

Augsburg Fairview Academy
Minutes for June 19, 2012

Members Present: Grugel, Niemand, Anderson, Curtis, Beeth, Hageness, Wolfe

Ex Officio: Spira

Guests: Chris Brown (Augsburg College) and Dawn Jenkins (SBS)

1. Dr. Grugel called the meeting to order at 9:05 am in the AFA conference room.
2. Minutes: Reconciled cash flow amount was not included. It should say “reconciled cash flow of \$206,422.”
3. Authorizer’s Update (Mr. Brown):
 - a. Contracts need board members’ signatures, along with the signatures of Chris Brown and the Dean of Augsburg College.
 - b. Authorizer’s score for contract renewal (Mr. Brown):
 - b.i. Board needs to look at contract renewal because every board member is responsible for knowing and understanding the contract. The board never received copies of the contract to review because corrections needed to be made before Dr. Grugel sent it out to the board. Dr. Grugel never received the corrections (Grugel).
 - b.ii. During February to late March, Mr. Brown and Ms. McClellan reviewed AFA’s data. The amount of academic data is low, which is understood because the data pool is low. The authorizer’s main concern is the board meetings. The school board is meant to serve the public, so the board should meet at a time when it is public friendly so parents and community can attend. Mr. Brown recommends Tuesday evenings. Parents do not attend, so the board has not changed the meeting time. Parents will not even come for free food at Family Night (Spira).
 - b.iii. Charter school contracts can be renegotiated before completion.
 - b.iv. Chris Brown and Cheryl McClellan rated Augsburg Fairview Academy and turned the rating into the state. The final score was 76/84.
 - b.v. The new contract will be devised by an advisory panel. The contract will be a 2-year contract stating the school’s vision and mission, academic and nonacademic goals, and benchmarks. It also discusses insurance, if the building in code, etc.
 - b.vi. The authorizer payment formula has change since last year. The number that comes up on October 1 will be divided by 0.015.
 - b.vii. The contract must be into state by next week. It will be in on time.
 - b.viii. The contract is two-way. Augsburg Fairview can discuss authorizer’s performance as well.
 - b.ix. After reviewing and signing the contract, Dr. Grugel will drop it off for Mr. Brown at his office.
4. Financial Report for May, 2012:
 - a. SBS (Jenkins):
 - a.i. The current budget and State Aid is based on an ADM of 140. The School has a reconciled cash balance of \$206,422 on May 31st. Total revenue to date is \$1,020,619, 65% of the budget. Year-to-date expenses are \$1,324,302, 63% of the budget. State aid holdback is currently 35.7%, and the number of disbursements has been shortened to 17 payments.
 - a.ii. Page 19 shows a negative amount for the monthly activity for benefits of Connections staff. This is due to a coding error of a staff member.
 - a.iii. Page 18, under Administration Services, approximately \$5-6 thousand went to student checks for their recruitment of new students.
 - a.iv. Question (Grugel): Page 19 shows 136% for Purchased Services. What was that used for? On page 31, under Instructional Support Purchased Services, there is money spent for staff development. The trainings are for the following year, but are showing up on this year’s budget. That is why it is 136% (Spira).
 - a.v. Benefits, at 363% of budget, appear negative since all employees’ benefits are all categorized under one individual, but in reality, each individual is paying separately at differing amounts.

The FY 13 budget will show insurance divided evenly amongst staff in order to accurately represent the number of people on staff, however the amount of each employee's payment will differ from one another.

b. Treasure's Report (Ms. Anderson):

b.i. All checks written and Visa purchases were accurate for April and May.

b.ii. Checks written in May were mostly made out to students for their recruitment of new enrollments.

b.iii. There were few purchases using the Visa account during May.

5. Executive Director's Report (Dr. Spira):

a. Graph of Attendance (see attached): The projected ADM was 142. The final annual ADM is actually under 140, which means that the School will have to pay the state back for about 2-3 students. This low number was surprising because there were about 8-12 students who were enrolled at other schools while still enrolled at Augsburg Fairview Academy. No one knew that they had switched school and the new schools never sent any requests for transcripts.

a.i. Question (Smith): Could students be removed from our enrollment if we have not seen them? Answer: we cannot fight that, 1st time that happened; when a student has not been attending, we need to pull them out, keep pushing student recruitment;

a.ii. For every five to six students removed second semester, the ADM lowers by one student.

a.iii. Question (Wolfe): Who is responsible for tracking student attendance and enrollment information? Answer: In Connections, students are told to inform Faaria Husain if they are leaving Augsburg Fairview Academy. In College Fast Track, Bart Johnson as the Lead Teacher should know if students are leaving Augsburg Fairview Academy, which should be monitored via attendance by Check and Connect. Teachers should also know who has been missing because they are taking attendance for every class period (Spira). As a teacher who does monitor attendance, I asked if students who had not been to class in a long time should be removed from my grade book and I was told that they would be removed off of our class rosters by another staff member, so just leave it as is for the time being (Wolfe).

a.iv. The final ADM is 133, which means that there will be a shortfall of approximately 15-17 thousand dollars withheld by the state.

a.v. Question: Can students receive academic alerts if they have missed too many days? Answer: Follow-up with notoriously absent students is an area for improvement. It is hard to always find students because 18-year-old students can change schools on their own, etc. (Spira).

b. Cash-flow: There is \$130,000 in the checking account as of June 30th. July 15th is payroll, which totals \$30,000 each pay period.

c. Lease aid was approved with an ADM of 142. The school will receive money again after July 15th.

d. The audit is earlier this upcoming school year.

e. Efforts are being made to get a line of credit from a bank, rather than Charter School Capital, so there would not be as much interest to pay.

