

MNIC ELA Campus  
300 Industrial Blvd.  
Minneapolis, Minnesota 55413

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## **Approved Minutes**

### REGULAR MEETING OF THE BOARD OF EDUCATION

*Thursday, September 16, 2010*

*4:00 PM*

Held at 1313 5th St. SE, Minneapolis, MN (UTEC Site – B5)

Membership: Ali Egaale, Jama Farah, Nicole Harris, Deonna Perez-Evans, Kristin Quinn, Kathy Reamer, Oliver White, Ron Wodtke, Reggie Womack (Board Chair)

Ex officio: Kevin Byrne (Executive Director), Chanda Baker and Katie Black (Sponsor Liaisons)

Note: All votes were unanimous unless otherwise stated.

I. CALL TO ORDER: Chair expectations for the meetings and time limits.

Mr. Womack called the meeting to order with quorum at 4:03 PM and gave instructions.

Members Present: Ali Egaale, Nicole Harris, Deonna Perez-Evans, Kristin Quinn, Kathy Reamer, Oliver White, Ron Wodtke, Reggie Womack; Absent: , Jama Farah

Others Present: Kevin Byrne (Director), Janet White, Melissa Kappenman, Nathaniel Hedke, Dave Haugen, Jon Gross, Gertrude Hoskins, Bret Running, Amy Libman, Margaret Uttke (MACS), Stephen Bosacker (Designs for Learning)

Items distributed at the meeting include: Agenda, Unapproved minutes for August 19, 2010, Sabathani Lease, MNIC Board Membership List (August 19, 2010), Election Tally Results from 5/20/2010, MACS membership information, Minnehaha Transportation Company service contract, email guidance to transfer funds to Fund 2

II. APPROVAL OF THE AGENDA

Switch #5 and #4 in sequence

Discussion about Job Descriptions item in the June 15<sup>th</sup> Board Minutes.

**Mr. Wodtke moved to approve the agenda as amended. Ms. Reamer seconded. Passed.**

III. REVIEW BOARD MINUTES FROM 8-19-10

Corrections: the day of the meeting and spelling of the organization, "Power of You".

Discussion about terms used in the motion to write off old checks.

**Mr. White moved to accept the minutes of August 19, 2010 as amended. Ms. Harris seconded. Passed.**

IV. BOARD BUSINESS; TRAINING SCHEDULE AND CHOICES

A. Board Membership Issue

Mr. Farah is not returning phone calls from Mr. Womack, nor has he attended board meetings for many months. Mr. Womack suggested that the board remove him from being a member. Mr. Womack suggested Gertrude Hoskins be appointed. She received

the next most votes in the election on May 20, 2010. Gertrude expressed interest to be appointed to the Board.

**Ms. Perez-Evans moved to remove Jama Farah from the Board for non-attendance. Ms. Reamer seconded. Passed.**

**Mr. White moved to appoint Gertrude Hoskins to fill Jama Farah's former seat until the next election. Ms. Quinn seconded. Passed.**

#### B. Board Training

Mr. Byrne reminded the Board members of the Board Training requirements and suggested some times for the next trainings. Members affirmed this need. Mr. Byrne will identify some approved board training vendors and times and send invitations to members. He suggested that at the Financial Training session the board members also receive more detailed instruction from Susan Airhart about MNIC finances.

#### V. MN ASSOCIATION OF CHARTER SCHOOLS MEMBERSHIP PRESENTATION (MARGARET UTTKE, MEMBERSHIP AND PROGRAM DIRECTOR)

Margaret Uttke presented information about Minnesota Association of Charter Schools to the Board, including various programs and training. Action Workshops are available monthly to member schools. New workshops and training include professional development plans and developing an HR manual. These tools are available in member only section of the website. MACS provides a venue for school directors to meet with one another. She highlighted the upcoming Annual Meeting and Fall Conference. Corporate discount programs are available for schools: Microsoft software, office supplies, property and liability insurance. MACS serves as a technical resource for schools.

MACS does not provide direct services to schools, but acts as an advocacy.

Successes: The 2009 charter school law was in large part the result of MACS efforts. MACS mobilized people to defeat a charter school cap in legislation, along with other efforts to restrict charter schools.

Mr. Byrne expressed his interest in how associating with MACS could help protect MNIC when facing charter school movement-level challenges.

Fee for membership is now based on a flat fee plus a per-pupil rate fee. Payment can be monthly or in one payment. Membership is not prorated; it covers an entire school year only.

The board thanked Ms. Uttke and will consider the opportunity.

#### VI. OUTREACH UPDATE (REGGIE WOMACK AND NICOLE HARRIS)

Ms. Harris reported that outreach is going well. The team has tried different things, including new ways to get the MNIC "opportunity" out through different media. Students are coming. While MNIC staff are in the community they are helping people. This is why they call this outreach.

Mr. Womack and Mr. Byrne elaborated: Student membership is below target, in large part because a former employee has shared misinformation about the East High program and has recruited students away from MNIC to another school.

