

Independence Charter School-CC

Minutes from BOT Meeting of Wednesday, August 8, 2018

Location: 1600 Lombard St., Philadelphia, PA

Time: 6:00 PM

Next meeting: Wednesday, October 10, 2018

Board Attendees:

Sharon Berney	present	Timothy Spreitzer	present
Camilo Dominguez	absent	Jo Tionson Perez	present
Jamila Dugan	present	Greg Turlington	absent
Maureen Eagen	absent	Mehreen Zaman	absent
Rachel Hudson	present	<i>Ex-officio</i>	
Jamill Jones	present	Kristen Long	present
Allison Kelsey	present	<i>Also Attending</i>	
Michele Lamm	present	Ramzy Andrawos	(staff)
Harry Moseley	present	Patricia Cirone	(staff)
Gina Mosley	present	Mike Danyo	(Santilli & Thomson)
Krista Pfeiffer	present	Jody Freed	(staff)
Rachel Salis	present	Dave Peterson	(staff)
Silverman			
Eleanor Sharpe	present	Katrina Flener	(parent)
Virgil Sheppard	present		

Who	What
Pfeiffer	Krista led the meeting in Greg's absence. She called the meeting to order at 6:05 pm.
Pfeiffer	Approval of Minutes Krista stated that since there is not a quorum of board members who attended the June 13 and June 29 board meetings to approve the minutes from those board meetings, they would be tabled until the October 10 board meeting.
Pfeiffer	Krista asked if there were any public comment. Parent and PTA member Katrina Flener stated that she was commenting on behalf of the PTA. She went on to say that during a PTA Officers' meeting a few things were discussed, two of which have been addressed - the CEO search and the Health and Wellness Policy. The other item discussed was an incident that occurred in the Spring. Katrina stated that parents learned of the incident from their children and requested that there be more transparency around safety related incidents in school. Krista informed the public that Board policy states that the Board does not respond to comments during the meeting, but if follow-up is needed, it will be done later by either a board member or staff member.
Long	Interim CEO/Principal's Report: Kristen reported the following: <ul style="list-style-type: none"> ➤ Update on happenings over the summer <ul style="list-style-type: none"> • So many reports – Annual Report, Federal Grant, Schoolwide Plan, EPI, SHARRS, PIMS, 21st Century Grant Renewal, Summer Food Service Review • Upcoming – Comprehensive Plan due end of November. We have a

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	<p>consultant coming in to help and board member Virgil Sheppard also has experience with the Comprehensive Plan. He and Kristen have been talking.</p> <ul style="list-style-type: none"> • Basement cleaned out, painting, floors repaired and waxed, AC units fixed, new lights installed outside. • Curriculum Planning – looking at areas that we need to improve and addressing it accordingly. • Over 120 students involved in summer programming (Springboard & Aftercare, STEM, Pre-Algebra) <p>➤ Received Raw Data for the PSSAs</p> <ul style="list-style-type: none"> • We receive a large spreadsheet that list every student with his or her score. We do not receive a comprehensive report from the State or the City. This is just a brief introduction and a more detailed presentation will happen in the fall. • In general, the numbers look good <ul style="list-style-type: none"> ○ Steady increase in English over the last three years ○ Increase in math by 2.7% over last year ○ Science still an area of concern – only 4th and 8th grade take the science PSSA. The drop is primarily due to 8th grade. They take the test at the end of April after they have been accepted in to high school. Although our science program is stronger than it has been in the past, we will be looking at our science program and debate how much test prep we need to do. ○ Third grade is the youngest group to take the PSSAs and we have seen consistent improvement over the last three years. <p>➤ Equity & Excellence Committee Update – (One Program)</p> <ul style="list-style-type: none"> • The Equity and Excellence Committee made up of four ICS community members have done a lot of work over the summer to come up with recommendations. The committee will first present the roll out to the Phase I Task Force, which was a larger committee to get their thoughts and feedback before presenting to everyone else. Below is an overview of the rollout, which will be communicated after the board meeting. • August 2018 <ul style="list-style-type: none"> ○ August 8th – Update to Board ○ Week of August 20th (In-service week) <ul style="list-style-type: none"> ▪ Update staff and families ▪ Dates of presentations and feedback sessions shared • September 2018 <ul style="list-style-type: none"> ○ Presentations and feedback sessions <ul style="list-style-type: none"> ▪ Phase 1 Task Force - Monday, September 10 5:30-7:30 ▪ Staff - Wednesday, September 19 during EDW. ▪ Families - Wednesday and Thursday, September 19 and 20 evening. One centered in Spanish and one centered in English. Also, a session will be held on Friday morning September 21 from 8:30am to 9:30 am ▪ Week of September 24-28, all stakeholders invited to drop in during scheduled times to visit with Pr. Kristen

