



Blackboard Collaborate On-line Meeting Link:

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Conference Call Meeting Information:

844-269-9230, extension 4008, passcode 531486.

I. CALL TO ORDER

The meeting was called to order by the Board President at 7:03pm. Public notice was given for this meeting in accordance with [Pennsylvania’s Sunshine Act \(2011, sec. 709\)](#).

Member	Present	Absent
Mr. Michael Adler, President	X	
Ms. Maddi-Jane Sobel, Secretary	X	
Ms. Kelly Vidovich		X
Ms. Diana K. Moninger	X	
Ms. Michele McKeone	X	
Ms. Aviva Moore	X	
Mr. Lowell Thomas	X	

ISPA Administrators Present: Eileen Cannistraci, Chief Executive Officer and Beth Jones, Chief Financial Officer.

K12 Representatives Present: Shannon McElwain, Executive Director; Michael Frost, Academic Director; Mary Markert, Director Northern Region Finance; Jaime Salindong, Senior Finance Manager; Jennifer Sims, Senior Vice President Northern Region

School Solicitor Present: Alan Kessler of Duane Morris LLP

II. BOARD MINUTES

1. Approval of Board Minutes from Monday, March 26, 2018.

Board Member	Motion	Second	Board Comment	Public Comment	Aye	No	Abstain	Absent
Mr. Michael Adler, President	X				X			
Ms. Maddi-Jane Sobel, Secretary		X			X			
Ms. Kelly Vidovich								X
Ms. Diana K. Moninger					X			
Ms. Michele McKeone					X			
Ms. Aviva Moore					X			
Mr. Lowell Thomas					*			

** Mr. Thomas stepped off the call and was not present for this vote.*

Board Comment: None

Public Comment: None

III. REPORTS

1. CEO Report

- a. Enrollment Report. Student enrollment has increased from March by 42 students to an enrollment number of 1199 students. 61% of ISPA students are economically disadvantaged, 18.6% have a special education IEP, and students attend from 332 of PA's 500 school districts.
- b. School Updates
 - i. PSSA Update. Students in grades 3-8 are in PSSA testing week 3 of 3. ISPA has 15 testing sites across PA. ISPA teachers and the K12 admin team have been deployed to run the testing sites. Goal is to provide productive and fun testing days for the students. PDE expects a 95% student participation rate; ISPA is seeing an increase in the number of families officially opting out of testing. Preliminary results for the school's use typically are shared in July/August. PDE prepares reports for parents and those reports are typically available in September. The federal standard for test participation categorizes students whose parents opt them out as "not proficient" and this categorization could impact ISPA negatively.
 - ii. Legislative Update. There is a charter-funding issue currently being reviewed and worked on by PCPCS (PA Coalition of Public Charter Schools), PDE, and two other pro-charter advocacy groups. A recent Commonwealth Court case (First Philadelphia CS) led to PDE stepping back, originally, from the five-year old process of PDE363 calculations and forms. PCPCS and the two other pro-charter advocacy groups are interacting with legislators with the goal of a legislative fix for this problem. There is the possibility that HB97 – comprehensive charter law reform – will move this June and that the fix to the funding issue could be added to the current bill.
 - iii. Board Member Resignation. Kelly Vidovich has tendered her resignation effective immediately. This item will be added to the Board's May 2018 agenda.
 - iv. Review of Board Bylaws. ISPA leadership reviewed the Board bylaws and the input provided by the school solicitor on the necessary bylaw updates. The CEO will share a draft of the proposed bylaw updates with the school solicitor this week. Following edits, the CEO will send a final draft to the Board for their review at least 10 days prior to the May meeting. It is anticipated that the proposed Bylaw changes will be on the Board's May agenda.

2. CFO Report

- a. Financial and Personnel Report (Mary Markert). Year-end enrollment projected to be approximately 1,317 students. YTD revenue accrued = \$8.4M, YTD expenses accrued = \$7.1M. March 2018 end-of-month cash balance = \$2.25M. March 2018 disbursements = \$773,926. Recommended K12 aging invoices disbursement = \$882,484.81. Forecast end of April 2018 cash flow ending balance of \$2.14M. Top 10 AR balances = \$914K and 49.5% of total AR balance, with note that \$218K of Philadelphia SD's balance of \$475K was paid in April and will be reflected in next month's report. Personal stats were reviewed: ISPA currently employees 33 and there are 26 K12 staff dedicated solely to ISPA.

