

MNIC ELA Campus  
300 Industrial Blvd.  
Minneapolis, Minnesota 55413

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**Unapproved Minutes**  
MEETING OF THE BOARD OF EDUCATION  
Thursday, October 30, 2008  
4:30 p.m.

Membership: Kat Anthony, John Breyfogle, Susan Knittel, Jama Farah, Hassan Hilowle, Kaha Mohamed, Kassim Mohamed, Takara Spaulding, Reggie Womack

Ex officio: Kevin Byrne, Steven Oates, Chanda Smith

Note: All votes were unanimous unless otherwise stated. Items distributed at the meeting include: Agenda; unapproved emergency board minutes from 10/15/08, unapproved board minutes from 8/4/08, MNIC New Hire List dated 10/28/08, Minnehaha Transportation Contract, Approved Minutes MNIC Emergency Board Meeting 10/12/08.

- I. ROLL CALL: All board members introduced themselves to the staff, parents and community representatives. Susan Knittel, chairperson, gave her expectations for the meeting and time.

The Meeting was called to order at 4:35 PM.

Present: Kat Anthony, John Breyfogle, Susan Knittel, Jama Farah, Hassan Hilowle, Kaha Mohamed, Kassim Mohamed, Takara Spaulding, Reggie Womack

Ex Officio: None

Others: Katie Boe, Steve Bosacker, Rita Dugelman, Linda Duncanson, Sandra Hall, Bahar Hassan, Melissa Kappenman, Jill Krause, Amy Libman, Don Link, Vin McMahon, Jim Miller, Mohamed **Mohamud**, Susan Natala, Kathy Reamer, George Sand, Ishmael Sheik, Janet White, Ron Wodtke.

- II. APPROVAL OF THE AGENDA

**Mr. Breyfogle moved to amend the agenda to discuss the Executive Director Job description in the Governance Item. Mr. Mohamed seconded. Passed.**

**Ms. Knittel requested an item to address Board Officer positions and terms in Governance Item. Mr. Mohamed moved and Ms. Anthony seconded. Passed.**

**Mr. Mohamed moved for the board to appoint a temporary director.** Mr. Mohamed wants to appoint a temporary director for the school. Ms. Knittel would like this idea tabled. Mr. Womack thinks that clarifying the job description is the first priority. Ms. Mohamed agreed with Mr. Womack.

Ms. Knittel requested a short break to meet a community member who arrived (Mohamed **Mohamud**).

Mr. Womack thinks for MNIC to get rid of their director at this time is very difficult for the school.

Discussion shifted to talk about previous meetings of board members. Some notes were produced. Ms. Knittel would like to know what happened over the last year.

**Mr. Hilowle seconded Mr. Mohamed's motion.** Ms. Knittel would like to be able to see what happened in previous meetings. **Vote: Mr. Mohamed and Mr. Hilowle yes. Mr. Womack and Ms. Anthony against .Others abstained. Did not pass.**

**Mr. Womack moved to review all information as to whether or not we change the director. Ms. Anthony seconded.**

Mr. Farah stated that the board needs to discuss what happened and become informed about this.

Mr. Mohamed requested that the minutes from September 27 and Ocgtober 7 2008 be reviewed by the board.

**Mr. Womack moved that the Board take time before the next meeting to read the minutes presented just now and discuss them at the next meeting. Ms. Anthony seconded. Mr. Mohamed and Mr. Hilowle opposed. Passed.**

**Ms. Anthony moved to approve the agenda as amended. Mr. Womack seconded. Passed. Mr. Mohamed abstained.**

### III. APPROVAL OF MINUTES FOR THE 10-15-08 BOARD MEETING

**Mr. Womack moved to approve minutes. Mr. Mohamed seconded. Passed.**

### IV. FINANCIAL TEAM UPDATE / RECOMMENDATIONS

George Sand presented financial information for the Finance Team. Ms. Knittel, Mr. Breyfogle, Mr. Sand, Ms. Libman, Ms. Natalia and Mr. Link are staff members of the Finance Team. At the last Finance Team meeting they reviewed and learned MNIC financial history over the last 2 years and how the school got to this financial position and a potential \$200,000 cash flow challenge. They discussed ways to address this; developed ideas for staffing plan and other approaches. Their next meeting is Nov 6<sup>th</sup>. There were no other financial figures discussed at this meeting besides what was presented at the last Board meeting.