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	<p style="text-align: right;">and AP Odamis to share concerns, questions or ideas.</p> <ul style="list-style-type: none"> • October 2018 <ul style="list-style-type: none"> ○ October 10 – Presentation to the Board on what we are proposing and what the feedback from the community was. • November and December 2018 <ul style="list-style-type: none"> ○ November 14 – Board votes on program. Although the Board has voted to move to a one-program model, there is a significant amount of change and the committee would like the Board’s approval. ○ Program information goes out into the world. ○ Community tours of ICS ○ Town Hall for staff and family community ○ The other factor to be figured into the timeline is notifying the District of the program change. ICS attorney, Michael Frattone, recommends doing so, but this could affect the timeline if the District is not in favor of the change. • ALICE Training - Alert, Lockdown, Inform, Counter and Evacuate <ul style="list-style-type: none"> ○ In March, a resolution was passed to contract with ALICE. ○ Now that it is time to implement, some concerns have surfaced. ○ The first step of the training is done online by staff, which was done over the summer. Some staff found the training to be alarming and do not feel that we should be doing this training. ○ The next step of the training is a four-hour on-site training and will take place during the August in-service. During that time, the trainers will perform a simulation of armed intruders in the building. The idea behind the simulation is that in order to know how to react, you would have to be in the situation. The teachers would then do a training with the students. Showing them how to barricade a room, throwing books at the intruder, etc. We are concerned that this could be a trigger for some our students who have experienced gun violence. ○ Given all of this, it is going to take a lot of thought to roll all this out especially with the students. ○ Kristen proposed not do to the drills with the students this year since we already have issues to figure out with the staff. <ul style="list-style-type: none"> ▪ Staff will still do the online training ▪ Instead of the four-hour training during in-service with the simulation, do a talking situation training. <p>A board discussion followed and everyone agreed not to do the training with students this year and that a talking-situation training for now may be a good middle ground training for staff. Kristen stated that she and Ramzy will be making a call to the vendor about scaling back the training for this year and would welcome any board member who may want to be on the call as well.</p>
Danyo	<p>Financial Report: Mike reported the following:</p> <ul style="list-style-type: none"> • Audit will be starting in a few weeks • Projecting a \$400,000 surplus. We were notified in June of an adjustment in the District subsidy for the 17/18 year. The subsidy

