTE; (ii) additional .5 FTE administrative assistance in office (1.25 total FTE for office), and (iii) additional 1.5 FTE for 5-6 grade instead of 2.0 FTE. The proposed Budget also assumes a 10% withhold by the state next year and a 10% payback of our withhold from last year (10% out of 27%).

The proposed Budget includes staff raises of 1% across the board. Michael Valley explained that a 1% raise amounts to approximately \$7,000 increase in Budget; 3% = \$21,000. If we decided to go with a 1% raise for staff for the year (not cash flow), we'd have a budget with \$12,000 surplus and would be in black for the year. If we decided to have no salary increase for staff, we'd have a surplus of \$19,000 budgeted for the year. With a 3% salary increase, ISLA's budget would show a \$2,000 deficit for next year.

There was extensive discussion on the proposed Budget and assumptions built into it. Each 1% of holdback from this year is \$10,000 each 1% holdback for next year is \$13,000. Questions were raised regarding the possibility of finding grants to cover part of budget. There was significant discussion regarding the importance of maintaining staff morale and the significant difficulties of budgeting salary increases with unknowns about the holdbacks for next year. There was also discussion about possibly limiting raises to teachers.

Kate moved that we move forward with the assumptions that Michael has proposed along with a 3% staff salary increase (resulting in a \$2,053.59 deficit). Steve seconded.

Discussion then ensued regarding ways to find money (cut budget) in order to fund 3% staff raise. ISLA just saved \$900 on math text books by buying early at a discount. The Executive Director expressed her belief that money could be found in the budget to account for the shortfall. Eric Peterson suggested that ISLA could apply for PTO funding for things like field trips/assemblies, non-instructional supplies, instructional supplies, etc. Steve Semler proposed that we ask Karen to adjust budget so that we can come out at zero. Sonia Miller-Van Oort voiced strong opposition to adopting a budget with a deficit and proposed cutting the administrative assist increase of .5 FTE to only .25 FTE (from total 1.25 to 1.0 FTE) to save approximately \$7,000 and bring the budget back into positive. Melody Brombacher proposed making that adjustment.

Concern was raised about the need for administrative assistance, especially with more students next year. Currently, both office staff wear multiple hats. It is

desirable to streamline so that admin assist is not working as nurse and EA. We want bookkeeper to also run lunch – need two people there next year.

Karen Terhaar recommended that a Committee of the Board, maybe the Finance Committee, make a recommendation to help decide what % of budget should go to admin, to teachers, to other areas (compared to other charter schools, other districts, other public/private schools). There are still many things ISLA doesn't have that we want like technology needs (like smart boards). Other things include: create a five year technology plan, involve parents/PTO as needed. Search for relevant grant opportunities.

Michael moved to amend the motion that we approve this budget with 3% salary increase for teachers but decrease the salary increase for other staff, including administration, to 1% (probably \$6-7K). Sonia seconded. Two votes in favor (Michael and Sonia), all others opposed. The amendment failed.

Sonia Miller-Van Oort moved to reduce the budgets for non-instructional supplies and instructional supplies each by \$2000. Seconded by Kerry. Discussion. Concern across the board with showing a negative balance. Kerry, Steve, and Sonia voted in favor of the motion, all others were opposed. The motion failed.

Voting on the main motion proceeded: four in favor (Eric, Steve, Melody, Kate) and two opposed (Kerry, Sonia). Two recused for conflict of interest reasons (Vanessa, Brianna). Michael abstained. The motion passed.

Action Item: *Governance needs to review charter school law. Melody believes there is a section that stipulates that if a board member does not vote, they are automatically counted as either in favor or opposed (but she can't remember which). You can't just NOT vote.*

Break 8:00 – 8:06.

Mark Mathison joined the meeting at this time and reported on some Governance issues.

