

CALIFORNIA MONTESSORI PROJECT
REGULAR MEETING OF THE GOVERNING BOARD
Monday, May 5, 2003
MINUTES

DATE: Monday, May 5, 2003
TIME: 6:30pm
MEETING PLACE: **Carmichael Annex – American River Campus**
(916) 989-0141
5811 Walnut Avenue
Orangevale, CA 95662

PUBLIC MEETING OPEN SESSION:

1. MEETING CALL TO ORDER AND ROLL CALL AT 7:20 PM.

Only three members were present at roll call - no quorum was established. Member Erin Auernig arrived at 7:45, establishing a quorum for the rest of the meeting. In Val Toppenberg's absence, Sara Aikenhead conducted the meeting as acting Chairperson.

<input checked="" type="checkbox"/>	Sara Aikenhead	Business Representative
<input checked="" type="checkbox"/>	Erin Auernig	Montessori Representative
<input type="checkbox"/>	Jayna Gaskell	Charter School Representative
<input checked="" type="checkbox"/>	Dorothy Hilts	Teacher Representative
<input type="checkbox"/>	Tami Johnson	Sponsoring School District Representative
<input type="checkbox"/>	Val Toppenberg	Community Representative
<input checked="" type="checkbox"/>	Angela Wiggins	CMP Parent Representative

2. CLOSED SESSION: CLOSED SESSION WAS CANCELLED

Pursuant to the Brown act, a closed session shall be conducted with respect to every item of business to be discussed in closed session pursuant to Section 54956.8, Conference: Real Property.

3. COMMUNICATION FROM PUBLIC

3.01 This portion of the meeting is set aside for the purpose of allowing an opportunity for individuals to address the Governance Committee regarding matters not on the Agenda but within the Governance Committee's subject matter jurisdiction. The Governance Committee is not allowed to take action on any item which is not on the agenda, except as authorized by Government Code Section 54954.2.

3.02 Special Acknowledgements: Special recognition for exceptional support and dedication at the Carmichael Annex/American River Campus.

Assistant Principal Kim Aldridge presented certificates of recognition to Daisy Tom, outstanding parent at the Carmichael Annex/American River Campus, and Celia Wilkerson, outstanding teacher at the Carmichael Annex/American River Campus. So many parents and all members of the staff have contributed above and beyond, and these two individuals stand out above all.

4. CONSENT AGENDA

4.01 Approve minutes from regular governing board meeting of April 7, 2003.

The Board is requested to approve the minutes from the last regular meeting of April 7, 2003

Consent Agenda was tabled due to lack of a quorum.

5. INFORMATIONAL ITEMS

5.01 Campus reports (to include general classroom configurations and enrollment projections at each campus):

American River Campus _____ Deanna Gardner

Kim Aldridge reported that current enrollment is at 56 students and they are working on enrollment for next year. They will again be hanging banners and continue local area marketing to continue advertising for additional new families now that next year's planning is beginning to take shape.

Carmichael Campus _____ Deanna Gardner

Deanna reported that current enrollment is at 163 students and projecting a Fall enrollment of 251 spaces currently filled with a lottery pool continuing to grow. They are working on accreditation issues and continuing with tenant improvements which are moving on incredibly well. They are looking forward to moving upstairs and are planning a gradual move. Over the summer they will finish the downstairs improvements. The stairs should arrive soon and then the Fire Marshal can sign off and they can move upstairs.

They are planning a beautiful graduation ceremony at Carmichael Park for June 27th at 10 am. All are invited to attend.

Capitol Campus _____ Shellie Wright MacColl

Capitol Campus continues with a constant enrollment of 116 students. They continue to plan with both Scenario A and Scenario B if possible extra space becomes available. If they are able to expand with the extra space, they have a healthy lottery pool available. They should know which way they are going by the end of this week.

A rummage sale is planned (goal of at least \$1400) and will be combined with the Spring Book Fair. All money raised will go toward the playground structure. They are using this week to plan for Teacher Appreciation week and will be hosting a luncheon next week. Parents are helping put this together and creating the opportunity for the staff to be together for a couple of hours.

Two class performances are left for the year; and they are in the process of planning their graduation ceremonies. Kristen Kroll and Shellie Wright MacColl were able to attend the NCME conference, funded by parent fundraisers. They purchased a lot of materials, learned a lot, and had a great time!

Elk Grove Campus _____ Bernie Evangelista

Enrollment continues at 159. The 4/5 class is on a field trip to Point Bonita. Elk Grove sponsored a talent show last Friday night at the Community Services District Board Room. Norman has just completed some anecdotal observations today and all feels good.