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	<p>adjustment for regular education students was 3.5% and a 4.3% increase for special education students. This equates to an additional \$300,000 from the District.</p> <ul style="list-style-type: none"> • Also received notification that the subsidy rates for 18/19 have also gone up. • With increased revenue, the school will purchase additional computers and classroom Audio/Visual set-ups. • Overall financials look good. Cash on hand is \$6,224,728 – 209 days of cash on hand as of 6/30/18. • Mike explained to the new board members who some of the vendors are who received payments of over \$10,000 during the months of May and June. • Mike will attend the board orientation in September to give new members a more in-depth review of the budget and monthly financial reports. • General Fund Revenue over expenses current - \$209,597 over projected budget by \$68,466 • Food Service Fund Expense over revenue current \$(15,975) over projected budget by \$20,393 <p>Finance Committee - Bond Refinance</p> <p>Harry Moseley presented a recap on the bond refinance for the new board members and there is a resolution to switch underwriters. Our current underwriter at Baum has left and joined BB&T.</p> <ul style="list-style-type: none"> • Background/Recap (Bond History) <ul style="list-style-type: none"> ➤ Independence Charter School’s building is owned by Worlds of Opportunity Foundation. ICS pays rent to Worlds. ➤ In 2007, Worlds borrowed \$17,800,000 Series A bonds (the “Bonds”) for construction of ICS’ building. ➤ The Bonds are secured by the assets of Worlds and ICS. ➤ The current outstanding amounts on the Bonds are a little lower than when originally presented, but the interest rates and maturity dates are the same: <ul style="list-style-type: none"> ○ Approximately \$15,220,000 outstanding ○ Interest rates of 5.5% on \$10,070,000 and 5.3% on \$5,150,000 ○ Maturity: \$10,070,000 – September 25, 2037; \$5,150,000 – September 15, 2027 ➤ After discussing with ICS’s board ICS’s ability to refinance the Bonds at no penalty, the Finance Committee investigated refinancing the Bonds in order to: <ul style="list-style-type: none"> ○ Take advantage of low interest rates in the market. ○ Determine whether additional funds can be borrowed so that ICS’s facilities can be improved to better serve and educate the students of ICS. <ul style="list-style-type: none"> ▪ The estimated cost to improve the facilities is \$5M. ➤ The Finance Committee engaged ICS’s financial advisor Santilli & Thomson to assist the Finance Committee with facilitating the RFP process to select an underwriter for the refinancing.

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	<ul style="list-style-type: none"> ➤ An RFP was circulated to solicit proposals from financial institutions to be the underwriter in connection with refinancing the Bonds. ➤ The Finance Committee received responses from three investment banks: <ul style="list-style-type: none"> ○ PNC Bank ○ BB&T ○ George K. Baum & Company ➤ The Finance Committee asked the investment banks to provide proposals based upon three scenarios. These numbers are now a bit dated. <ul style="list-style-type: none"> ○ Scenario 1: Refinance the existing outstanding amounts without borrowing additional funds. ○ Scenario 2: Refinance the existing outstanding amounts and borrow an additional \$3.5M. <ul style="list-style-type: none"> ▪ The remaining funds required to improve the building would be drawn from either ICS's fund balance and/or via a separate term loan. ○ Scenario 3: Refinance the existing amount and borrow an additional \$5M. <ul style="list-style-type: none"> ▪ The additional \$5M would be used solely to improve the building. • Finance Committee Recommendations (update – change of underwriter) <ul style="list-style-type: none"> ➤ Based upon the Finance Committee's previous review of: the analysis and advice from Santilli, projected revenue resources from the School District of Philadelphia and the RFPs from the three banks, we recommended selecting scenario 3 from Baum and the Board authorized ICS to engage Baum for scenario 3. ➤ Recently, ICS' primary contact (Jason Appelt) left Baum and is now employed at BB&T. ➤ Many of the reasons that the Board and the Finance Committee selected Baum (Baum's responsiveness and professionalism and our expectation that they will be likely to obtain the rates set forth in their proposal. In addition, that Baum has completed many other refinancing transactions that are similar to the needs and expectations of ICS) apply with respect to BB&T with Jason at BB&T. ➤ With the transition to BB&T, ICS would terminate its agreement with Baum; BB&T would be the lead underwriter; Baum and BB&T would share fees; and BB&T indemnifies ICS with respect to Baum. ➤ Fees to ICS remain the same. ➤ The request is that we approve the switch from Baum to BB&T ➤ Terms remain the same. • Update On ICS Credit Rating <ul style="list-style-type: none"> ➤ In June, S&P downgraded ICS from "BBB-" to "BB+", which is a change from "investment grade" to "non-investment grade". ➤ Several reasons were given for downgrade: <ul style="list-style-type: none"> ○ Three consecutive years of operating losses. ○ PA and Philadelphia school district environment ➤ It is assumed that there will be an impact on marketing the bonds to attract investors, but may slightly increase interest rates.

