



SPECIAL CALL BOARD OF DIRECTORS MEETING MINUTES

Wednesday, June 22, 2010 at 7:00-8:00 pm

Chicago Virtual Charter School

38 S. Peoria, Chicago, IL 60607

Board of Directors meeting called to order at 6:58 pm by Board president Earl Fredrick. Members present: Kevin Bargon, Mary McCann, and Rudy Martin by phone. Also present: Board Attorney Allen Wall, and Board Administrator Farland Jenkins.

Board Business

Budget

Discussion: Dr. Fredrick identified cost drivers which include High School and Special Education. Other drivers include: Salaries and benefits, student turnover, and legal fees. Enrollment is both a cost and revenue driver. Basic funding formula, SGSA, ELL, grants, and philanthropy round out the list of revenue sources. We should identify our priorities and fiscal responsibility and a balanced budget needs to be articulated to our management company as a budget priority. Academic success with a focus on at risk students is another budget priority. Support for learning coaches could be considered because our model uses 80% of instructional time spent with learning coaches. Position control is a process whereby there is justification for new positions or loss of positions and position changes and a reconciliation of those changes relative to our budget. Management has proposed an increase in the number of positions. We need to have qualitative and quantitative justification. Accommodations may need to be made in other areas of the budget in order to accommodate the increase in costs.

Rudy Martin Joined the meeting by phone at 7:02 pm.

We need to accommodate variable learning speeds and styles. Mr. Bargon stated that there is a constant need for oversight. Mr. Bargon requested clarification of the number of new positions in the budget. Ms. McCann said there are seven new positions. Mr. Bargon stated that there is one position added to special education and an additional \$96,000 is for two positions. This is a total of three new positions. Mr. Jenkins that the SPED position. One position was actually added this fiscal year.

Motion: Dr. Fredrick motioned to submit our budget priorities to K12 accounting so that they can take those into consideration when they complete the final budget. Ms. McCann seconded.

Unanimous aye.

Motion: Dr. Fredrick motioned to request a detailed budget by line items with the level of detail from last year's budget. Ms. McCann seconded.

Discussion: It should be comprehensive and incorporate each individual position that shows the salary for staffing expenses and detail for K12-OLS, computers and materials. This represents 36% of the budget. The detail should show the offset of KEG expenses by the high school teacher addition.

Mr. Bargon: The salary line should include names and staff positions.

Dr. Fredrick: There is an upfront charge, monthly lease, and a recovery fee for computers. This is consistent with the budget that was presented last year.

Mr. Bargon: We should be able to determine the calculations that make up those line items.

Dr. Fredrick will provide K12 with the document that was presented last year.

Unanimous aye.

Discussion: Ms. McCann asked for clarification of CPS in-kind services.

Dr. Fredrick: We will be reimbursed for special Ed staff but we will hire our own staff. We have requested the number of Special Ed students.

Motion: Ms. McCann motioned to make a request for a current count of special Ed students and a quarterly update of the special Ed student count throughout the year. Mr. Bargon seconded.

Discussion: Dr. Fredrick: The CPS reimbursement rate has not yet been determined. We received reimbursement rates in August last year.

Mr. Jenkins: Last year the CPS Sped Ed Services In-Kind line item represented the value of the services provided. Next year CVCS will hire their own clinicians. It will be difficult to find staff that will provide the small percentage of FTE's. This will be paid in "hard dollars" for the upcoming year.

Dr. Fredrick: The reimbursement revenue will be subject to the 22% M and T fee. We should receive the final draft of the service agreement and can discuss it at the July meeting. Dr. Fredrick will forward the draft to the board when he receives it.

Unanimous aye.

Staffing and position control

Motion: Ms. McCann motioned that there be a position control procedure drafted by Mr. Jenkins and incorporated as an amendment to our financial control policy as a process to control hiring and terminations and the associated costs. Dr. Fredrick seconded.

Unanimous aye.

KEG teacher evaluation

Discussion: KEG teachers are a significant portion of the budget and should be evaluated similarly to the regular teachers.

Mr. Wall: It is a two-step process with a formal observation and then a meeting of the evaluation based on the observation. A formal observation of the KEG teachers would be difficult.

