

Independence Charter School-CC

Minutes from BOT Meeting of Wednesday, February 13, 2019

Location: 1600 Lombard St., Philadelphia, PA

Time: 6:00 PM

Next meeting: Wednesday, March 13, 2019

Board Attendees:

Sharon Berney	present	Timothy Spreitzer	present
Camilo Dominguez	absent	Jo Tionson Perez	present
Jamila Dugan	absent	Mehreen Zaman	present
Maureen Eagen	present		
Rachel Hudson	present	<i>Ex-officio</i>	
Jamill Jones	present	Tanya Ruley-Mayo	present
Allison Kelsey	present	<i>Also Attending</i>	
Michele Lamm	present	Ramzy Andrawos	
		(staff)	
Harry Moseley	present	Odamis Fernández-Sheinbaum	
		(staff)	
Gina Mosley	present	Mike Danyo (Santilli & Thomson)	
		Mike Thomson (Santilli & Thomson)	
		Jason Appelt (Sunflower Bank)	
Krista Pfeiffer	present	Kristen Long (staff)	
Rachel Salis	present	Dave Peterson (staff)	
Silverman		Lameika Headen Jones (parent)	
		Sohini Chow Jhun (PTA)	
Eleanor Sharpe	present		
Virgil Sheppard	present		

Who	What
Eagen	Maureen called the meeting to order at 6:00 pm. Moving Finance report after President's report. Allison Kelsey volunteered to review these minutes.
Eagen	Approval of Minutes Maureen asked for approval of the December 12, 2018 minutes. Motion to Approve: Tim Spreitzer Second: Mehreen Zaman

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	<p>Abstain: Gina Mosley, Rachel Hudson and Virgil Sheppard Action: Passed (voice vote)</p>
Zaman	<p>Update on ICS-West CEO resigned last week. Staying until end of February in advisory capacity. Looking for interim to fill in. Per our management agreement, we are working on cultivating any contact anyone has now seeking potential candidates. If there are none, ICSW will start a search. We will be quarterbacking that for them. Their board, community and staff will be involved.</p> <p>By end of year, management agreement needs to be updated. Working with leadership team to iron out what is reasonable, what measurements we can have. ICSW has some requests of us.</p> <p>Rachel Hudson asked if candidates from our search were available. Mehreen said there was one to whom she reached out and will be meeting with next week.</p> <p>Tiongson Perez: will they use a search firm? Mehreen: if they don't find someone within a few weeks, will use firm. We advised that this is good time to do a search.</p>
Eagen	<p>Worlds of Opportunity By-Laws</p> <p>Worlds owns our building, we pay them rent. Their by-laws are included in your packets. Their board has 5 members, mostly founding ICS members. Created solely for purchase of building, meet about 3 times per year. They need to sign bond documents. Their by-laws account for 6 members and ICS-CC is responsible for appointing their board members. It was suggested that one of our board members attend each of their meetings. Eric Cramer, current president, suggested it's a great opportunity to do fund raising. Governance committee will work on possible by-law amendments. Krista Pfeiffer is a possible candidate. Looking to put by-laws together for March meeting.</p>
Danyo	<p>Finance Update</p> <p>December Financials and November disbursements. \$20,000 under budget. We have about 180 days cash on hand. Food service slightly over budget, just meal counts. November disbursements are double December's, some large expenditures. Special Ed tuition, CEO search, etc. Just volume of some checks that caused that difference.</p> <p>Audit committee, resolution up for approval tonight. Revenue up, under projected budget by \$27,311. Audit came in clean. Cash increase ~\$300K.</p>
Moseley	<p>Bond Update</p> <p>Informal discussion previously. Last meeting about Sunflower was looking to close, but right before that, they came back and said some of the agreed-to terms</p>