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	<ul style="list-style-type: none"> ➤ Result is projected to increase annual debt service by \$40,000. ➤ One possible solution is to arrange a rating by Moody's – Moody's will do it for free. If Moody's give us a better rating, we would use that rating. If not, we would use the S&P rating. ➤ The number of investors has not changed.
Pfeiffer	<p>Resolutions:</p> <p>May 2018 Disbursements Be it resolved that the Independence Charter School Board of Trustees hereby approve disbursements from the month of May 2018 in the amount of \$381,307.41</p> <p>Motion to Approve: Virgil Sheppard 2nd: Timothy Spreitzer Action: Passed unanimously (voice vote)</p> <p>June 2018 Disbursements Be it resolved that the Independence Charter School Board of Trustees hereby approve disbursements from the month of June 2018 in the amount of \$362,012.79</p> <p>Motion to Approve: Allison Kelsey 2nd: Virgil Sheppard Action: Passed unanimously (voice vote)</p> <p>Termination of Baum Engagement Agreement and Engagement of BB&T Agreement</p> <p>WHEREAS, the Board of Trustees (the "Board") of Independence Charter School (the "School") has previously entered into an Investment Banking Engagement Agreement (the "Baum Engagement Agreement") with George K. Baum & Company ("Baum") pursuant to which the School engaged Baum to provide investment banking services in connection with the issuance of tax exempt bonds (the "Bonds") that will be used to refinance tax exempt bonds currently outstanding and make additional capital expenditures and other capital improvements to the School (the "Project").</p> <p>WHEREAS, the Board of the School has determined it to be in the best interest of the School to terminate the Baum Engagement Agreement and enter into an agreement with BB&T Securities, LLC ("BB&T"), pursuant to which BB&T will be engaged to provide investment banking services in connection with the Project.</p> <p>NOW THEREFORE, be it resolved by the Board as follows:</p> <ol style="list-style-type: none"> 1. Termination of Baum Engagement Agreement. The President of the Board, or any other officer of the Board, are each hereby authorized and directed to or cause to be done any and all such acts and things and to terminate the Baum Engagement Agreement. 2. Engagement of BB&T As Underwriter. The President of the Board, or any other officer of the Board, are each hereby authorized and directed to or cause to be done any and all such acts and things and to execute and deliver any and all such further

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	<p>documents and agreements necessary for the School to engage BB&T to act as underwriter in connection with the issuance and sale of the Bonds and completion of the Project.</p> <p>3. Future and Prior Actions. The President of the Board, or any other officer of the Board, are each hereby authorized and directed to or cause to be done any and all such acts and things and to execute and deliver any and all such further documents and papers as they may deem necessary or appropriate to carry into effect the full intent and purposes of the foregoing resolutions. All acts of any officer, agent, employee, attorney, or others acting for or on behalf of the School which are in accord with the intent, purpose and spirit of this Resolution, and whether heretofore or hereafter done or taken shall be, and the same hereby are, ratified, confirmed and adopted in all respects, and any party may rely upon the continuing efficacy of this Resolution and the power of any person to act as aforesaid, until this Resolution shall have been revoked in a further writing executed by the School. The Secretary of the Board is hereby authorized and directed to insert this resolution into the minutes of the meetings of the Board.</p> <p>4. Effective Date. This Resolution shall take effect immediately.</p> <p>Motion to Approve: Allison Kelsey 2nd: Timothy Spreitzer Action: Passed unanimously (voice vote)</p> <p>Adopted: August 8, 2018</p>
	<p>Committee Reports: CEO Search Committee Virgil Sheppard reported the following:</p> <ul style="list-style-type: none"> • Have had over 80 applicants for the CEO position • Six candidates have been identified – final interviews to take place on Friday, August 10 • Finalists will be selected on Monday, August 13 and timeline will be determined to complete the process • Have been very clear asking the candidates if this is where they really want to be. • Not yet releasing candidates' names – respecting their positions <p>Sharon Berney asked if any of the candidates asked questions that stood out. Virgil stated that a candidate did ask why we had three years of losses. This was not a local candidate so they were really doing research on ICS. Virgil also stated that the candidates that he has met with all commented that they were drawn to the Arts programs that are offered at ICS.</p> <p>The committee will continue to keep the board, staff and families informed.</p> <p>Governance Committee: No report Krista Pfeiffer swore in new board member Eleanor Sharpe <i>I do solemnly swear, or affirm, that I will support, obey and defend</i></p>

