

Board Meeting 10-16-2024 Agenda

People in Attendance:

- Dr. Grant Stock, Sonia Woodbury, Steve Foxley, Debbie Eckert, Kelle Smart, Larry Hintze, Mary Glauser, Ram Boppana, and Taylor Woodbury

I. Board Meeting Welcome

- Walker was not present and so Taylor Woodbury took over to conduct the meeting.

II. Public Comment

- There were no Public Comments.

III. Minutes - Grant

- [September 18th Meeting Minutes](#)
- Spelling correction, Larry was not “sad”, it was supposed to be “said” he didn’t have any extras to add.
- Also, corrected August 18th to September 18th on the Agenda
- No Comments or questions about the minutes.
- Kelle made motion and Larry seconded.
- Yes Votes to Approve - Debbie Eckert, Kelle Smart, Mary Glauser, Taylor Woodbury, Steve Foxly, and Larry Hintze
- No Votes - None

IV. Financials

- [Time and Effort](#) - Prasad
 - We changed two things. One was the signature. It had employee and supervisor, and ***we changed it from “and to or”***. The other was just to have the employee supervisor sign the document who had a first-hand working knowledge of the employee's work.
- [September Budget](#) -
 - Prasad covered the profit loss statement, balance sheet, and profit and loss Vs. actual.
 - It is on track except for 500 section, other purchased services under expenses. this was primarily due to advertising.
- [AFR](#) - Prasad
- [FAPR](#) - Prasad
 - Prasad mentioned that the auditor wanted to see some minor changes to the AFR and FAPR and so we approved that and uploaded it to the state today.
 - This is mostly an FYI.
- ERC - Taylor and Sonia led out on this conversation
 - [Letter 1](#), [Letter 2](#) (The first five are in letter 2 and then the sixth is in letter 1)
 - Meet with Paul Kremer, Smriti Dhakal (Financial advisor for the Charter Board), and Marie Steffensen. We talked to them about the ERC funds and found out that this was a situation that was happening all across the state and they were familiar with it. Some of the main ideas that came out of this conversation were.
 - Squire, is the only one who has taken the position of not using the funds. Squire is not the largest auditor in the state. This comment was later corrected by Prasad.

- They would not take a firm position in writing, however, they said many charters are using these funds, and so there would be precedence here. If we use the funds and it shows negatively on our balance sheets an explanation would be sufficient as everyone knows the context.
 - They talked about having evidence and reasons to believe that we are justified in using these funds and that they wouldn't be taken back. One of the large evidences is our letters. Taylor talked about these in some detail. Our lawyer also gave evidence that we should be fine to use these funds. Then just recently, this year, we received another letter and check.
 - Basically, they felt we were on strong grounds to have plenty of evidence to support this.
- Sonia, Grant, and Taylor all felt that this was good evidence that we would be okay with the state and with the federal government spending this.
- We would leave this as unearned revenue and not argue with our auditors on this. This will not be a red flag to the state as they are aware, however we might need just to send an explanation of this to them.
- Jeff and Sonia made an agreement that if the Federal government did come back and say you couldn't do this then they would make up the deficit.
- There is about \$609,000 in this fund now.
- Taylor made a motion to approve the use of these funds for use subject to the condition that we get this letter from Jeff and Sonia, stating that if the IRS does call the funds back they would cover this deficit. Then Opened it up for questions.
 - Debbie Eckert asked about a "worst case scenario". For example, school closes then later the IRS decides that we were liable would board members be personally liable? Taylor answered this in some detail but really said that they could only be liable for damages if they were negligent. No negligence would probably be here and Sonia and Jeff had agreed to support if it does come up.
 - Prasad said that he talked with Squire and they said Keith Bailey also required their schools to book it as unearned revenue. Taylor acknowledged this and that we would not be trying to change this on the financial statements.
 - Larry Hintze made a motion to approve this as outlined by Taylor Woodbury.
 - Steve Foxly seconded the motion.
 - Yes Votes - Debbie Eckert, Kelle Smart, Mary Glauser, Taylor Woodbury
 - No Votes - None

V. Director Overview - Grant

- **Elementary Application:**
 - Grant said that he put a lot of time and sought feedback from applicable people. Also used other applications to help create a quality document.
 - [Long-Term and Short-Term Benefits](#)
 - Will help the high school because we can share expenses over to the elementary school. Better use of staffing resources, making the high school budget more fiscally responsible.

- Could also look at rent during evenings in our building.
 - There is a 44 Million dollar Grant to help get started. Help with training and improvements in building
 - Creates a pipeline to keep the school filled
 - Help us recruit and develop high-quality musicians
 - Increase the academic performance of students as we can train them all the way up as well as good statistics show that music education helps increase academic performance.
- [Application](#)
- [Possible Schedule](#)
- [Conservative Possible Budget](#)
- Grant asked for approval to submit this elementary application to the State School Board for Approval.
 - Taylor asked when we need to submit it and Grant answered November 1st.
 - Taylor asked what submitting the application would do for us? Grant responded, that this gives us the right to open one. However, this would not happen until August of 2026. In addition, we would have till June to back out if it was not looking like it would be fiscally responsible. However, because we are mostly using the staff we have and the resources we have there would not be a large risk associated here.
 - Debbie Eckert asked what the drive behind it was to have this joint music school with GMS and create a music program. Grant said that it was part of it but we would keep our curriculum and goals. Also, to increase student interest in the school and develop a pipeline. GMS would stay a private entity, making sure there are no cross-over funds. We would utilize GMS as well as an asset to help us develop this integrated curriculum.
 - Taylor Woodbury asked if we need a motion. Grant said yes but emphasized that just because we get permission does not mean we can't do it.
 - Larry Hintze made motion and Kelle Smart seconded the motion.
 - Yes Votes - Debbie Eckert, Kelle Smart, Mary Glauser, Taylor Woodbury, Steve Foxly, and Larry Hintze
 - No Votes - None
- **Dashboard**
 - [Dashboard](#)
 - Grant just said that we would share this with the board and work on using it to show our strength of graduation. This was just an introduction to it, we did not explain it a lot.
 - Sonia made the comments about how we would just start using this to use this to help us strengthen our students education abilities by graduation.

VI Close - Taylor Woodbury Called vote to close the meeting. Motion by Kelle Smart, seconded by Steve Foxley. All voted in favor.