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	<p>had to change due to internal confirmation process. CEO and CFO tried to get deal through, but internal compliance said couldn't do deal as constructed. Material changes. Tried to take terms and advance them, with few changes. Changes brought to the board. This is substantive enough to bring to board.</p> <p>Asked Sunflower what other changes we could do to ameliorate the changes. They went through all of their approvals to confirm this is true, final deal.</p> <p>Reduced their fee from 50 basis points to 40. 4.55% to 4.45% interest.</p> <p>Appointment of construction monitor—as we draw on the loan, this third party will confirm that the work has been done for each request. Danyo: this will cost about \$1000-1,500 month. It's a common practice, another layer of protection.</p> <p>Moseley: 3% over fixed rate to 2% over fixed rate.</p> <p>Covenant changes: best way to describe changes is by hypothetical. Our fiscal year is June/July. We pass budget in March for next fiscal year. We have debt coverage ratio, ~1.1%, let's say that number requires \$100K surplus, we budget to that. If we then realize we don't have that surplus, we only have \$90K, we would be in default of our covenant. Under prior understanding, that wouldn't be hard default. Normally we would appoint monitor person to get us back in compliance. But now it would be hard default, so they could charge us higher default interest rate. They could recall the loan. We think the chance of that is slim as they wouldn't want to take over the school. More likely they'd take action on default rate. It wouldn't happen that following June. We'd have 180 days or so after audit. At that point we could certify we've been in compliance with covenant. They propose if we recognize possibility of default, then between say June and November, we could bring ourselves back into compliance. Instead of looking at fiscal year, they would look at the 12 months prior to the audit to show we've been in compliance. It's a cure mechanism to allow us to not fall into that. Whether we go into default is determined by debt ratio and also cash on hand. If we go below 120 days cash on hand, but can show stability over past 12 months, we could avoid default.</p> <p>Other cure mechanism: we can ask for permission. If we see something is happening, we want to spend certain amount of money that would take us out of debt coverage, we could ask permission to do it.</p> <p>Danyo: if SDP comes back and reduces subsidy after school year ends, we'd be in default, but have no time to react. This would give us 6 months to figure it out.</p>
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<p>Moseley: Other benefit: \$180K difference in savings compared to public market. In ten years, we will owe almost half a million dollars less. If we went public route, it would take ~8 weeks, each week we delay costs about \$120K.</p> <p>Sharpe: what's the change in the last scenario (hard default)?</p> <p>Moseley: they will point overseer who can tell us what changes we need to make, as long as we make them avoid hard default.</p> <p>Appelt: no default rate, but bond holders can do whatever they want in response to default. This consultant provides cushion.</p> <p>Tiongson Perez: anything in historical statements that can predict likelihood of default?</p> <p>Danyo: this gives you a chance to make changes in 6 months. When we've had losses in past few years, they were tiny and they were mostly because we didn't know what our subsidy rates would be. When we lost PSERs subsidy 4-5 years ago, board decided to weather the storm rather than make drastic programmatic changes. We came out with \$100K, \$200K, \$50K, not big losses.</p> <p>Appelt: if you know in advance this will happen and make case that we made decision not to change programs, that builds in extra cushion. Get permission in advance.</p> <p>Moseley: budget accordingly: expected revenues and expenses. Previous deficits were not surprised, we budgeted for them.</p> <p>Tiongson Perez: Is there little to no risk of us dipping below \$100K?</p> <p>Moseley: that number was example, threshold is a little higher.</p> <p>Danyo: We have previously not known district subsidy until much later. That's no longer the way. Rates are now based on average daily membership. Won't see swings of 5-6% in March.</p> <p>Moseley: assume revenue you expect is what you'll get. We're the ones creating the budget. Unless there's a crazy expense, it's really up to the board to decide.</p> <p>Sharpe: we can cut expenses in other places to keep that?</p> <p>Moseley: let's say Governor Wolf and the city cut budgets, we would know we're losing money, so we'd cut. With this option, we can call Sunflower and discuss.</p> <p>Sharpe: What if Sunflower says no?</p> <p>Moseley: then we'd have to cut it.</p> <p>Zaman: cash on hand 150 days, what's dollar amount?</p> <p>Danyo: We currently have 184 days cash on hand. It would be about \$5 million. The hard number changes depending on expenditures. Probably end of fiscal year up. Last year we were at 219, that was average for last 3 years. We'll probably be up around 205, 210 by end of this year. We moved some money this year for</p>

