

Augsburg Fairview Academy

Minutes for Board Meeting

December 16, 2011

Members Present: Perry, Niemand, Hageness, Beeth, Kaufman, Anderson,

Ex Officio: Spira, Johnson

Guests: Ann Yang, School Business Solutions; Kitty Patraw, AFA

1. Dr. Kaufman called the meeting to order at 12:33 pm, welcomed guests, and made introductions.
2. VOTED unanimously to approve the minutes of the November 18, 2011 meeting
3. Financial Report
 1. Ms. Yang reviewed the financial report for October: both revenue and spending are on-track for this point in the fiscal year given the state hold-back.
 2. Ms. Anderson reported that her Treasurer's review of disbursements revealed no problems for October.
4. Executive Director's Report
 1. Dr. Spira reported that enrollment is currently at 143 with an average ADM to date of 131.36. Net growth in enrollment in the past month has been 0.33 per school day; projections of continued enrollment growth suggest that the school will achieve its budget target of a annual ADM of 140 or greater by the end of the school year.
 2. Dr. Spira reviewed the status of the application to Charter School Capital to sell approximately \$480,000 in receivables beginning in late February. He noted the need to sign new agreements and authorizations in January, involving board action. For this reason, the January AFA board meeting should be scheduled on January 20 in order that a phone conference with CSC can be arranged to finalize arrangements.
5. Lead Teacher's Report
 1. Mr. Johnson reported that progress is being made in preparing students for both reading and math tests, thought the math test prep class is down in enrollment. He also mentioned that the Cultural Advisory Board met for the second time this year and will focus on greater family involvement.
6. Inside Directors' Report
 1. Ms. Anderson reported that: the last Family night was successful (participants watched a movie and ate pizza); her Paideia seminar in Social Studies classes will involve a Skype seminar with Moose Lake students in the Winter/Spring; and that Advisories/Developmental Designs/Peacemaking

Circles are going very well and improving student connectedness and school climate.

2. Ms. Perry reported that CNX enrollment is up and that students are improving their work habits and are working on new projects like crochet. The credit-earning is low for this time in the year.

7. Board Actions

1. VOTED unanimously to approve the final draft of the Governance and Management Framework submitted by the Executive Team (motion by Spira; Anderson second).
2. VOTED unanimously to approve the attached policy to deal with the projected deficit in the FY2012 budget (motion by Spira; Perry second)
 1. Discussion of this motion included the following:
 1. Dr. Spira reviewed a list of non-labor expenditures that could be reduced to eliminate approximately half of the deficit. This list was approved as an amendment to the original motion.
 2. Dr. Spira reviewed three further options to deal with the remaining half of the deficit: lay-offs, across-the-board cuts, and draw on the fund balance.
 3. Ms. Hageness stated a preference for drawing on fund balance.
 4. Ms. Yang noted the negative ramifications of drawing on fund balance - including reliance on selling receivables to meet cash flow.
 5. Ms. Beeth stated reluctance to drawing on fund balance.
 6. Ms. Anderson and Ms. Niemand stated reluctance to support a pay cut based on teachers' salaries and hardships in personal budgets.
 7. Ms. Patraw suggested rethinking receiving raises each year.
 8. A straw poll indicated insufficient support for an across-the-board pay cut.
 9. Mr. Johnson, Dr. Spira, and Ms. Patraw expressed reservations about the wisdom of instituting involuntary lay-offs, either full or partial.
 10. The board unanimously approved an amendment moved by Dr. Spira to direct the executive team to carry out employee lay-offs sufficient to reduce compensation to balance the budget with a maximum draw on the fund balance of \$10,000.
 11. The board unanimously approved an amendment to, moved by Mr. Johnson (Spira second), to increase the maximum draw to \$26,000.
8. The next meeting of the AFA Board, at which newly elected directors will be seated, is scheduled for Friday, January 20, 2012, at 3:45PM
9. The meeting was adjourned at 3:00 PM

Policy to Eliminate Projected Deficit in FY2012 Budget, approved 12.16.2011

The FY2012 budget will be revised to eliminate the deficit for the current operating year. The following reductions in non-labor expenses are directed:

		<i>Reduction</i>	<i>Current Budget</i>	<i>Revised Budget</i>
01 E 005 105 000 000 401	Non-Instructional supplies - Other Administration	1,000.00	5,000.00	4,000.00
01 E 005 105 000 000 530	Gen Admin Support - Equipment Purchased	500.00	1,000.00	500.00
01 E 005 105 000 000 555	Gen Admin Support - Technology Equipment Purchased	1,000.00	1,500.00	500.00
01 E 005 810 000 000 330	Utilities	3,000.00	35,000.00	32,000.00
01 E 005 810 000 000 350	Repairs (e.g., front door if necessary)	2,500.00	4,000.00	1,500.00
01 E 005 810 000 000 351	Moving costs & infrastructure improvements (e.g., phone lines, electrical outlets)	2,000.00	3,000.00	1,000.00
01 E 010 211 000 000 305	PSEO tuition for participating students (based on MnSCU rates for FY11)	3,000.00	12,000.00	9,000.00
01 E 010 211 000 000 306	Substitute Teachers (Pool days @ \$170.00)	2,500.00	6,800.00	4,300.00
01 E 010 211 000 000 530	Equipment purchased – Furniture (tables & chairs)	500.00	10,000.00	9,500.00
01 E 010 211 000 000 555	Equipment purchased – Computers & Technology	500.00	25,000.00	24,500.00
01 E 010 640 000 306 366	Travel/Conferences - Staff Development	2,000.00	6,000.00	4,000.00
01 E 025 211 000 000 394	Field Trips	1,000.00	1,000.00	-
01 E 025 211 000 000 430	Instructional Supplies – shared (not science)	1,000.00	4,000.00	3,000.00
01 E 025 211 000 000 460	Textbooks & Curriculum resources	2,000.00	5,000.00	3,000.00
01 E 025 260 000 000 430	Instructional Supplies - Science	2,000.00	3,000.00	1,000.00
01 E 035 211 000 000 394	Field Trips & outreach projects	1,000.00	1,000.00	-
		25,500.00	(50,603.00)	

In addition, the executive team will carry out employee lay-offs sufficient to reduce compensation so as to to balance the budget with a maximum draw on the fund balance of \$26,000.