

**Face to Face Academy**

**Board Meeting Notes**

**April 18, 2022**

Attendance included Academy School Board Members Bryan Bakke, Mike Nord, Paul Roark, John Vasecka, Willie Suttle, Rachel Blawat, and Margo Thomas. Also present for the meeting were Darius Husain (*Academy Director,)* Jennifer Plum (*Assistant to the Board Secretary,*) and Tom Kigin (*Advisor to the Board Members.)* Guest: Craig Kepler. ***This Board Meeting was conducted both on campus and via Zoom so that all Members could attend*.**

**1) Review of Agenda and Conflict of Interest Regarding Agenda Items**

**2) Review of Board Minutes March 28, 2022**

**Upon a motion duly made and seconded, the March 28, 2022 School Board Minutes were accepted as submitted.**

**3) Affiliated Building Corporation (Special Guest Craig Kepler)**

1. Mr. Kepler gave a summary of charter school statutes in Minnesota regarding building facilities, real estate property, lease aide and their relationships to one another.
2. Mr. Kepler stated that most Affiliated Building Companies have members representing the charter school like outgoing Board Members who are loyal to the charter school. Members usually meet once a year to approve the audit and hear a state of the school address. The charter school represents the sole voting member of the Building Corporation Board.
3. Boards consist of three members with terms of one year. Re-appointments are legal and recommended. Recommendations include the school Director communicating with the Building Corporation Board with the charter school board appointing members each year for new annual terms.
4. The standards to access reserves for building-related costs are usually requested by the charter school to the Building Board.
5. The Building Corporation holds the title to the school building property and has no employees.
6. The charter school can appoint new members to the Building Corporation.
7. Firms like Deici manage the financial paperwork for a Building Corporation.
8. Both Boards need separate members, but can share management.
9. Mr. Kepler did not note any downsides to the Building Corporation because the charter school maintains financial control. He noted that some charter schools hire a third party building management firm.
10. Mr. Kepler said the process for setting up a Building Corporation can currently take up to a year, because the IRS is backed up.
11. Mr. Kepler has worked with other charter schools who have used a condo-like ownership of a building space with some shared costs with other building tenants.
12. Mr. Kepler noted that Building Corporations are able to hold the title to a building and lease to additional tenants if desired. He recommends against this policy unless the charter school is interested in enrollment expansion because the Building Corporation would be responsible for finding a tax-exempt tenant to cover the cost of the building if one of the leases were unfulfilled or expansion did not occur.
13. There are about 180 charter schools and Mr. Kepler noted that about 50% of the schools use Affiliated Building Corporations. He summarized that some of the charter schools who struggled with Building Corporations had other larger issues like school management and charter school authorization concerns.
14. Mr. Kepler noted that most charter schools use bond financing that can become very politicized, but there are other options for financing.
15. Open meeting laws do not apply to Building Corporations, but it is required that the Minutes be posted to the charter school’s website, including any financial documents. Building Corporations can meet remotely and can approve by written resolutions.
16. The cost to set up the Building Corporation would be $6K as an initial cost and then any other ongoing cost would be affiliated with Deici for any additional financial paperwork needs.
17. 10% of lease aid is paid through the charter school general operating fund while creating a facility reserve fund to cover any building repair and maintenance.
18. Mr. Husain recommends revisiting the topic again in next month’s meeting.

**4) Finance Report, Credit Card, Checks, and Wire Statements**

1. Financial Statements were received through March for the school year 2021/22 and shared for the Board to review. This document reflects the recent budget revision.
2. Revenue is at 71% received.
3. Expenditures are 68% spent.
4. The school year is 75% complete.
5. The budget reflects an ADM of 87.5 students. Current enrollment is 91 students with 4-5 new students anticipated to be enrolled next month.
6. Reconciled cash balance is indicated on the financial document at $740,916.
7. Current total state holdback is noted at $119,231 which is 10%.
8. Donations received are at $16,886 which does not include the recent $15K for the music program and podcast unit. This does not include the Madesmart donation.
9. $40K grant for Covid-testing includes purchases for air filtration units.
10. Kinney Grant has been accessed and is renewed on a three year cycle.
11. April’s lease payment has been made to Health & Counseling.
12. Checks and wires, Amazon purchases, and the credit card statements were circulated for the Board members for review.
* Tuition reimbursement was the scholarship payment for Academy graduate from the Live for Olivia fund.

**Upon a motion duly made and seconded, the financial statements were accepted as submitted.**

**5) Staff Salary & Compensation Process Policy**

1. Staff Salary & Compensation Policy (Returning Staff) handout was circulated for Board Members to review and discuss.
2. Policy was initially reviewed in the Board Executive Committee.
3. Salary review process begins now as preparation for the new school year.

**Upon a motion duly made and seconded, the Staff Salary & Compensation Process Policy for Returning Staff was accepted as submitted.**

**6) Covid Assessment & Mitigation Tool**

1. Covid Mitigation Strategies: Three Levels of Response (Draft) was circulated for Board Members to review and discuss.
2. Handout was created by Academy several staff members and then shared and approved by the whole staff.
3. The policy is recommended by Academy staff to begin in the school year 2022-23; however, while Covid case counts are low, short and local field trips have started recently.
4. Academy is currently acting like it’s in the yellow zone even though case counts are more like green, according to the handout color codes.
5. Mr. Husian recommended using the handout as a tool for specific Board actions like to lift or impose a mask mandate.

**Upon a motion duly made and seconded, the Covid Mitigation Strategies handout was reviewed and approved by the Board as submitted.**

**7) Academy Program Report**

1. The Pampered Chef fundraising event was completed. All of the items listed on the wish list were purchased for Academy students.
2. The Academy’s podcast anticipates launching its first episode in early May. There will be a new episode released each week following the launch.
3. Graduation is scheduled for Thursday, June 9th at the Como Lake Dockside Pavilion.
4. Field trips are opening up again and students are participating in local wilderness and outdoor events like hiking and canoeing.
5. A June Board meeting may not be needed and will be determined at the next Board meeting.
6. Mr. Suttle noted that Health & Counseling’s 50th anniversary is this Thursday evening from 5-6:30 p.m. at the Depot. Mr Husian will send out information to Board members.

The next Board meeting will be held on May 16th.

Meeting adjourned at 6:00 p.m. Respectfully Submitted,

Bryan Bakke

Board Secretary