- May elections: 8 seats open, will be voted at May meeting. Terms begin July 1. 3 currently vacant, have 1 year left. 5 are currently filled but up for election (3-year terms). Nominations include Jill Prohovsky, Richard Barnett, Sonia Miller-Van Oort, Joe Rinaldi, and Natalie Wobbema for three year terms and Ron Clarke, Mark Mathison, and Steve Semler to fill the one-year terms. Jill and Richard are both present at this meeting. So far the election is not contested. There are 8 open seats and 8 candidates, absent write-ins.
- Teacher contract renewals. Want contracts done by April 15. Plan to get contracts with approved increases by Thursday (May 1, 2010) to all existing teachers, and immediate for new teachers as hired. Kate moved to approve teacher contracts for current teachers with 3% increase. Sonia seconded. The motion passed unanimously.

Sonia reported on State of the Union. 38 evaluation responses back – have not been compiled, will be for next meeting. On the question whether it was worth coming, everyone scored it 8-9-10. Overall, it looked and felt like there was a lot of cooperation between staff, board, PTO.

Feedback: Eric Peterson suggested we not use the podiums for next year. He voiced concern that it had feel of being a sermon; more formal. Some Board members expressed surprise with lack of questions. The presentations did a great job of covering all the bases and answering all the obvious questions. Next year we could try to elicit more of a discussion if possible. One idea was that annual capital campaign could start at the State of the Union for technology/other things. Overall feedback from cursory review of surveys was very positive. We want to make sure to invite all incoming families (incoming K) next year. We had one accepted kinder family and one wait-list family attend. Biggest thought for change next year is to get more people to attend. Melody added it would be helpful to make the numbers in the PowerPoint presentation more clear (readable). Very collaborative, very positive experience. Lots of positive to build on for next year. (Public input comments: “Tell them what you’re going to tell the, then tell them, then tell them what you told them.” “Don’t apologize for what you’re presenting.”)

Update on Innovative Quality Schools authorizer application. IQS intends to only authorize 10-12 schools. It hopes to be approved by state by end of April. Application needs to be filled out – looks very long, detailed, lots of work. Application seemed bigger than the Hopkins reporting ever was. IQS seems to be asking the right questions. The Executive Director commented that one really have to know about charter schools to know that the questions IQS asks are important. HSD hasn’t asked us these kinds of questions in the past. Task force – Eric, Sonia, and one woman from State of School who volunteered. Karen T. did submit a letter of interest. Need to know if they need our application to be able to continue to be considered. No cost to apply. Cost to authorizer is specified (capped) by statute. Kate moves that we submit an application to keep this option open as we move forward. Melody seconded. Discussion. Motion passed unanimously.

Director’s Report

- Two full K classes with 27 still on wait list.
- IB and split class: IB believes in a strong homeroom class, with interdisciplinary curriculum that is involved all day long. Karen S. followed up with IB on our split 5-6 class for next year. They said to wait until the 5/6th classes are completely separated single classes to go for authorization because otherwise ISLA will go through all of the work and pay the fee and won’t be authorized because of the split class. We continue to work on everything we’re working on to become authorized, and this will give us more time to make everything smoother and better. Continuation fee is \$2500 less

than the application fee, but then we'll have the application cost next year. This doesn't change what happens at the school/in the class for next year, but it changes the IB accreditation timeline.

IB is connected throughout the day, in school, and trying to extend to at home. May want to work more to get IB messages home to parents. Discussion re need to do a better job of communicating IB methodology and how integrated into class to parents – different types of questions that can be asked, practice certain kinds of questions at morning meeting, etc.

- Staffing. Karen Terhaar is still interviewing to fill open spots for next year.
- Ximena and Karen T. have been exploring options for Q-Comp for licensed staff. Hope to submit for July 1. HSD was one of first or second schools to get Q Comp approved.