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	<p>architects, etc. State owes us subsidy. Confident cash will grow, we did cash projections.</p> <p>Resolution: Be it Resolved, in connection with the previously approved and contemplated transaction between Independence Charter School and Sunflower Bank, pursuant to which Independence Charter School shall borrow approximately \$23 million, the Board of Trustees of Independence Charter School hereby approves the: (i) reduction of Sunflower's fee from 50bps to 40bps, (ii) reduction of the loan's interest rate from 4.55% to 4.45%, (iii) requirement of the appointment of a construction monitor, (iv) change of the default rate of interest from the Fixed Rate plus 3% to the Fixed Rate plus 2%, and (v) changes to the covenant and default requirements as presented to the Board of Trustees.</p> <p>Motion to Approve: Allison Kelsey Second: Harry Mosely Action: passed (voice vote)</p>
Eagen	<p>November Disbursements Be it resolved that the Independence Charter School Board of Trustees hereby approves disbursements from the month of November 2018 in the amount of \$741,490.34.</p> <p>Motion to Approve: Tim Spreitzer Second: Virgil Sheppard Action: passed (voice vote)</p> <p>December Disbursements Be it resolved that the Independence Charter School Board of Trustees hereby approves disbursements from the month of December 2018 in the amount of \$303,055.64.</p> <p>Motion to Approve: Tim Spreitzer Second: Rachel Hudson Action: passed (voice vote)</p>
Eagen	<p>June 30, 2018 Audit Thanks to Camilo and Mehreen who reviewed audit. Mehreen reported auditor said it was well done, we asked lots of questions, auditors gave us confidence.</p> <p>Resolution: Be it resolved that the Board of Trustees of Independence Charter School hereby accepts the June 30, 2018 audit conducted by St. Clair's CPAs, LLC as presented.</p> <p>Motion to Approve: Tim Spreitzer</p>

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	Second: Maureen Eagen Action: passed (voice vote)
Ruley-Mayo	CEO Report Human Resources: letters of intent to return sent out to staff, due Feb. 15. Team has demoed iSolve, HR information system to help make onboarding, benefits admin, PTO efficiency to reduce Tish's time on paperwork. Updates to Employee Handbook. Reviewing current policies, highlighting places needing to be made more current. Looking at proposals from HR consultant for iSolve for admin and entire staff. Looking at compensation review and review of job descriptions. Have received a few proposals, moving to decisions soon. Communications & Fundraising: reached out to firms for updates to website and review of marketing/branding materials. Proposals coming in, will have something to share soon. EITC, thanks to Michelle. Resubmitted renewal application, received feedback that we need to do reporting on EITC money received in previous years. Need to fact-find and see how any money received was spent. Kindful: currently use Just Giving, but it does not allow us to see in all cases who anonymous givers are, precluding us from thanking people or asking again. Kindful has enhanced tracking. Their monthly fee is \$100 per month, processing fees are lower than Just Giving (8.5-9% versus 3.5-4%). More economically viable option. Annual Appeal: \$21,111.62 total. \$14,355 through cash and check; \$6,756.62 from Just Giving. Difference this year was 3 weeks versus 3 months (without Giving Tuesday). Raised about 59% of last year's total, which matched our projection. Testament to commitment of community. Finance: working on budget prep for next year. Each individual on leadership team creating wish list. Wellness policy adopted for students and staff. Jefferson University is partnering with us. Looking at Mindfulness (Pure Edge., etc.) to support people in removing clutter and getting centered. Safety & Security: Ramzy working diligently on overall plan. Findings from last year's survey, starting point for Act 44 compliance. "Safe to Say Something" is an app that allows people to anonymously report concerns which sends immediate alert to leadership with tracking mechanism to law enforcement. We'll roll out training to students and staff. Stems from Sandy Hook Promise. Related to ALICE. Kelsey: concerns don't immediately go to law enforcement? Ruley-Mayo: once tip is received, a trained team reviews the level of threat and determines what goes to law enforcement. Eagen: iSolve, what does this replace? Ruley-Mayo: Lots of papers. If you see Tish on Tuesdays, she manually goes through payroll, every person who signs in and signs out. Hiring process: once

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	<p>positions are posted, we don't have Applicant Tracking System, resumes go directly to Tish and the team, which manually goes through. Tracking applicants is all manual.</p> <p>Danyo: We already have part of platform for free through our payroll company. IT's been upgraded and more user-friendly. 15 of his clients are now going this way. It can automatically weed out people with missing clearances, etc. Tracking Act 48 credits. Reduces room human error. \$2-\$3 per month per employer for time in attendance. Cost includes ATS. There could be costs associated with customization.</p> <p>Tiongson Perez: where does annual appeal show up in Finance? Danyo: Page 5. A lot of money came in end of December, those deposits will show up in next month's review.</p> <p>Zaman: iSolve, HR committee started looking into it last year. A very large chunk of Tish's time spent on this. Room to be much more efficient.</p>
Long	<p>Principal's report</p> <p>Counterterrorism unit in Phila, along with ALICE training, added more opportunities for people to use common sense when needed.</p> <p>Continued equity training on PD day, and teacher turnaround PD sessions.</p> <p>Willy Wonka musical rehearsals are in full force. Shows are February 28 and March 1 at Play and Player's Theater at 17th and Delancey. 82 students are participating.</p> <p>National History Day Showcase a month ago. Finalists from ICS will go to citywide competition.</p> <p>Girls basketball won playoff game tonight, will play Discovery tomorrow.</p> <p>Through PhillyPLUS, Tr. Kerry coordinated a program called High School Confidential to discuss transition to high school, good turnout. Additionally, Counselor Anne gave preview of high school application process and we hosted a K-2 Literacy Night.</p> <p>Lego Robotics team which participated in local Philadelphia region, moved on to regionals at Penn. Students did well. They won award for best presentation. Feedback form showed great performance. Spearheaded by Cindy Kwan, sometime over summer. Only did one team including only previous members. Completely parent-run. Looking at application process to streamline and align to ICS mission. Michelle asked if the information about this year's success can get disseminated.</p>