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	<p><i>the Constitution of the United States and the Constitution of this Commonwealth, and that I will discharge the duties of my office as a member of the Independence Charter School Board of Trustees with fidelity.</i></p>
Pfeiffer	<p>Resolutions</p> <p>Employee Resignations/Non-renewals Be it resolved that Board of Trustees of Independence Charter School hereby accept the resignations/non-renewals of following staff effective June 30, 2018.</p> <p>Michael Connor – In-house Sub Patrice Gardner – MS Science</p> <p>Motion to Approve: Timothy Spreitzer 2nd: Sharon Berney Action: Passed unanimously (voice vote)</p> <p>Pr. Kristen commented that she is excited about the new hires and the middle school teachers have attended Responsive Classroom training over the summer.</p> <p>New Hires for 2018/2019 Be it resolved that Board of Trustees of Independence Charter School hereby accept the hiring of following staff effective August 13, 2018 at the salaries presented.</p> <p>Antonia Arias – 3rd Grade Immersion Victoria Berenato – Long-term Sub for Anne Hall Alyssa Bigbee – Dance and Movement Alexander Billotte – Special Education Amy Bray – 5th Grade, Math and Science MaiAda Carpano – MS Social Studies Marilys Coratolo – MS Science Nancy Cubano – MS Spanish Laquan Dunbar – 2nd Grade Carolina Morales Callejas Classroom Assistant Ishamdy Ramos Lizardi, MS Social Studies Margaret Sieleman, Long-term Sub for Kelsey Smoker</p> <p>Motion to Approve: Allison Kelsey 2nd: Rachel Salis-Silverman Action: Passed unanimously (voice vote)</p> <p>Mike Danyo explained that since ICS does not own the building, the school qualifies for a Lease Reimbursement. The following components to determine the reimbursement on the lease; net gross annual lease costs; enrollment; legislated per pupil reimbursement amounts (\$160 for elementary students and \$220 for middle school students); and the charter school’s Market Value/Aid Ratio, which is 75% in Philadelphia. This calculation equates to approximately \$110,000 ICS is reimbursed.</p> <p>Lease Reimbursement Application Be it resolved that the Board of Trustees of Independence Charter School hereby agree</p>

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	<p>to have the Controller apply to the Commonwealth for the 2017-2018 Lease Reimbursement.</p> <p>Motion to Approve: Rachel Salis-Silverman 2nd: Timothy Spreitzer Action: Passed unanimously (voice vote)</p> <p>Kristen introduced Jody Freed, Supervisor of Special Education, to explain the Compensatory Education Agreement Resolution.</p> <p>Jody explained that there are two compensatory education agreements from this past spring. The first agreement is a Child Find claim. The parents stated that their child was not identified as needing special services in a timely manner. We disagreed with this claim because we did expedite the evaluation and got it done in enough time. However, there was a lot of back forth with parents and a lot of misunderstanding as to what special education services are. The student's evaluation did qualify the student for special education services and it was agreed upon that ICS would offer compensatory education.</p> <p>The second agreement is for a student who needs behavioral services. We were in agreement with the parents that this is not the appropriate placement for the child. After unsuccessfully trying to have the child placed in an approved private school setting during the summer for extended school year programming, the parent asked if ICS would pay for behavioral services she obtained in lieu of ICS providing ESY services.</p> <p>Compensatory Education Agreements Be it resolved that the Board of Trustees of Independence Charter School hereby approve the agreement reached by ICS Counsel to provide 75 hours of compensatory education at \$60/hour, for a total of \$4,500, and \$1,750 in attorney's fees for student DH.</p> <p>Furthermore, the Board of Trustees of Independence Charter School hereby approves the agreement reached by ICS Counsel to fund behavioral services obtained by the parent of PS in an amount not to exceed \$5,000, in lieu of providing ESY services for the summer of 2018 for student PS.</p> <p>Motion to Approve: Timothy Spreitzer 2nd: Allison Kelsey Abstain: Sharon Berney Action: Passed (voice vote)</p> <p>Dave Peterson explained that we are not purchasing additional Chromebooks, but rather replacing the ones we have. Most of the Chromebooks are beyond repair.</p> <p>Student Chromebooks Be it resolved that the Independence Charter School Board of Trustees hereby approves the purchase of student Chromebooks not to exceed \$61,400, which is already in the 2018-19 approved budget</p>