The Middle School is preparing for their first immersion week and will be a Career week.

Shingle Springs Campus _____ Kim Zawilski

In Kim's absence, Dorothy Hilts reported that the Cinco de Mayo celebration was moved to May 17th due to weather. It is a huge annual family event which includes dinner, a silent auction, raffle and various activities. It is held out on the soccer field and playground area. All are invited to attend.

Erin Auernig joined the meeting at 7:45 pm establishing a quorum.

5.02 Education Consultant Norman Lorenz

- Year end school campus observation report
Norman provided a written report and provided an oral overview of same – which was a compilation of all the professional observations for this year. The report provides an assessment of progress in three major areas and a comparison of how the campuses are working toward achieving consistency as a team.

- Upcoming Visit: Jonathon Wolfe
Jonathon Wolfe is coming next week and will be traveling with Norman between campuses to complete a year end observation and report which will analyze where we were last year and assessing where we want to be next year. He will also be working with Norman to address each and every curriculum standard for next year's planning.

5.03 Director of Development Marion MacGillivray

- Grant Update
 - Governor's Book Fund Award: A \$5000 grant was awarded for library books amongst the campuses.
 - RCA Grant: CMP was honored to be selected as a second year recipient and will be receiving \$5000 for the play structure at the Capitol Campus. Fred Harrold (Harrold Ford) also personally donated an additional \$1,000 to this cause.
 - Walton Family Foundation: This Foundation has expressed an interest in CMP and one of their representatives flew out from Chicago to visit with us (the Administrative Team and Principals) at the Capitol Campus along with Angie and Jayna. We had lunch, toured the campus and visited. We provided a lot of informational materials and await their additional response.

- Human Resource Update

Marion has received a large stack of applications from interested candidates and has narrowed it down to about 8 who are credentialed and would be willing to enroll in Montessori training over the summer to prepare for a possible relationship with us.

May is the month that we will really be pursuing staff recruitment. We may need 8-11 credentialed teachers.

A number of our own CMP teachers will also be acquiring their credentials in the next few months.

4. CONSENT AGENDA

- 4.01 Approve minutes from regular governing board meeting of April 7, 2003.**
The Board is requested to approve the minutes from the last regular meeting of April 7, 2003

With the recent establishment of a quorum, acting-chair Sara Aikenhead moved back to item 4.01: Approval of April minutes. Angela Wiggins moved to approve the minutes with Dorothy Hiltz seconding the motion. Vote was taken: 4 ayes, 0 noes, 0 abstentions, 3 members absent. Motion passed unanimously.

6. ACTION ITEMS

6.01 Approve Revised Second Interim Budget

The Board is requested to approve the Revised Second Interim Budget which was provided at the April, 2003 meeting.

Keith Alpaugh reported that the original 2nd interim budget which was approved in March was based on the Governor's state budget proposal. In the end, a modified version of the legislature's proposal prevailed, allowing deferrals to be booked as receivables – thus and only creating a temporary cash flow challenge. Booking the deferral as a receivable is common practice in charter world and by and large, all other schools are taking a similar approach.

This revised second interim budget is the budget which will see us through the end of the year.

Sarah Aikenhead expressed a concern to be sure CMP parents are kept informed about the budget and that they are also kept informed regarding monies donated toward specific categories – that the monies are being used as the donor had intended – whether it is applied this year or next year.

Erin Auernig made a motion to approve the revised second interim budget as presented at the April, 2003, meeting. Dorothy Hiltz seconded the motion. Vote was taken: 4 ayes, 0 noes, 0 abstentions, 3 members absent. Motion passed unanimously.

6.02 Approve Authorization for the Executive Director to enter into a contract with CASA for Business Services for 03/04 School Year

The Board is requested to authorize the Executive Director to enter into a contract with CASA for Business Services for the 03./04 School Year.

Cathy Vogel gave a presentation to the Board which outlined and discussed two main objectives of CASA:

1. To provide an alternative retirement plan for employees which is greater than what public employees and teachers would normally obtain.
2. To assist with financial issues related to charter schools.

Cathy also gave an overview of the background and experience of the key associates. Cathy has worked in association with Paul Minney & Associates. Cathy and Laura Bruno have over 60 years of combined experience of constantly looking for ways to reduce expenditures and enhance revenues. Now they are working with charter schools to offer the same level of services relative to financial management that larger school districts have enjoyed.

