

**MINUTES
VSWEA BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY JUNE 17, 2020
VIA ZOOM**

<https://us02web.zoom.us/j/88309267533?pwd=Zm43RWxLaDdPZStwS0hOL2Z4aUFaZz09>

MEMBERS PRESENT:

Matthew Walker – President (M.W.)	John Tanner (J.T.)
John Elling – Treasurer (J.E.)	April Sauer (A.S.)
Gregory Schneider – Secretary (G.S.)	Nathaniel Allen (N.A.)

MEMBERS ABSENT: None

The President, Treasurer, and Secretary were present and a quorum was reached.

GUESTS

Invitees of the Board:

- Christie Kriegsfeld (C.K.)
- Priscilla Garza

Members of the public present via Zoom/Registration through Google Forms:

- Adeline Carrera
- Anna Merritt
- Barb Cunningham
- Becky King
- chrishharshfield
- Christine
- Colleen Pope
- Daniele Ippoliti
- Debbie Allen
- Dmyouknowz
- Ginareyes
- Harper Rose
- Helen Moriarty
- Jennifer Walker
- Jill
- Jim Kerr
- Kim Baker
- Kz
- Laura
- Laura Alvarado-Coady
- Laura Heaney
- Luis Camacho

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- Michelle Kratzer
- Priscilla G
- Sami Rank
- Sarah Williamson
- Susan Kerr

OPENING VERSE

Meeting was called to order at 6:37 p.m.

INTRODUCTIONS

Board Members introduced themselves and review of meeting procedure occurred.

BOARD PROCEDURES

Approval of Minutes

M.W. – move to approve minutes of 6/3/2020 meeting, N.A. second. No further discussion.

Yea: M.W., J.E., J.T., N.A., A.S. / No: -- / Abstain: G.S. **Motion passes.**

Board Calendar

M.W. – Discussed a calendar A.S. created for the Board so the Board can be more proactive and prepared for upcoming events and deadlines that affect the Board and business of the school.

A.S. – Explained the items that appear on the calendar, including cyclical items (like the budget), and regular items like board meetings. This is mostly tentative but provides us a guideline to work with.

M.W. – Pointed out that this is also a helpful way to maintain institutional knowledge and transferring that knowledge to new Board members.

BUDGET AND FINANCE

PPP Loan Update

J.E. presented an update on the status of the use of PPP loan funds, remaining funds available, and possible options moving forward and extended the time available to use the funds under recent changes to the law regarding use of PPP Loan funds.

Balance Sheet & Budget v. Actual (P&L)

J.E. provided an overview of the current balance sheet of the school. M.W. discussed whether the accounts payable had been paid down even further. J.E. noted that they were and that only about \$4,000 remains outstanding.

J.E. discussed the Budget vs. Actuals statement.

M.W. noted that under Income, category “1310 Tuition from Individuals” is at only \$103,071.50 of a budgeted \$226,586.00 – or only 45.49%. But also noted the school was closed in mid-March.

C.K. confirmed these were from the private program. Also noted that \$103,071.50 are the amounts billed. Actual receipts are only about \$73,000, and about \$30,000 remains to be collected.

Priscilla Garza was invited into the meeting and clarified some of the terms stated on the Budget vs. Actuals statement, and revisions to how numbers are reported on this statement moving forward due to a change in the billing systems the school uses. G.S. and N.A. asked follow up questions regarding the recording of financial data under the “Tuition from Individuals” and “Miscellaneous” line items.

M.W. – Noted the importance of the gap in the amount of materials received versus what the school actually needs to provide the educational content it wants to provide.

Budget For FY2020–2021

M.W. – Explained the need to keep the specifics of this draft budget confidential as it is a working draft and contains confidential employee information.

M.W. – Explained that the current draft has a deficit of about 2.5%, or \$74,000. Noted further it is only a working draft and there is room to get to neutral.

N.A. – Noted it appears we have reconciled our budget to the reality of our experience over the past year. Questioned whether we could adjust expectation on materials fees and/or state funding.

C.K. – Clarified that state sales tax revenue is down dramatically which affects the equalization payments to schools, which may result in up to a 15% – 20% drop in state equalization payment funding to schools.

Priscilla Garza – Clarified history of state equalization payments and likelihood of another adjustment from the state in the next fiscal year. She hopes it will not happen again.

C.K. – Noted that the unexpected adjustment from the state last school year caused a lot of catching up for the calendar year.

