



CHICAGO
 VIRTUAL CHARTER SCHOOLSM
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BOARD OF DIRECTORS MEETING
Merit School of Music
38 S. Peoria, Chicago, IL 60607

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WEDNESDAY, NOVEMBER 16, 2011

MINUTES

OPEN SESSION 7:00 P.M.

Call to Order:

Time: 7:00 pm

1. ROLL CALL	JUSTIN SOLOMON - BOARD SECRETARY	ABSENT/PRESENT
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Board Members:	Earl Fredrick	Present
	Rudy Martin	Present
	Kevin Bargon	Present
	Mary McCann	Present
	Justin Solomon	Present (7:20)

Staff:	Dr. Craig Butz	Present
	Head of School	

	Estafania Bortolin	Present
	Finance Manager	

	Farland Jenkins	Present
	Board Administrator	

2. Introduce Guests: None

Discussion & Action

3. Accept Agenda

Motion:

Mary McCann – **Accept Meeting Agenda.**

2nd:

Rudy Martin

Vote:

Bargon, McCann, Fredrick - Aye.

Discussion:

- Include Compliance items on the consent agenda. The K12 presentation is removed from the agenda.

Discussion

4. Public Comments on Agenda Items

None.

Discussion

5. Head of School Report

- **Enrollment:** Enrollment is at 587 students. All K – 8 seats are filled. There are 168 students on the waiting list with 13 seats being held for high school that will be filled next semester. There were 18 withdrawals in October.
- **Compliance Reports:** The following reports have been submitted in a timely manner:
 - First Quarter Statement of Activities and Financial Position
 - Revised FY 12 Budget
 - FY 11 Financial and Compliance Audit Report
 - SIPAAA Final Version
 - October ETL
 - Form 990 Filing Extension
- **Special Education:** There are currently 51 students with IEP's and 15 students with 504 plans. Five IEP's are scheduled in the next two weeks. Special Education files and systems are rapidly improving.
- **Academic Performance:** Will be reported as a separate item.
- **Previous Events and Field Trips:**
 - 14 Students completed the November 12th Girls on the Run Event.
 - The VSS-Great conference in Indianapolis provided many thought-provoking sessions.
 - 60 K – 8 Students attended a Sci-Tech field trip.
- **Upcoming Events:** Instructional Model Pilots for 5, 7th and 8th Grades. Teachers will split roles of virtual instruction and Learning Center instruction to allow teachers more time to focus on students' needs when not at the Learning Center. Attendance, parent satisfaction, and other factors will be evaluated with measurement tools in the future to determine if the Pilot Model is successful.

Discussion & Action

6. Finance Report

Motion: Kevin Bargon: **Update enrollment reports to include year over year comparisons.**

2nd: Mary McCann

Vote: McCann, Martin, Fredrick, and Bargon - Aye; Motion Carries.

Motion: Kevin Bargon – **Prioritize a strategy for Administration to reduce turnover at the beginning of each school year and reduce the upfront cost of shipping materials.**

2nd: Mary McCann

Vote: McCann, Martin, Fredrick, and Bargon - Aye; Motion Carries.

Motion: Kevin Bargon – **Present a formal variance report that explains budget variances greater than \$5 thousand or 10% and a strategy to offset the variance if necessary.**

2nd: Mary McCann

Vote: McCann, Martin, Fredrick, Bargon, Solomon - Aye; Unanimous Aye.

- Discussion:**
- A variance report will be distributed to the Board as a separate document.
 - The training and professional development forecast expenses have been adjusted by \$18 thousand.
 - Board designated funds have been reclassified in the forecast to other line items.
 - The Board has requested that variances greater than 10% or \$5 thousand will be presented on a separate report with explanations.
 - Forecasted legal services have been reduced by \$6 thousand.
 - Forecasted insurance expense was increased due to a settlement of prior year litigation.
 - A \$295 thousand deficit credit for the current fiscal year is reflected in the accounts payable balance. Of the \$253 thousand balance outstanding, \$153 thousand is payable to K12. This is also shown on the Invoice Summary Report that was presented.
 - The clinicians' budget report shows that CPS will reimburse up to \$97.5 thousand. Costs, including K12 management fees are budgeted to be almost \$122 thousand.
 - The enrollment report was presented in a graph format. There have been 73 withdrawals since the beginning of the school year. There have been 79 new enrollments. Approximately 15 students enrolled but did not attend in September. Materials and computers were shipped to them.

**Discussion &
Action**

7. Approval of Minutes

Motion: Mary McCann - **Approve the minutes from the October 19, 2011 Meeting.**

2nd: Kevin Bargon

Vote: Unanimous Aye.

Discussion None.

**Discussion &
Action**

8. Consent Agenda

Motion: Kevin Bargon – **Accept Consent Agenda items.**

2nd: Mary McCann

Vote: Unanimous Aye.