6. Inside Director's Report:

a. Ms. Anderson:

a.i. School is over!!!! There were 28 graduates. The ceremony was on Thursday, May 31st, located at Center for Changing Lives. The room was packed with families and guests.

a.ii. Graduation testing will take place throughout summer for seniors who need to retake a test in math, reading, or writing.

a.iii. Heidi Anderson and the Americorps Promise Fellows, Kelly Timian and Jessica Kitzerow, are planning to put on two summer fun activities per month for students to stay connected with Augsburg Fairview Academy.

b. Ms. Wolfe:

b.i. Jessica Niemand and I co-taught a dissection lab with Ms. Niemand's Anatomy class. The students did very well and were very thorough with their dissections. Each student had his or her own specimen, which was one of the following; fetal pig, dog shark, turtle, snake, mink, iguana, or frog.

- c. Ms. Niemand:
 - c.i. Speakers on domestic violence came in to give a presentation to approximately 40 Health students. They shared their experience of the murder of their friend attending Mankato State. The students were engaged, asked good questions, and were very quiet and respectful.
 - c.ii. Students who participated in TOP for Health class celebrated their service learning project by eating lunch at a buffet and then going to Nickelodeon Universe. The students were well behaved on the trip. The celebration was donated to the school by TOP.
 - c.iii. Next fall, Ms. Niemand is hosting a student practicum for a college student who is working towards a Master's degree in Holistic Health Studies.

7. Proposed Actions:

- a. APPROVED unanimously that the budget for summer recruiting would be a total of \$8,000 and summer recruiters will receive a bonus in October if a minimum of 120 students are enrolled. (Motion, Spira; second Hageness)
 - a.i. Negotiated by Mr. Johnson, Ms. Anderson, and the Recruiting Team.
 - a.ii. (Anderson) It would be a salaried position with a bonus, which was a suggestion from the board. A compromise was made for a contract of \$4,000 salary for each recruiter this summer and a formula based bonus to be paid October, 2013. The percentage of pay would be greater for the recruitment of younger students and less for juniors and seniors. There is some extra money since the Teacher's Retirement Association formula is incorrect (the actual payment is less than budgeted) and since Ms. Perreault switched her Powerschool training to Las Vegas, which was cheaper than the trip originally budgeted. The School also has a need for a second recruiter for the summer.
 - a.iii. Question (Niemand): Is there a schedule for summer recruitment? Answer (Anderson): No. Each recruiter needs to obtain a certain number of enrollments.
 - a.iv. (Wolfe) I am concerned about the Recruiting Team's commitment due to changes in attitude and behavior since the last board meeting. (Grugel) Think about if the *position* would deserve this proposed contract and remove the people. (Anderson) Michael Spriggs is motivated to reach his goal because he has no other source of income. He also seemed genuine and sincere during the negotiation meeting.
 - a.v. Question (Grugel): When students are recruiting, new students who are brought in tend to stay. How does this compare to the long term success of adults recruiting? Answer (Spira): Students are not good for summer recruitment, but frequently know others who need to transfer to a new school during the school year.
 - a.vi. Question (Anderson): In the budget on page 36, for the Recruiter salary, it says the position is 0.20 FTE as well as 0.50 FTE. Which one is correct? Answer (Spira): That is a typo. It should be 0.50 FTE.

- b. APPROVED unanimously after the review of the letter of intent of implementing a third AFA program, which would be strictly online for homebound students or students who are unable to attend school for reasons such as health, children, etc. (Motion, Johnson; proposed by Anderson; second Niemand)
 - b.i. (Anderson) Page 45 is the letter of intent to implement the third program, a strictly online school. It would not be used for Semester 1, maybe Semester 2 for homebound students. The program would enroll 10-15 students maybe. Would the program actively recruit?
 - b.ii. Question (Niemand): One concern is that not all teachers teach SDL Apex classes currently. Would this be a requirement for teachers?
 - b.iii. (Hageness) There may be a need to cap the number of students enrolled. How many students would it hold? How many current students are in need of this program? That information may need to be put into letter.
 - b.iv. (Spira) It takes six months for processing a formal application. (Anderson) It is a four step process. The letter of intent needs to be in by June 30th.

