

**American Renaissance School
Board of Directors Meeting
May 8, 2019 5:30pm**

Mission:

To ensure a standard of academic excellence by providing a nurturing environment that allows each child to reach their fullest potential as students and citizens.

Board Members Attending: Michele Knapp, Kameron Brown, Caity Gordon, Danny Carpenter, Raphael Weeks, Jonathan Bell, Frank DiGangi, Tori Cearlock

Board Members Not Present: Tracy Sain

Administrative Staff Present: Jim Duffey, Jessica Duncan, John Mairs, Andrea Leluika, Kay Johnson, Danielle Cusick, Tai McMiller

Call to Order AT 5:35PM

Michele

Knapp

Approval of Agenda

Michele Knapp

Jonathan, seconded Kam

Recognition

Administration

- Anita Waugh and Cathy Berkley for planning the Middle School Field Trips
 - NY and Outer Banks trips were very successful
 - Shout out to 6th grade field trip
 - 7th & 8th grade trip to outer banks: learned about science and exploration, dissection, tried new foods, etc.
 - 7th & 8th grade trip to NYC (4 days): learned about arts, went to the MET, saw a Broadway show, museum of natural history;
- Todd Fowler for planning and organizing the Last Day 5K Scholarship Essay Opportunity
 - Scholarship covers the fees associated with school. Hoping to raise more to make it a more substantial gift.
 - 41 students wrote an essay
 - Tori offered to have a pool party for the grade that has the most students submit essays.
- All Teacher Assistants and Interns

Approval of Minutes

Michele Knapp

Jonathan moved to approve, Kam seconded

Public Comments - NONE

Committee Reports

- Fundraising
 - Kicked off 5K today
 - Framed it around supporting favorite community partner
 - Opportunity similar to an annual report for stakeholders-- give reasons for call to action.
 - Discussed what it paid for last year: specific building improvements, academic achievements, community involvement
 - RAP Report - moved to end
- Governance
 - May reevaluate board terms, voluntary staggering of terms
- Personnel
 - Closed Session
- Finance
 - Monthly Financial statements
 - Had been looking at budget from a projection standpoint, but realized that this was including one-time expenses (conservative approach).
 - Evaluated every item and marked which ones should be marked as such.
 - With these changes made, our surplus increased. This helped since we weren't granted some federal funds that we were counting on this year (\$41k).
 - Current surplus remains around \$11k.
 - March overall: \$94k surplus
 - YTD in March: \$800k surplus (some of this will go to end-of-year awards)
 - Increase in EC headcount: we are at 97% of state revenue. Added \$13k to funding.
 - Annual fund revenue: \$52k but doesn't include spring gala revenue.
 - Some expenses were coded in general admin, but should have been coded elsewhere.
 - Kam moved to approve financial report, Tori seconded
 - PRC 114 Known issue
 - Fraud was committed against operating account (\$4.8k). Recouped all of the funds from Wells Fargo.
 - Put a hold on the account for anything going out, pending approval of each expense.
 - Adding ACH protection and check fraud protection, which puts us in an analyzing account (rather than a free account). Could add around \$25 per month (\$300 per year) in fees, depending on monthly balance. Fees previously cost us \$3k per year.
 - Frank has moved to put us in analyzed account. Jonathan moved to approve, Raphael seconded.
 - Petway Mills Contract
 - \$60 increase (1%), which is standard.
 - Rotate auditors each year.
 - Jonathan moved to approve both contracts. Kam seconded.