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	<p>Motion to Approve: Jo Tiongson-Perez 2nd: Michele Lamm Action: Passed unanimously (voice vote)</p> <p>Dave Peterson explained that ICS would purchase 18 classroom audio/visual set-ups for the lower school. This new technology is a step-up and would allow teaching to be more interactive. He went on to say that, the TV and the podium are both touchscreen and can run android apps. Two teachers piloted it in their classrooms and they really liked it. A demonstration has been done for the lower school teachers and they will receive more training on the technology.</p> <p>Tim Spreitzer asked when this would be deployed. Dave responded the plan is to begin in mid-October. Tim then asked if this particular model is designed for the lower school. Dave stated that the equipment is not designed for any particular grade, but that the stands are very sturdy and are built to withstand being in a classroom. Tim's final question was if this purchase is in the budget. Kristen responded that the money would come from the surplus.</p> <p>Krista Pfeiffer asked what the configuration is across the classrooms. Dave stated that there are twenty classrooms. One class already has the new technology setup, one classroom is too small and the teacher is okay with not receiving the technology. Sharon Berney asked what is being used in the middle school. Dave responded that TVs are being used in the middle school for projection and they are satisfied with the technology that they have.</p> <p>A discussion followed on whether this technology would be better suited for the middle school instead of the lower school. It was agreed that the technology would be placed in the lower school as planned.</p> <p>Classroom Audio/Visual Setups Be it resolved that the Independence Charter School Board of Trustees hereby approve the purchase of classroom audio/visual setups not to exceed \$105,000.</p> <p>Motion to Approve: Allison Kelsey 2nd: Jamila Dugan Abstain: Sharon Berney Action: Passed (voice vote)</p> <p>Kristen explained that although a resolution to contract with General Healthcare Resources (GHR) for nursing services was passed in June, we would like to contract with Bayada Nursing as a backup plan. The PA Department of Health requires schools to have a Certified School Nurse (CSN) and GHR does not currently have any Certified School Nurses under contract. We are also looking to hire a CSN directly, but they are in high demand and there is a low supply. Bayada does currently have a CSN working for them and they may be able to secure her for ICS for the 2018-2019 school year.</p> <p>Krista Pfeiffer asked what happens if ICS hires their own nurse. Kristen responded that in the event we hire our own nurse, we would have to provide 30-day notice to</p>

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	Bayada. BAYADA Staffing Be it resolved that the Independence Charter School Board of Trustees hereby approve a one-year contract with BAYADA Staffing effective August 8, 2018 for Nursing Services for a rate of \$49/hour. Motion to Approve: Eleanor Sharpe 2nd: Rachel Salis-Silverman Action: Passed unanimously (voice vote)
Pfeiffer	Motion to Enter Executive Session for HR Matter: Rachel Salis-Silverman 2nd: Timothy Spreitzer Action: Passed unanimously (voice vote) Entered Executive Session at 7:50 pm
Pfeiffer	Motion to Exit Executive Session: Virgil Sheppard 2nd: Michele Lamm Action: Passed unanimously (voice vote) Exit Executive Session at 8:00 pm
Pfeiffer	Resolution: Staff Stipends Be it resolved that the Independence Charter School Board of Trustees hereby approve the 2018-2019 staff stipends discussed during Executive Session on August 8, 2018. Motion to Approve: Sharon Berney 2nd: Rachel Salis-Silverman Action: Passed unanimously (voice vote)
Pfeiffer	Adjournment Motion to Adjourn: Allison Kelsey 2nd: Michele Lamm Action: Passed unanimously (voice vote) Krista adjourned the meeting at 8:01 pm

Respectfully submitted by: Patricia Cirone