Chair's report

- Governance reminded Board that ISLA needs to provide an annual report under the new laws passed last summer. Executive Committee and Executive Director are working on it. Most will be taken from the State of School address. Jill Prohovsky (of Governance Committee) will prompt and help guide us to get done, along with Eric Peterson (Communications Committee) who will assemble. The Executive Committee is working to have initial draft by its next Executive Committee Meeting.
- Administrator evaluation – We are working on getting performance evaluations done for Executive Director and Asst. ED. We want to solicit input from teachers and board. The constituents of the ED eval committee is specified in ED contract and Chair will orchestrate that evaluation being done.
- Board evaluation. Eric will work on polling parents and staff as to our performance as a board; give parents two opportunities to give feedback to school on teachers/admin) **Action Item:** *Eric will put something together for mid year and end of year. Will coordinate with teachers, admin, board, and PTO to get all questions asked at each time. May want to do this prior to contract renewal for next year. Which survey, when, why, etc.*
- Contracts: The goal is to get admin contracts done PRIOR to the beginning of next school year. Teacher contracts will be out by April 15 with due date of May 1st. Ideally we will get Admin contracts out by May 15, and completed by June. MDE response letters. We sent letters to HSD Superintendent Schultz and to MDE. MDE wrote back. Seems to indicate that Authorizer must follow termination statute. HSD has still not come back to us on technical request to have a hearing. Schultz' position is that HSD can't honor contract because the law won't allow them to. Mark's position is that they need to honor the contract by either getting a waiver or applying to be an Authorizer.

Facility Committee

- Reviewed out of district survey – 18 incoming families (of 50), and 113 (of 130ish). Some duplication. ISLA would lose some families if a move outside HSD occurs, but many would follow ISLA anywhere. Busing is less of an issue with incoming families than with current families.
- John Schultz forwarded a contact for finding school space in the HSD. Kate already followed up – doesn't look promising. It was nice to get the referral from John.
- Discussed lack of options in SLP. Elliot too far out of district and is literally falling apart. Cedar Manor is an option for us, but it does not appear that SLP is interested in speaking with charter schools – only considering private schools. Rumor is that the French Immersion school is moving there. Would be interesting prospect if ISLA could have one floor and French immersion had the other and could work together, at least occasionally. Eric moved to contact SLP school board and city regarding Cedar Manor. Steve seconded. Discussion. Facility committee will move forward with this. Eric withdrew his motion. **Action Item: Facility Committee will contact the SLP School Board.**
- The former Beacon space on Hwy 55 is available. There are multiple tenants, and some are not necessary compatible with ISLA's vision for an elementary school, but others (like Rayito del Sol) would be great to partner with. There is enough space, but they're out of district. They'd need to install an elevator, and are willing to do so and have plans approved by the city. They seem more interested in building more space to accommodate us than in giving us all their current space and removing current tenants. Air quality in the building could be an issue. Concerns were voiced regarding reports of responsiveness of landlords. ISLA could move there as soon as this Fall, but the Facility Committee has concerns about making that move given information (and lack thereof) currently.
- We are currently moving forward with Faith. They have offered to give us enough space to make things work, and Karen T. feels comfortable with the plan from a space, traffic flow, and bathroom perspective. We need to work out details to see if this can work. Pastor Chris seems committed to make things happen. **Action Item: Facility Committee will move forward with negotiations. Mark offered to help as needed with a contract, etc.**

Governance Committee

Update on property leased to schools – still tax exempt.

Telephone conference meeting – finalized slate of board candidates for election; Jill volunteered to coordinate annual report; slate of officers will be presented at next meeting after director elections; in respect to change in bylaws that board approved – would be change to governance model of school, and under statute we didn't realize that there are a couple of steps that we didn't complete that need to be completed. Teachers need to vote on that change (change in teacher majority) and HSD needs to sign off on it. Either could reject the change but we don't expect that to happen. **Action Item: Will take care of this in the coming**

month. Currently are operating under the amended bylaws. Governance had a short meeting due to timing. There is more to do at the next meeting.

Feedback regarding new meeting space: The Board liked the meeting lay out – better overall, room okay, need more space/tables. Vacuuming schedule could be rearranged. More light/wi-fi access would be good. Could notice closed session and move into new space if and when needed.

Eric moved to adjourn the meeting at 9:38pm. Briana seconded the motion. The motion passed unanimously.