Priscilla – Noted there is a grant that DMS eligible for and will receive \$50,000 in federal funding to deal with COVID-19 related issues. Also noted a drop in IDEA federal funding. Also noted the general strategy was to create a conservative, bare-bones budget so that if revenue is down we are not in a surprisingly worse position.

N.A. and M.W. – asked about debt service and how that is built into the budget.

Priscilla Garza – clarified that interest on debt is included as an expense, but principal payments are reflected in cash flow. The cash flow projections are not yet available for review.

APPROVED 6/24/2020

M.W. – Suggested C.K. and Priscilla Garza work on an outline for the Board of what needs to be part of the state-submitted budget process, versus a more detailed itemization that will affect the complete picture of the school's finances.

C.K. – Said she would work with Priscilla Garza to provide a document giving a complete overview of the school's expenses.

G.S. – Expressed how important that understanding was to the board.

M.W. – Noted his agreement with the approach to make a conservative budget.

M.W. – Provided an overview of the budget process that remains, and the need for an additional meeting to ensure we can meet all the deadlines. Suggested Wednesday July 8, 2020 for that additional meeting to review the finalized budget. Next week (June 24) we would look at the proposed budget.

M.W. asked whether there were any objections to adding a July 8 meeting.

No objections made. Meeting will be scheduled for July 8.

J.T. – asked how much further adjustments to the budgets before we vote on approving it.

M.W. – Expressed intention for a fully balanced budget where expenses and income are even.

N.A. – Agreed with that sentiment.

Priscilla Garza noted the challenges in balancing the budget.

M.W. – Noted a potential need for discussing certain budget items in executive session.

Parent Council Funding Request

J.E. – Explained Parent Council request for funding. History: funds that were previously raised by Parent Council should have been placed in restricted status, but some apparently were not. Our (initial) records showed about \$7500 in such restricted funds, whereas Parent Council had records of about \$16000. After we did a reconciliation we showed that we were only slightly off. We have been working to reconcile the difference. Making up the difference would be \$9,089.89. Would like to recharacterize that amount from the general fund to restricted funds for the year. Parent Council would use these funds for the school. Parent Council would also like to have monthly reporting. Would like to discuss and vote on moving that money.

M.W. – Emphasized that the records between what the school has and what the Parent Council has are very much in line and that the right thing to do is to make sure this money is accounted for in the way it was intended to be in the first place.

C.K. – Noted this was truly just an error of putting money in the general fund instead of in the proper restricted fund like it was supposed to be. Noted further the money would be used to further teacher education, and there will be a process for teachers applying to use those funds.

G.S. – Agreed with importance of recharacterizing the funds to Parent Council but questioned if there would be any impact on the overall budgeting we are engaged in.

N.A. – Expressed strong support for making this change.

A.S. – Further stressed importance of making this right to Parent Council and fixing the errors to support all the often un-thanked hard work that Parent Council puts into the school.

M.W. – Noted the general consensus for recharacterizing this money to Parent Council and tasked J.E. with making the change.

C.K. – Noted that the Parent Council would receive monthly reporting going forward around the same time as the board.

EXECUTIVE DIRECTOR REPORT

No questions on the Executive Director's report.

M.W. – Thanked C.K. and administration for the hard work in achieving a total enrollment of 284 so far, and possibly improving that more.

COVID-19

M.W. – Noted the work towards a reopening plan, including having one in place by June 30. Invited C.K. to give further details.

C.K. – Noted the ADE guidance is really that – mostly guidance and not a lot of mandates. DMS has decided that an entirely remote learning plan, meaning one where there is no plan at all for in-person instruction, is not a viable strategy for DMS. Accordingly the plans for the school are working on three scenarios:

1. Complete in person instruction starting August 13;
2. Staggering instruction, so that half the class goes two days a week, the other half goes another two days, and the last day of the week is remote learning.
3. Forced closure of the school due either to government order or safety determination by the school. This is possible based on current forecasts of COVID-19 spread. Hope is to be able to flip a switch and keep learning.

C.K. – Further noted the need for flexibility during this time. Things are constantly changing. Just today it was announced that cities can now decide whether to mandate the use of face masks.

M.W. – questioned what the difference between a plan for forced closure and a plan for full distance learning would be.

C.K. – Clarified that offering full distance learning would involve making it available from the start of school. DMS is not planning to do that.

M.W. and C.K. discussed what sort of publication of the plan would be shared with the community by June 30.