Board Discussion:

- Accept the Consent Agenda items:
 - Course Acceleration
 - Class Connect
 - Board Handbook
 - Compliance Calendar items
 - Emergency Plan
 - K12 Invoices
 - Form 990 extension
 - OMB Circular A-133 Audit Letter

Discussion

9. Service Agreement Update

- The financial details of the agreement have been reviewed by CPS and are approvable.
- CPS has concerns about the academic incentives in the agreement. Those concerns will be forwarded to K12 for them to review and make changes accordingly.

Discussion & Action

10. Computer Allocation

Motion: Rudy Martin – **Implement the computer allocation policy.**

2nd: Mary McCann

Vote: Motion is tabled pending a detail analysis to be presented at the next Board meeting.
Unanimous Aye.

Discussion:

- A budget impact analysis is needed that will consider the number of families impacted, and total costs before making a decision. The current estimated impact is \$8 thousand.
- Providing computers to all families in an equal proportion is consistent with the school's mission.
- The Board requests a detailed budget analysis of the additional costs including upfront costs, and the number of families with 3 or more students, and additional computers.

Discussion

11. Charter Agreement Update

- The signed Charter Agreement endorsement has been submitted to CPS.
- There is no further action required other than to complete the service agreement.

Discussion & Action:

12. K12 Response to EMO Review

Motion: Earl Fredrick – **Table the discussion until review of K12's written response.**

2nd: Kevin Bargon

Vote: Unanimous Aye.

Discussion

- K12 has provided a written response to the evaluation to the Board President.
- This will be distributed to the Board for review.

Discussion & Action: 13. Academic Reporting Standards

Motion: Mary McCann - **Endorse a method for management to track and report the school's performance under Exhibit D items on an ongoing basis beginning with the December meeting.**

2nd: Kevin Bargon

Vote: Unanimous Aye.

Discussion:

- The standards are consistent with exhibit D of the Charter Agreement under which the school is being held accountable.

Discussion & Action: 14. Employee Services Management Firm Bids Update

Motion: Mary McCann – **Table the discussion until the December Board meeting.**

2nd: Kevin Bargon

Vote: Unanimous Aye.

Discussion:

- ADP has provided preliminary information about services they could provide.
- Insperity is in the process of completing the employee handbook and should have it completed by the end of November.
- The Board Attorney will review the original contract which was with Administaff which later became Insperity.
- The contract for the new year will be available for review and action at the December meeting.
- Changing benefits would include having to provide current staff information to ADP.
- Information for soliciting quotes will be provided by management.

Discussion 15. School Benchmark Analysis

Further discussion will be tabled until the next meeting.

- The data should be put into a matrix table format to facilitate comparisons of schools.
- The demographics of our school are very different from the demographics of the schools presented in the analysis.
- Direct telephone interviews need to be conducted with the schools.

Discussion & Action: 16. Outside Academic Credit Policy

Motion: Mary McCann – **Accept the Outside Academic Credit Policy.**

2nd: Kevin Bargon

Vote: Unanimous Aye.

Discussion:

- The policy will provide guidance to advisors and counselors on approving credit for courses taken outside of CVCS.

Discussion & Action: 17. SIPAAA School Improvement Plan

Motion: Mary McCann – **Feedback provided by CPS on the SIPAAA plan will be presented to the Board on the Monthly Head of School Report no less frequently than quarterly.**

2nd: Kevin Bargon

Vote: Unanimous Aye.

Discussion:

- The School Improvement plan has been submitted to CPS.
- The goals were developed with the teaching staff during the summer to coordinate with the scorecard goals.
- This final plan will be presented to the CPS Board for approval.

Discussion 18. Breakeven Analysis

Discussion:

- K12 has been working on the request for the analysis made in last month's meeting to make sure that what is presented is reasonable.
- There is not an analysis to present at this meeting. The report will be presented at the next month's meeting.
- It is possible that revenue may never exceed expenses.
- This information will influence future decisions on facilities.
- The variables should include enrollment, K12 costs, teachers per student, and facility costs.

19. Public Comments:

- Dr. Butz presented performance accountability standards.
- Data from the past five years was presented.
- The conference attended by the teachers was thought provoking and information will be shared among the teachers.
- There will be a National Charter School conference in June that will have information specific to Charter School boards.

Action: **20. Adjournment**

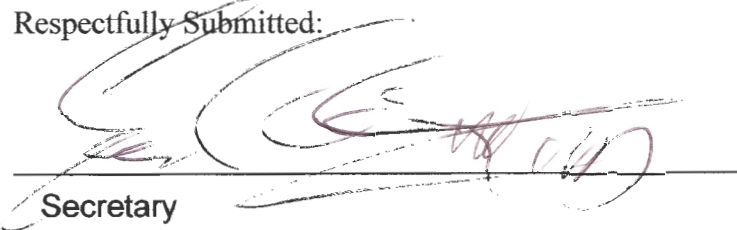
Motion: Kevin Bargon

2nd: Rudy Martin

Vote: Unanimous Aye.

Time **9:50 pm**

Respectfully Submitted:

A handwritten signature in dark ink, consisting of several large, sweeping loops and a horizontal line at the end, positioned above a horizontal line.

Secretary