- b. Overview of 2018-2019 Budget Process. Team includes ISPA leaders and K12 Executive Director, Senior Finance Manager, and the Director of North Region Finance. Current budget, actuals, and variances were reviewed. Educational and staffing priorities were shared and monetized. Student enrollment projections were applied. Weekly finance meetings from February through April were dedicated to refining the draft budget to ensure the budget aligns with ISPA priorities and student needs. A conservative approach was taken, i.e. revenues projected low and expenditures projected high. Team will continue to refine the draft budget based on enrollment changes and new information during May and early June. The Board is asked to accept this draft budget at this meeting and then the draft must sit publicly for at least 30 days (in ISPA main office and on website). Following the 30-day sit, the Board can vote on the final budget that is presented at the June Board meeting. After the Board approves the final 2018-2019 budget, the K12 Finance staff will file the budget with PDE within 15 days of the Board adoption. Board President and Board Secretary must sign the budget submission to PDE.
- c. 2018-2019 Proposed Budget Presentation. Budget based on average annual enrollment of 1819 students with the projected year-end enrollment at 2084. 11th grade is added as are the expenditures associated with the Career & Technical program, Destinations Career Academy. Budget is based on 2016-2017 PDE published rates as there is no better guidance from PDE at this time. The per student weighted average funding for regular education students is \$10,077.30/year. The per student weighted average special education funding add-on for students with an IEP is \$14,582.40. Budget assumes 15% billable special education population. Projected total revenue = \$21,953,810. Projected total expenses = \$21,854,420. Projected increase to fund balance = \$99,390. Planning for ISPA staff increase to 69, K12 dedicated support staff to 27, K12 dedicated administrative staff to 19, with K12 regional support staff remaining at 8. The full draft budget is available for review in the ISPA main office and on the ISPA website.

IV. ACTION ITEMS

1. To accept and approve the Financial Report and Disbursements

Board Member	Motion	Second	Board Comment	Public Comment	Aye	No	Abstain	Absent
Mr. Michael Adler, President	X				X			
Ms. Maddi-Jane Sobel, Secretary		X			X			
Ms. Kelly Vidovich								X
Ms. Diana K. Moninger					X			
Ms. Michele McKeone					X			
Ms. Aviva Moore					X			
Mr. Lowell Thomas					X			

Board Comment: None

Public Comment: None

2. To accept and approve the Personnel Report

Board Member	Motion	Second	Board Comment	Public Comment	Aye	No	Abstain	Absent
Mr. Michael Adler, President	X				X			
Ms. Maddi-Jane Sobel, Secretary					X			
Ms. Kelly Vidovich								X
Ms. Diana K. Moninger		X			X			
Ms. Michele McKeone					X			
Ms. Aviva Moore					X			
Mr. Lowell Thomas					X			

Board Comment: None
Public Comment: None

3. To approve the Right to Know policy and the update to the Workers' Compensation policy as reviewed by the Finance Committee

Board Member	Motion	Second	Board Comment	Public Comment	Aye	No	Abstain	Absent
Mr. Michael Adler, President	X				X			
Ms. Maddi-Jane Sobel, Secretary					X			
Ms. Kelly Vidovich								X
Ms. Diana K. Moninger					X			
Ms. Michele McKeone					X			
Ms. Aviva Moore					X			
Mr. Lowell Thomas		X			X			

Board Comment: None
Public Comment: None

4. To approve the resolution authorizing the 403b PSERS Alternative Retirement Plan as reviewed by the Finance Committee

Board Member	Motion	Second	Board Comment	Public Comment	Aye	No	Abstain	Absent
Mr. Michael Adler, President	X				X			
Ms. Maddi-Jane Sobel, Secretary		X			X			
Ms. Kelly Vidovich								X
Ms. Diana K. Moninger					X			
Ms. Michele McKeone					X			
Ms. Aviva Moore					X			
Mr. Lowell Thomas					X			

Board Comment: An overview of the program and its advantages was provided by CFO. Board members asked for clarification about the current 7.5% PSERS contribution and the proposed 5% 403b Alternative contribution by employees. CFO explained that an employee can chose to contribute more to the 403b, up to the IRS maximum, an option not available with PSERS.
Public Comment: None

5. To approve the engagement of Patricia Hennessy, Esq. for Board Training

Board Member	Motion	Second	Board Comment	Public Comment	Aye	No	Abstain	Absent
Mr. Michael Adler, President	X				X			
Ms. Maddi-Jane Sobel, Secretary		X			X			
Ms. Kelly Vidovich								X
Ms. Diana K. Moninger					X			
Ms. Michele McKeone					X			
Ms. Aviva Moore					X			
Mr. Lowell Thomas					X			

Board Comment: None

Public Comment: None

V. **BOARD BUSINESS**

1. Proposals for Next Agenda: None
2. General Public Comment: None
3. Executive Session: There were no executive sessions held during this public meeting, at the adjournment of this public meeting, or between the prior public meeting and this public meeting.

VI. **ADJOURNMENT**

Board Member	Motion	Second	Aye	No	Abstain	Absent
Mr. Michael Adler, President	X		X			
Ms. Maddi-Jane Sobel, Secretary		X	X			
Ms. Kelly Vidovich						X
Ms. Diana K. Moninger			X			
Ms. Michele McKeone			X			
Ms. Aviva Moore			X			
Mr. Lowell Thomas			X			

Meeting Ended: 8:27pm