M.W. – Asked what other charter schools are doing.

C.K. – Described some schools focused on entirely remote learning plans. Stressed all schools are dealing with uncertainty – in terms of funding, health and safety measures, and potential closures. Noted the challenge for DMS’s experiential, Waldorf learning model to adapt to mandated distance learning, but that the faculty and staff have been working hard to develop a plan and are excited to return in some fashion in the fall.

M.W. – Stressed the need for patience and flexibility. These are complicated plans that don’t currently exist and need to be created. And they need to be plans that work for DMS. But also flexible because things are going to change. We will likely need to pivot at some point, and we may not get a lot of advance notice. We’ll need to be as comfortable with those fast changes as much as we can be. Communicating often will be important. Reinforcing communication channels that exist will be helpful, including ParentSquare.

N.A. – Wanted to clarify that the plan is to reopen in person in the fall.

M.W. – Noted that is the plan unless the state mandates closure or we determine it is unsafe to fully open in person at that time.

C.K. – Confirmed that is the plan.

M.W. – Noted that to deal with many of the COVID-19 issues, the school would be asking for additional funds from the community. Noted N.A. has offered to assist in some of those fundraising efforts.

C.K. – Stressed the new expenses that the school will have – from sanitation, to safety training, to supplies (including personal protective equipment, thermometers), potential technology expenses, teacher training relating to social/emotional trauma of students and teachers as we continue through this pandemic, and how the state will hold DMS accountable for attendance. All these challenges are necessary to meet to ensure the health and safety of students, faculty, and staff.

SURVEYS

A.S. questioned status of faculty survey and school survey.

M.W. clarified that a survey went out to faculty and staff, that we have responses to it, and that the information is being organized in a way the board can read.

C.K. noted that the administration now hopes to send out a community survey by the end of July. The hope was to get this out sooner but planning for all the contingencies for reopening has taken precedence.

PERMANENT EXECUTIVE DIRECTOR SEARCH PROCESS

M.W. – Noted the desire to create an advisory panel consistent with a document circulated to the Board. Idea is to involve others from the key three stakeholder groups (the Board – who will retain all decision rights, the faculty, and the parent community). Panel would be comprised of six people, two from each of the foregoing groups, and involve them in the process. General criteria:

- For Board members – the Board president will select those two panelists. It will not include the Board President.
- For faculty – in good standing, highly qualified and deeply experienced. Once the Board solicits interest, anyone meeting the criteria could submit a statement of interest. Then a survey would be issued to the faculty regarding whether they would support the faculty members who had applied. Then the board would vote to select the two faculty members considering the survey results.
- For parents – looking for parents of current students. Must have one or more children currently enrolled with DMS. Require that there be no familial relationship with a Board member or faculty member to ensure we are getting broad representation. Ideally would have children in different realms/grades. Would be in good standing (no Parent Code of Conduct violations) and demonstrated ability to maintain confidentiality. The board would send out a communication to the community with a nomination form. Anyone interested could nominate themselves and submit a statement of interest, or they could nominate someone else. We would ask for faculty input on those who have applied. Then the Board would review the applicants and vote on the two who would serve on the panel. We would do our best to keep the names of those nominated from the parent community confidential until the two folks named.

J.E. questioned how the panel would interview candidates and when the Board would interview candidates.

M.W. explained that the panel would conduct an initial interview and provide feedback to the board. But there could be several rounds of interviews leading to the final voting on candidates.

G.S. questioned how the timeline for implementing this plan would work and whether we could follow the plan consistent with the usual hiring cycle for directors.

M.W. expressed confidence that the timeline could be met and that a lot of work has already been done so far to get this plan going. But wanted to get the rest of the Board's input before proceeding.

A.S. followed up that she has a lot of this ready to get the process started of selecting panelists.

ANNOUNCEMENTS

APPROVED 6/24/2020

Next Board meeting: 6/24/2020, 6:30 p.m., via Zoom webinar, links forthcoming. This meeting right now is specifically focused on the budget. An executive session may be necessary to discuss sensitive topics like salaries.

CLOSING VERSE

M.W. – move to adjourn, A.S. second. No discussion. Vote: Unanimous (J.E., G.S., M.W., A.S., J.T., N.A.). **Motion passes.**

Meeting was adjourned at 9:04 p.m.

Prepared by G.S. on 6/17/2020 and revised on 6/24/2020, incorporating suggestions from M.W.