- b.v. (Grugel) January seem like it may be too soon. There would be tons of preparation needed. (Anderson) The letter submit this year is for the 2013-14 school year.
- b.vi. (Wolfe) Apex classes would be used so teachers do not have to make their own courses and curriculum.
- b.vii. The letter of intent just determines whether or not the School is able to host this program.
- c. APPROVED unanimously to partner with the Center for Transformational Education to implement a year-long project “Bonding For Success” proposed by Dr. Bill Spira. (Motion, Spira; second, Curtis)
 - c.i. (Spira) The Federal Grant was denied, although there were many positive comments on the Program. The research methodology will be reworked, which was the area needing improvement, and then will be resubmit for the following year. The proposition of partnership was brought forth in order to get “Bonding for Success” rolling.
 - c.ii. (Spira) The idea of the Program is to create better bonds between students and improve on bonding skills, planning abilities, and aid students in the work force. Approximately 40 organizations will receive a letter of inquiry, asking for some aid in financing an intern to work full-time with the students as a talking circle facilitator, etc., as well as working with Dr. Spira.
 - c.iii. Question (Anderson): Would the intern be hired from the outside? Answer (Spira): Yes. AFA would do the billing and provides the stipend on semiannual basis, although the intern would be on a monthly basis.
 - c.iv. (Spira) The Program would ramp up circle involvement. It would give students a venue to take action about passionate issues. Students coming in focus on reading writing and math, especially for the GED and Graduation tests. Students enrolling all have motivation and marginalization issues. Brittany Hacker and Faaria Husain have been working to form relationships with these students. If students do come in and have academic success (in CNX), they will be able to do a workforce program partnering with local employers. This would mean guaranteed jobs and onsite training of how workplaces get managed and function. Surveys given to students show that they are lacking in the area of “Enlightened Trust.” The majority of the students have learned distrust, especially from those in authority or those who are unfamiliar. The jobs and GED aid will entice students to attend school.
 - c.v. Question (Beeth): What if the Program gets partially funded? Answer (Spira): The amount of money needed can be adjusted, but salary for the intern cannot.
 - c.vi. Question: Is the job market even open for this group of youth? Cannot find positions, even pre-med students cannot get a job at Target, even volunteering positions are hard to come by. Answer (Spira): A number of our students already have jobs at SA, Nickelodeon Universe, McDonald’s, etc. The attraction for the employers is being able to count on reliable students for employers.
- d. APPROVED unanimously proposed Promissory Note stating the plan to pay off the Messiah loan. (See attached) (Motion, Spira; second, Curtis)
- e. TABLED Executive Team Evaluations for further revision. (Motion, Wolfe; second Niemand)
 - e.i. All stakeholders (Board Members, Community Members, etc.) should be able to submit evaluations if they so choose on the Executive Team.
 - e.ii. (Grugel) Each responsibility needs to be very clear so that the person taking the survey understands exactly what they are evaluating in each position.

8. Announcement:

- a. (Spira) Jordan Stevens, alumni of AFA, will be calling Ms. Wolfe, Ms. Niemand, and Ms. Anderson for financial planning interviews for his internship.
- b. Next meeting date is Friday, August 17th at 1 pm in the AFA conference room. The next board meetings will take place as follows: September 26th at 6:00 pm, October 24th at 6:00 pm, November 28th at 6:00 pm, all taking place in the AFA conference Room.
- c. Thanks to Bill for his time serving AFA.

Meeting adjourned at 11:21 am.

PROMISSORY NOTE

Principal amount: \$25,062.50

July 1, 2012

WHEREAS prior to December, 2009 parties hereto, Messiah Evangelical Lutheran Church (Landlord/Lender) and Augsburg Fairview Academy (Tenant/Borrower) entered into a certain Lease agreement providing for certain rents to be paid on a monthly basis, and

WHEREAS due in principle part to legislative action that delayed lease aid payments upon which Tenant relies for rents payments under the terms of this Lease Tenant delayed payment of seven months' rent for the period from December, 2009 through June, 2010 in the amount of \$6,250.00 per month, and

WHEREAS Tenant has now paid \$20,000.00 toward said rent arrearages leaving a remaining balance of \$23,750.00 plus interest from January 1, 2012 to July 1, 2012 in the amount of \$1,312.50, and

WHEREAS the parties hereto have agreed to memorialize said amounts owed by the terms of this Promissory Note.

NOW THEREFORE it is agreed that for value received Borrower agrees and affirms that it owes to Lender the current amount of \$25,062.50, which amount is recognized as being past due under the terms of the subject Lease since the said rents accrued, and

IT IS FURTHER AGREED as follows:

That further interest at the yearly rate of 6.0% be applied on the unpaid balance commencing on July 1, 2012.

That Borrower agrees to make monthly payments to Lender in the amount of unpaid accrued interest hereunder plus \$200.00 toward principal.

That Borrower will pay will pay to Lender all remaining principal and accrued interest hereunder on or before July 15, 2013.

That all payments will be applied first to interest and then to principal.

That this Promissory Note does not and will in no manner affect or alter the terms of the subject Lease agreement between the parties.

That in the event Borrower fails to make payments due hereunder Lender will have at its option any and all remedies it would have had prior to accepting this Promissory Note from Borrower.

DATED: June ____, 2012

For Augsburg Fairview Academy, Borrower

Acknowledged by Messiah Evangelical
Lutheran Church, Lender

Students