As a part of providing business services, one of CASA's goals for CMP is to assist with creating a multi-year strategic planning budget which can also be presented to potential funders. These types of documents show potential funders that you are on top of these issues and constantly monitoring these issues.

CASA does all the financial and payroll accounting records to be sure everything is in line in a proper manner and closely monitored. CASA also has a purchasing module used to process online

ordering of supplies which is then directly tied to pre-entered budget limits. CASA provides assistance with payroll and benefits administration, human resource and personnel administration. Some administration functions are mandatory and some are optional (i.e. Expiration dates of credentials). CASA holds monthly business meetings in which they share news, updates and best practices information. CASA provides business services only. CASA does not address the curriculum side.

CASA can assist with choosing an auditor and other business related professionals and vendors; as well as providing services at an economy of scale rate i.e. Worker's Compensation insurance. They are working on developing a short term cash flow product and long term debt instrument.

Keith presented a brief cost analysis of district services and CMP's time vs. contracting business services from CASA and CMP's time. The overall comparison shows an increase of expenditure by contracting with CASA. As such, WESD has major reservations about this proposal. They acknowledge the strength of the team and the quality of the product but are not supportive from a financial perspective. Keith acknowledged WESD's reservations and recommends a conditional approval with the condition that budget projections must be developed showing whether or not CMP can afford this proposal. We will continue to work with Cathy Vogel and with WESD to assess the affordability of this program.

Cathy is in agreement that we continue to work together to make this assessment to be sure that a strong relationship can be established and maintained.

Sarah Aikenhead voiced her support for this kind of program, acknowledged that we need it and expressed concern to be sure we can pay for it.

As the Executive Director, Keith Alpaugh recommends a conditional approval based on the Board being able to adopt a balanced budget in June for 2003/2004 which includes the costs of this contract.

Marion MacGillivray also expressed her favor for this change and has met with Cathy many times.

Erin Auernig made a motion to conditionally approve authorization for the Executive Director to enter into a contract with CASA for Business Services for 03/04 School Year, based on the condition that CMP can provide a balanced budget for adoption for the 2003/2004 which includes the costs of this contract. Angela Wiggins seconded the motion. Vote was taken: 4 ayes, 0 noes, 0 abstentions, 3 members absent. Motion passed unanimously.

6.03 Approve Resolution Authorizing the formation of a JPA

The Board is requested to approve a resolution authorizing the formation of a JPA

Keith asked Cathy Vogel to provide information regarding the formation of a JPA and ask/answer any questions; then asked that the Board table this issue until review and feedback is received from CMP's attorneys.

Cathy offered that CASA believes there needs to be a firewall for charter schools to be able to accomplish what they need to accomplish. CMP would not have to be a member of the JPA to receive business services. However to receive borrowing privileges, access to insurance products, etc. CMP would have to be a member of the JPA. The JPA is a legal vehicle which allows a charter school to be both a government entity and a non-profit. Cathy highly recommends and supports that CMP obtain a legal opinion before entering into any such venture.

The goal of being a JPA member would be to allow access to other types of services which CASA believes are absolutely essential to the success of a charter school.

On July 1st a transition will take place between CASA and CAFRS. Current and new clients would move to and receive business services through CAFRS and could elect/not elect to be a member of the JPA; just as members of the JPA could elect/not elect to contract for business services. A JPA is simply a legal structure which allows you to take advantage of special “group” opportunities.

CAFRS has developed a very distinct firewall relative to liability. Cathy would like to address that in writing and allow CMP’s attorney to review and comment on that.

Keith said our attorney is currently reviewing the information and will comment later this week. Keith is recommending that the Board table this item until comment is received from our attorney.

Cathy will provide a written summary of this presentation as an outline and to serve as a re-explanation.

Sarah Aikenhead moved to table this item as recommended. Angela Wiggins seconded the motion. Vote was taken: 4 ayes, 0 noes, 0 abstentions, 3 members absent. Motion passed unanimously.

6.04 Approve Selection of 02/03 Audit Firm: Vincenti, Lloyd & Stutzman, LLP

The Board is requested to approve the firm of Vincenti, Lloyd & Stutzman, LLP for completion of an audit for the 02/03 school year.

This is the same firm that is completing the restatement of audit for the 2001-2002 year and has been endorsed by CASA after completing the RFP process. Erin Auernig moved to approve the firm of Vincenti, Lloyd & Stutzman, LLP for completion of an audit for the 2002-2003 school year. Dorothy Hilts seconded the motion. Vote was taken: 4 ayes, 0 noes, 0 abstentions, 3 members absent. Motion passed unanimously.