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	<p>Middle School and Lower School Career Days coming up. Board participation is highly encouraged. Particular interest in non-traditional fields and people of color. March 15 (5-8) and March 27 (K-4).</p> <p>School Progress Report: This is the report card school district gives. PA Future Ready is from state, this is from district. Evaluated on Academic Achievement, Progress, School Climate and Overall.</p> <p>Fernández-Sheinbaum: Ranking in peer groups. ICS is in peer group of 7 schools and is distinguished as peer leader. Our school is highest in peer group at performance of 71% (increase from 63%). Peer groups had been based on school-reported economic-disadvantage measures. Now, using state FRDP data. Two years ago, our peer group changed significantly, but this year the peer group is the same as last year's. Peer groups based on: Primary/Middle/High; percent identified as low-income; black or Hispanic; with limited English proficiency; students with IEPs.</p> <p>Moseley: assumption built into this peer group because City was unable to get some demographic information.</p> <p>Year to Year Comparison: Overall: Reinforce 71% (blue) Achievement: Reinforce 56% (green) Progress: Reinforce 63% (green) Climate: Model 96% (blue)</p> <p>Highlights:</p> <ul style="list-style-type: none">• Peer group leader• Model for growth in math for lowest performing students (33%)• Model for ELA and science for advanced students• Model for attendance• Model for year to year retention• Model for out of school and in-school suspensions• Model for parent survey• No school in peer group outscored ICS in the Math or ELA achievement <p>All information is publicly available.</p> <p>Tiongson Perez: can we tout this on "about" section of Fast Facts on website? Great incentive for fundraising.</p> <p>Danyo: ICS is in top 25 of all schools in SDP.</p> <p>Salis Silverman: Previously reached Model School status, why not now?</p>
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	<p>Fernández-Sheinbaum: threshold is 75%. Two years ago we were at 76%. Long: last year we could see big drop in Math growth. Other difference is K-2 ELA achievement. Our application is now available online, which makes us more accessible to more families in the city. When comparing readiness assessment now compared to two years ago, seeing significant differences. Last year math growth was primary reason for big drop, efforts put there. Continuing support. Tr. Kerry upping her game for math coaching, additional assistants in classrooms with high needs. Accelerated math program in 5-6 grade math last year.</p> <p>ELA: More academic supports, interventions expanding to multiple grades, targeted PSSA prep. Springboard prepares incoming kindergarteners.</p> <p>Virgil: Glad to see Leveled Literacy Intervention. Achievement gap, what has worked there? We had added investment there. Long: all the things we talked about in next steps and interventions come from Achievement Gap spending because mostly affects economically disadvantaged students. Last year growth was a decline, which was awful. This year, there was an improvement. Hard to sustain growth scores because more room to grow with lower scores. Gap is now defined against proficiency and we are seeing improvement in ED students in proficiency. Next Steps: Science, PSSA prep, better content alignment. Identified areas of growth. Trying to align to next generation science standards. PSSA based on science standards from 2002. 40/50 states have adopted next generation standards. Balance in preparing for test that's based on antiquated standards.</p> <p>Moseley: what are goals for any demographics? We know city's peer group designation, but who are our true competitors? Some schools are overcoming 4th grade issues. Do we know what they're doing? Long: goals are very specific to each demographic, can share. State gives us goals, which are good, incremental goals. We met some, but not others. Will share document. If just looking at achievement scores, can't compare one cohort to another. Fourth grade: we have number of students who go to Masterman/GAMP who are scoring 99th percentile, they leave. Students who enter in 5th grade tend to be lower-performing. Fernández-Sheinbaum: reason city changed peer group to demographic rather than proximity.</p> <p>Kelsey: GAMP and Masterman? Long: GAMP and Masterman begin in 5th grade. No staff members send their kids there; however, they are highly selective schools with highly selective high schools. We generally lose 10-12 students, with high test score requirements. More high schools are opening middle schools.</p>
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	<p>Berney: Previously discussed introducing English earlier in math program if we move to one-program model. If we know that is something that can potentially help them, can we drip that in now? Tweak towards element of consistent improvement.</p> <p>Long: we're still seeing where we're going with the program, don't want to make a one-year change. We can consider that change. But needs to play into larger goals of bilingual education.</p>
Spreitzer	<p>Construction committee: Our registered community organization, Center City Residents Association, approved project with provisos related to trash and venting, which we're able to accommodate. Went before Zoning Board of Adjustments on February 6 and got approval.</p>
Salis Silverman	<p>Communication & Development: Ready to raise funds for development work. Plan for groundbreaking event towards end of year.</p> <p>Worlds of Opportunity has offered to support ICS with fundraising. We need to double-back with them to develop relationships with people and corporations externally. Tanya has annual report from 2010 that shows about 20 organizations that used to support us. Those relationships no longer exist, but Tanya is poised to work there.</p>
Hudson	<p>Governance: Act 55, online 6 modules, YouTube or PowerPoint, short modules. It's done by honor system. Rachel sent a link to the modules on 2/13/19. If you email Rachel upon completion, she will email you certificate. To comply, we need the certificates on file. The people who need to take it: everyone in first year of term (whether first or second term). Instruction and Academic Programs, Personnel, Governance, Ethics and Regulations. Must be completed by end of school year, we'll set goal of completion by April.</p>
Eagan	<p>Board Meeting Calendar</p> <p>Berney: one meeting on Yom Kippur (October 9), can move to October 16. Correction to be made to schedule for approval.</p> <p>Resolution (with correction changing October 9 to October 16): 2019-2020 board meeting calendar</p> <p>Be it resolved that the Board of Trustees of Independence Charter School hereby approves the 2019-2020 school calendar.</p> <p>Motion to Approve: Mehreen Zaman</p> <p>Second: Michelle Lamm</p> <p>Action: approved (voice vote)</p>
Eagan	<p>School Calendar</p> <p>Berney: Rosh Hashanah and Yom Kippur are highest holidays, the school district of Philadelphia recognizes those days, but ICS does not. Is there a reason we are not aligned?</p> <p>Zaman: we don't recognize any religious holidays in our calendar.</p> <p>Salis Silverman: Phila schools and some private schools are trending that the first day or Rosh Hashanah and Yom Kippur schools are closed.</p>