#### VII. SIG GRANT UPDATE (KEVIN BYRNE AND STEVE BOSACKER)

Since MNIC was disapproved for the School Improvement Grant, other efforts have emerged to address the number of charter schools that were disapproved compared to the ISDs. Janet White spoke with the director of MACS and learned that for MNIC to be able to gain benefit for SIG along with other schools, MNIC needs to be on the inside with MACS. Schools on the outside will not get the needed information. There are issues that have been elaborated only to a few regarding this grant.

Discussion about membership with MACS resumed. Discussion about funding the membership. Suggestion that the sooner MNIC is part of the Association, the sooner it can benefit. Mr. Byrne suggested that administration will find budget savings equivalent to the cost of the MACS membership. Ms. Reamer would prefer a monthly payment to MACS if approved.

**Mr. White moved to join MACS and Ms. Airhart will determine the best way to pay for it. Ms. Reamer Seconded. Discussion: Mr. White withdrew his motion, approved by Ms. Reamer. Mr. Wodtke moved that MNIC join MACS and will figure out how to pay for it. Mr. White Seconded. Passed.**

#### VIII. FINANCE AND BUDGET (KATHY REAMER)

- A. Pay issues; discussion of last year's Board approval for a 10% pay cut, and its consequences this year

From 2009, MNIC Board moved to cut salaries to afford the 27% holdback. The minutes noted that there was a possibility that it could be restored. There was no mention about when. Currently and last year student enrollments (and the resulting income) were not sufficient to restore the pay cut.

Mr. Wodtke pointed out that the motion stated there be a pay cut for one year. Discussion continued.

**Ms. Reamer moved to freeze pay levels until there be sufficient ADMs to reinstate salaries cut in 2009. No second. Motion died.** Discussion resumed about what it takes for the salaries level be reinstated. Ms. Perez-Evans requested some way to represent ways to solve this, as in scenarios. Otherwise she does not have information on which to base a decision.

Mr. Wodtke suggested each site be run as a separate profit center. Mr. Wodtke illustrated what kinds of information are used in making budgetary decisions this way.

Question returned to the pay cut. Why in the budgeting process did the salary reinstatement be included? If reinstatement had been done, other things would have to been cut or positions cut. The dynamics of changing enrollment and salaried positions makes it difficult to set a point for reinstating salaries. Mr. Wodtke is concerned about what is really happening in the operation of the school so the board can best guide the school. The school needs clear plans and the board members need to know how this works so the board can make wise decisions. Mr. Wodtke emphasized the board's responsibility in fiduciary care of MNIC.

If the school reinstates the pay cut then some staff will have to be laid off.

- B. Sabathani Lease

Mr. Byrne presented how the Sabathani lease was reexamined since the last board meeting. The ABE program has greater needs for space and has increased funding. The ABE program will take the new space identified in the lease, not the high school program. There is possibility that growth at Sabathani high school program will require more space.

**Ms. Reamer moved to accept the Sabathani Lease as presented. Ms. Quinn seconded. Passed.**

- C. Minnehaha Transportation Contract

Mr. Byrne sent an RFP to bus companies. Minnehaha Transportation was the only responder. Mr. Byrne suggested the Board approve this. The contract allows for adjustments to be made in actual service and costs. MNIC cannot pay for service until the contract is signed.

Question was raised about geographic limits, in case there are additional costs or limits on what service the school gets.

**Ms. Reamer moved to accept the transportation contract with Minnehaha Transportation Company. Ms. Quinn seconded. Passed.**

- D. Food Budget: Motion to approve the transfer of funds from fund one to eliminate the deficit balance in fund two from Fiscal Year 2009 in the amount of \$89,546.44 for Fiscal Year 2010.

As part of the audit and statutory requirements MNIC must transfer funds from Fund 1 (general fund) to cover losses in Fund 2 (food service). The losses in Fund 2 are lower this year than last year.

**Mr. White moved to transfer funds from Fund 1 to Fund 2 for Fiscal Year 2009 in the amount of \$89,546.44. Ms. Reamer seconded. Passed.**

- E. Food Budget: Motion to budget in Fiscal Year 2011 to transfer funds from fund one to eliminate the deficit balance in fund two from Fiscal Year 2010 in the amount of \$76,437.27.

**Ms. Reamer moved to budget in Fiscal Year 2011 the transfer funds from Fund One to eliminate the deficit balance in fund two from Fiscal Year 2010 in the amount of \$76,437.27. Gertrude seconded.** Discussion: Mr. Wodtke sought to understand how this works and that the budgeting process considered this liability.  
**Passed.**

#### IX. OTHER BUSINESS

- A. Mr. Wodtke shared he some articles he found on recruiting. These are available to people.

#### X. ADJOURNMENT

The next meeting will be October 28, 2010, 4:00 PM at UTEC – B5

**Mr. White moved to adjourn the meeting at 5:49 pm. Ms. Harris seconded. Passed.**

The Meeting adjourned at 5:49 PM

Submitted by Stephen Bosacker, Designs for Learning