Motion: Mr. Bargon motioned that management develop a rubric for KEG teachers that would be logistically feasible so that KEG teachers are evaluated similarly to regular teachers. Ms. McCann seconded.

Unanimous aye.

Executive Session

Motion: Ms. McCann motioned to move into executive session at 7:57. Mr. Bargon seconded.

Unanimous aye.

Teacher contracts

Ms. McCann motioned to accept management's recommendation regarding teacher contract renewal.

Executive Session

Motion: Ms. McCann motioned to move into executive session at 8:11. Dr. Fredrick seconded.

Unanimous aye.

The meeting was reconvened at 8:15 pm.

Teacher contracts

Motion: Ms. McCann motioned to accept management's recommendation regarding teacher contract renewal. Rudy Martin seconded.

Discussion: Dr. Fredrick's vote will be in personal conflict in a sense that he is ambivalent about the decision to be made. There is a certain lack of clarity in this matter.

Dr. Fredrick, Mr. Bargon, Ms. McCann voted aye. Mr. Martin recused himself.

Motion passed.

Motion: Dr. Fredrick motioned that Management put forward a performance management plan for teachers and all CVCS staff that includes a corrective action plan and identifies a process by which teachers who are at risk for contract non-renewal are discussed with the board. Ms. McCann seconded.

Discussion: Mr. Bargon: This does not preclude management from performing a biannual evaluation. Dr. Fredrick: Management should provide an existing evaluation plan and if one does not exist, they will need to develop one.

Ms. McCann: Should this be in the service agreement?

Mr. Bargon: This is one of the ways that K12 manages teachers.

Unanimous aye.

Discussion: Dr. Fredrick: We need more definition of the position control process.

Mr. Bargon: We had to address the teacher positions prior to the July meeting.

Ms. McCann: Do we currently have an ELL teacher?

Mr. Bargon: No.

Ms. McCann clarified the new positions and the associated funding for them. Will the SGSA carryover funds be for the entire school year?

Mr. Jenkins: I am not able to reconcile the number of new teacher positions. The number of new teachers is unclear. We need to be provided with a reconciliation that shows all the teacher positions in the budget. The budget format does not clarify the additional positions.

Motion: Dr. Fredrick motioned to request additional information and a detailed itemization of the new positions detailing what the funding sources are for all salaries and benefits on the budget and an itemization of the K12-OLS/Materials line item.

Discussion: Mr. Jenkins: We should be able to see offsetting reductions in KEG teacher costs.

Dr. Fredrick: The board has a responsibility to make sure that dollars are not spent that does not exist or are temporary for teachers that are under contract.

Mr. Bargon: K12 is providing the additional teachers.

This budget is projecting an approximate \$900,000 deficit. We will receive a deficit credit and it will not be written off the books. If the contract were to be terminated, this would be a deficit that CVCS would be held accountable for without the new service agreement in place. The new service agreement does not include that accountability. This represents more resources provided by K12 to carry out the mission. This may not be the best allocation of resources. The risk is an increase in deficit credits.

Motion: Mr. Bargon motioned that the preliminary budget be approved pending the hiring of the new positions be contingent upon the signed service agreement. Rudy Martin seconded.

Discussion: Dr. Fredrick: The deficit spending is a problem.

Mr. Bargon, Mr. Martin: aye.

Dr. Fredrick Ms. McCann: nay.

Motion fails.

Motion: Ms. McCann motioned that we hire a part time ELL teacher. Mr. Bargon seconded.

Discussion: Mr. Martin: Those funds were used for other purposes and how does that change the course delivery. Mr. Jenkins: A subscription is purchased with FY 11 funds, and the salary will use FY 12 funds.

Unanimous aye.

Discussion: It was noted that Mr. Jenkins is now in the board administrator position and that represents good faith by K12 toward the service contract. Mr. Jenkins will work with K12 to get clarification of the budget details. There is a question about why the budget format does not follow the format of the financial statements.

Motion: Ms. McCann motioned to adjourn. Mr. Bargon seconded.

Unanimous aye.

The meeting was adjourned. At 8:38 pm.

Respectfully submitted,



Board Secretary
Justin Solomon

8/17/11

Date