7. DISCUSSION AGENDA

7.01 Presentation of Budget Reports:

- Year-to-date Budget to Actuals – CMP continues on pace and is doing well
- Revised Cash Flow Projections - These figures are not yet available from the District Office and will be presented next month.

7.02 Presentation of Draft 03/04 Budget and cash flow

Keith reviewed the items provided in the Board packets. The facility maps are a visual presentation of the configuration of how the budget projections would be implemented through enrollment at each campus. Assumptions provide the background of how the budget projections would be implemented. The cash flow illustrates how we would implement the budget based on requested growth. Budget includes the full charge for CASA business services, and also includes a very conservative estimate for CSR funding. This is a strong working document to begin with. It also included transferring some administrative costs directly to the campuses and thus reducing the administrative budget.

Keith will be meeting with the finance committee, Cathy Vogel and Tami Johnson and/or Debra Pearson to finalize.

7.03 Montessori Project Foundation Monthly Reports

Keith provided a routine submission of MPF monthly accounting. Lisa is doing a great job of specifically coding and accounting funds for restricted use as applicable.

7/04 Governing Board Meeting Calendar – 03/04 School Year

As the Board Secretary, Lisa Coates made a recommendation to set the new Governing Board meeting calendar outside of the first week of the month. This recommendation is being made because this year, a first Monday of the month meeting date created a hardship on the staff to have necessary documents prepared for mailing and a hardship on the Board Members to have this information properly reviewed before the meeting. Sarah Aikenhead suggested the second Monday of the month. Lisa will send an email to check with all members and if an agreeable day is found, Lisa will prepare a 2003/2004 meeting calendar for approval at the June meeting.

7.05 Surveys of re-enrolling families

Thanks to Christina Evangelista for inputting all the raw data into a central spreadsheet and to Angie Wiggins for putting the data into a summarized format. Marion then compiled and prepared it for distribution. Marion's is also asking the Principals to come back next month to respond to the survey results as to how they will be addressing the comments presented in the surveys.

7.06 Surveys of dis-enrolling students

Marion now has a complete list and telephone numbers for all disenrolled families and has started contacting them. She will provide an updated report when she has completed this project.

8. CORRESPONDENCE

Keith presented a letter dated May 5th from Debra Pearson, opposing a contract with CASA due to financial issues related to CMP's cash flow history; as well as a request to be included in future budget meetings.

Keith also presented a letter dated April 28th from Debra to James Kennedy, Yuba County Treasurer. This is a routine letter of request for short term borrowing which would allow CMP to spend into the red until the beginning of July when the deferral will be received.

9. EXECUTIVE DIRECTOR'S REPORT

9.01 Proposition 39 Facilities Updates

Keith has received a letter dated April 14th from the Sacramento City Unified School District denying CMP's request for facilities or facilities assistance under Proposition 39. We will be exploring options for follow up

Elk Grove Unified School District has submitted a proposal today for our consideration which would provide partial facilities funding. We will be working to respond to this proposal as soon as possible.

The Elk Grove Teacher's Union is putting an extra module grouping up for sale (located on Parks and Recreation property) and is encouraging CMP to make an offer on it. This is another possibility for us to look at.

We continue to work toward receiving a proposal from the San Juan Unified School District.

The Capitol Campus also has a potential opportunity to expand with additional classroom space adjacent to the current site. Keith will be meeting to discuss the possibility of this option.

9.02 Legislative Update

Keith gave a quick legislative update to include a brief mention of a proposed law which would allow for alternate sponsorship of charters by other organizations such as universities and large charitable organizations.

9.03 Website Update

CMP's website continues to grow by leaps and bounds. We will be scheduling a meeting to train campus parent techs on posting and maintaining individual campus web pages. Check it out often as it continues to expand.

9.04 Governing Board Elections

Article VI, Section 4 of the Bylaws of the California Montessori Project addresses the elections and terms of office of Governing Board Members. Elections for the Business and Community at Large Representatives shall take place at the June 2003 Board Meeting and are selected by the current Board Members.

Keith will be contacting each Board member for comment and feedback so that nominations and elections may occur at the June meeting.

10. ADJOURNMENT 11:15 pm

Sarah Aikenhead moved to adjourn the meeting at 11:15 pm. Dorothy Hilts seconded the motion. Vote was taken: 4 ayes, 0 noes, 0 abstentions, 3 members absent. Motion passed unanimously.

NEXT REGULAR BOARD MEETING: Monday, June 2, 2003, at the Bear River School, Wheatland, CA