- Charter Success Partners Contract
 - Financial firm. Same expense as last year. Pleased with them thus far.
 - Jonathan moved to approve both contracts. Kam seconded.
- AXA Issue
 - Some employees' W-2's were coded wrong for 2017 and 2018. The issue was caught after the W-2's were issued this year, but before taxes were due.
 - CSP is offering to cover \$3700 worth of mistakes that they didn't catch (on behalf of both staff members and school).
 - CSP is going to give them direction on how to amend their 2017 and 2018 tax returns. It is up to the employee to actually file the amendment, though.
 - ARS is providing this for informational purposes, but the school is not responsible for whether these employees file their amendments.
- After School Rates
 - Starting with the new school year, Jim recommends that we extend service time to 6:00pm.
 - This would increase cost of after school by \$5, taking the fee to \$55/week. (ISS is \$240 per month.)
 - Would like to provide this service to teachers for free, but this could change in the future depending on the number of staff children in the program.
 - Will put together report so we know specifics of how much revenue/expense the program incurs.
 - Kam moved to approve. Jonathan seconded.
- Budget Update
 - In June, we will vote on a budget for the next fiscal year.
 - Jim asked department chairs to make wish list for staffing and tried to make projections to the best of his ability.
 - Need more EC staff and support/assistance.
 - Without adding revenue sources, we would theoretically be in \$90k deficit.
 - Bond investors want a 70-75% range ratio for salaries and benefits % of budget. In potential budget for 2019-2020, we are at 79.81%.
 - Possible Solutions:
 1. Add Students to New Classes
 - Add 40 students to elementary school (add kindergarten and first grade classes)
 - Would hire 2 FT teachers and 1 FT assistant
 - End up with \$51k surplus, plus lowered to 77.89%
 2. Add Students to 6th Grade
 - Add 15 6th grade students
 - Decrease class size for 'other' classes
 - Do this by adding 3 K teachers, 1 FT K assistant, 1 FT MS teacher
 - \$91k surplus, 77.29%
 3. Non-option - Take away teacher bonus
 - Not a possibility, but needs to be listed as an option.
 - \$32k deficit, 78.6%
 - We anticipate changes to the facility to accommodate additional students next year, but in the event that the facility plan doesn't go through, these students will simply go through the system and they won't be replaced through attrition.

- However, all of this *may* not be necessary if our revenue projections change in the next few weeks.
 - **Jim will build two budgets.** Jonathan suggests getting bids from vendors now.
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- Facilities
 - Building standards (Walt and fire marshal) are coming on Monday to determine whether the proposed facility plan meets fire safety standards (sprinkler system).
 - Will need another common space for board meetings, labs, etc.
 - Lease extension
 - We were not able to come to an agreement with the Deaton's on the selling price.
 - We had to request extending the lease for 2 years.
 - BB&T Engagement Agreement
 - Recommended by Facilities Committee.
 - Need to add a 'No Indebtedness' clause.
 - Pending addition of this clause, Jonathan moves to approve contract. Frank seconded.
- Other Items
 - School Uniforms
 - RAP is handling uniforms via Troutman Sign Shop
 - Proceeds go back to the school.
 - School Lunches
 - Requested but did not receive bid from JD's, so proceeded with Mama's. JD then came back and placed a bid. As a result, not prepared to make a formal proposal for the board.
 - May add formal RFP's to the governance committee responsibilities.

School Reports

- Elementary School
 - Would love volunteers for Field Day
 - BOD Invited to Volunteer Luncheon, and Closing Ceremony (RSVP to kathy.shipman@arsnc.org)
 - Staff renewals coming up
- Middle School
 - We need proctors for EOGs: please come to a training session
 - May 9 - Proctor Training 9:30am and 2:00pm in Elementary
 - May 14 - Proctor Training at Noon in Elementary
- Exceptional Children
 - Special olympics May 15th (send off at the elementary school at 8:30 in the gravel parking lot)
 - Number of EC students to date: 73
 - New computer software
- Staff Appreciation Week
 - Thank you to Tai McMiller
 - RAP did a lot this year for both the elementary and the middle school

Frank moved to go into closed session. Raphael seconded.

Closed Session- Personnel, negotiated contracts, facilities

Jonathan moved to close. Kam seconded.

Signed by officer Caity Gordon

AGENDA ITEM REQUEST

SPECIFIC ACTION REQUESTED: Sign Contracts: Petway Mills, Charter Success Partners

AGENDA MEETING DATE REQUESTED: May 8

FROM: Jim

1. **Current and future budget implications:**
2. **Potential cost savings:** NA
3. **Non-monetary value:**
4. **Mandate or plan recommendation:**
5. **Funding origin:** Budgeted Item
6. **Consequences for not acting:** State Compliance Issues
7. **Downside:**
8. **Department Recommendation:** Continue with both contracts

Director's Comments: I recommend continuing services with both companies for another year.

Signature:

A handwritten signature in black ink, appearing to read "Jim", with a stylized flourish at the end.

Date: 5/8/19