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	<p>Long: in regards to why not follow SDP, our calendar is not aligned to theirs. We do not close on the Muslim holidays, they do. For example, the district offers only 3-day spring break. We make trade-offs with our student population in mind. SDP has significantly more days off throughout. We have longer breaks.</p> <p>Ruley-Mayo: If we consider all of the holidays, our student body represents a huge diversity. We can consider it for next year's school calendar. Planning already proposed for 2020-2021 calendar.</p> <p>Long: tabling the conversation is not a dismissal. We considered holidays in creating this schedule. We try to maintain a 5-day spring break.</p> <p>Pfeiffer: More than two weeks for winter break?</p> <p>Long: having students return on Friday is tough. Leadership decided to give staff opportunity to have their PD day on Monday instead of coming back Friday. Could do PD day on Friday, January 3, 2020 instead of Monday.</p> <p>Berney: can we put together comments to share with leadership?</p> <p>Berney offered to receive feedback to forward.</p> <p>Table school calendar for March meeting.</p>
Ruley-Mayo	<p>Health contract</p> <p>School nurse we have Monday-Friday is certified school nurse. Simone who was here prior to her arrival provides admin support towards compliance. Her rate is different than LPN who is here on consistent basis. She has reduced her amount of time. It does not impact overall cost. She is here Tuesdays (one day a week, when our nurse goes to West). We have her less time because she is not a certified school nurse. She has a strong background in admin/compliance, different from our current nurse. Simone comes in one day a week to pick up those tasks.</p> <p>Resolution: Be it resolved that the Board of Trustees of Independence Charter School hereby approves the LPN rate increase to \$48/hour from \$43/hour for any hours worked by Simone Merrique effective August 20, 2018.</p> <p>Motion to Approve: Mehreen Zaman</p> <p>Second: Virgil Sheppard</p> <p>Action: Approved (voice vote)</p>
Eagan	<p>Adjournment 8:00</p> <p>Motion to Approve: Harry Moseley</p> <p>Second: Rachel Hudson</p> <p>Action: Approved (voice vote)</p>