#### A. Assign Audit team

Some Boards have an Audit Committee, others review the Audit draft as a board. The Finance Team can do this for the Board. (Ms. Spaulding left). Mr. Sand suggested that the Finance Team do the audit preparations work for the Board. Larson Allen audits MNIC and has a great reputation.

Break for Mr. Mohamud to briefly address the Board: He understands that this is a divided board. The community is connected to the school and what the school does matters to the community. The community is disappointed in the board. (Ms. Mohamed left the room.)

**Mr. Womack moved that the Finance Team serve as the Audit team. Ms. Anthony seconded. Mr. Breyfogle and Ms. Knittel abstained (because they are on the committee). Passed.**

**(Kaha returned to the meeting.)**

#### B. Hourly vs. Contracted Employees

Finance team reported that they discussed what is the most cost effective approach for the school.

#### C. Hiring Freeze

(below)

#### D. Change Budget for 2008-09 from balance

The Finance Team (committee) is developing a budget based on 380 ADM. Beginning in November the Team will have a new budget for the board, once MNIC's audit work is complete. The law requires a board to approve a balanced budget. The school must be able to operate with 90% of its budget within the school year or have a line of credit or fund balance to cover the hold back. If the board does not adjust the budget downwards it will not have a balanced budget. Managing the cash flow is critical to maintain the school. This must be addressed now.

Brief discussion about a past reference to a hiring freeze **except for required** staff in January 2008. No clarity was gained regarding what that means now.

Discussion about history of board approvals for hiring new staff and for what reasons.

Mr. Sand stated that the school needs to improve its financial situation through budget and spending tightening, staffing adjustments, increasing enrollment, program shifts and implementation of strategic plans.

Mr. Mohamed wants the board to have better information for finances. He thinks the board has no one in administration to talk to about the management of the school.

Ms. Mohamed wants the new board members to understand what is going on.

E. Traditional School budget

No discussion.

## V. SPACE UPDATES, CONTRACTS, BIDS AND LEASES

### A. Transportation Contract

Ms. Knittel recommended approving the contract as presented. It was not approved earlier before classes started. The finance team evaluated this and says that there must be bus service for the school. Mr. Breyfogle stated this company's rates are reasonable. Mr. Mohamed wants some service problems to be addressed by the company. Complaints are being addressed by students and staff. **Mr. Womack moved to accept the contract. Mr. Breyfogle seconded. Passed.**

Mr. Womack suggested the board identify what the board wants to understand from various people. For example, for hiring, have information that clarifies how positions are filled, replaced, removed, etc. There are forms prepared for this purpose.

### B. Hiring of Lawyer for Shiloh Lease Aid

The school needs a lawyer to hopefully recoup lease aid income. Mr. Mohamed stated that Mr. Miller is the school's lawyer, based on a meeting last month. Ms. Knittel asked if he is an expert in charter school law. He is not, but has been on a charter school board.

Ms. Libman reported about the history of MNIC's approved sites contention with the MDE. Mr. Cairns stepped aside as lawyer from helping in this. Ms. Libman implored the board to hire someone who has the experience to help the school. Mr. Cairns felt there would be difficulty if he came today so he declined to come.

Mr. Mohamed considers Mr. Miller already hired as MNIC's lawyer. If he declines this work for lease aid, fine. Some members expressed lack of trust in Mr. Cairns' representation for MNIC.

Ms. Natala stated that in the current situation the school is in, the school needs to get a school lawyer who has the background. Mr. Womack agreed.

Mr. Miller stated that Mr. Cairns has the obligation to turn over information he has about this facilities issue. Mr. Miller would like the Board to approve Mr. Miller to ask for this information.

**Mr. Breyfogle moved to authorize Mr. Miller to move forward to get information for this situation to make an assessment. Ms. Anthony seconded. Passed, Mr. Womack abstained.**

**The last agenda items, below, were not addressed due to time constraints.**

VI. HR REPORT

A. Sick Leave /Paid time off

B. Contribution of Sick days to seriously ill colleagues

VII. GOVERNANCE/ STRATEGIC PLANNING

VIII. OTHER BUSINESS/NEW BUSINESS/FUTURE MEETING SITES

IX. ADJOURNMENT

This meeting will resume Wednesday Nov 5, 4 PM at the UTEC Site, Room B5. Address: 1313 5<sup>th</sup> Street SE, Minneapolis, MN. This will be an open meeting for the rest of this meeting's agenda. This meeting will complete this meetings' agenda.

**Mr. Womack moved to adjourn the meeting and resume Nov 5 at UTEC. Ms. Anthony seconded. Passed.**

Submitted by Stephen C. Bosacker.