

MSSPA
Board of Directors
September 26, 2009

Present:	Linda Schievelbein (via conference call)
Deb Wolf	Bruce Rowan
Karen Charles	Dean Emanuel
Rob Thompson	Terri Simard
Cassy Schauwitzer	
LeAnn Slama	Absent:
Rachel Mollick	Rob Sundy
Matt McFarlane	Andrea Turner
Michelle Erickson	Katie Lee
Lori Suvlasky	Linda Schievelbein

Meeting called to order: 9:34

Approval of Agenda: motion: Rob Thompson 2nd by Rachel Mollick

Approval of Minutes: motion: Matt McFarlane 2nd by Michelle Erickson

Budget approval at 231 students – Karen states this is the most updated budget after staff reductions. If we stay at 231 for ADM, we will be doing great. ADM/monthly tracking sheet distributed to board members. ADM indicates we are currently at 245.82. We are projecting ending at 232.18 ADM for the 2009-10 school year. On-line learners = 7 kids, PSEO 3 full-time and 1 part-time. Retention of students is still our focus. Budget sheet shows dollars at a variety of student numbers, 231, 225, 222 and 240 and then our Net fund balance.

Matt motions to approve the budget at 231. Vote taken and it passes with a majority.

Election of officers – Nominations for President, Rob Sunday. Vice-President nominations Terri Simard and Matt McFarlane. For Secretary, Cassy Schauwitzer and Rachel Mollick. Treasure nominations are Terri Simard.

All in favor of Rachel for Secretary– one vote

All in favor of Cassy for Secretary– 8 votes

Cassy Schauwitzer has been elected Secretary

All in favor of Matt McFarlane for Vice President – 5 votes

All in favor of Terri Simard for Vice President – 3 votes

Matt McFarlane is elected Vice President

Robert Sundy is nominated President – vote is unanimous. Rob Sundy is elected President.

Still need to vote on a Treasurer.

Administrative update:

Karen has received a lease addendum. This year we are in line with lease aide.

Technology plan completion has been delayed. Matt and Dean have done their part, Karen just needs to put it together now.

Start of the year has been really great. We feel that we haven't lost as many kids as we usually have at this time last year. Karen attributes this to the Orientation class. The students in the class have made friends right away with other new students and feel connected. Thanks to everyone for a great start to the year.

Finance –

Franklin denied our request for an increase in our line of credit.

The reasons we were denied is because we didn't have any collateral and that we had insufficient cash reserves.

We may be able to request through MME to not hold back the 27%. If we get denied three times for an increase in a line of credit, we can go to the state and ask for the 27% that is being held back this year. We can also request the 27% advancement because we were in SOD last year.

There is a business that funds charter schools in California that is now moving into MN. Karen has attended a meeting with this business last week to learn more information. Part 1 of the application has been sent, part 2 will be sent on Monday.

Copies of the cash flow were distributed to the board members. Budget-wise we look fine, but cash flow is an issue. Next month will begin our cash flow issues. We will have to start looking at what we can't pay and push it out further. Next year starts looking better.

MDE puts out a preliminary report as to what our dollars will look like next year, which are the numbers used to project next years cash flow on the sheet distributed.

Linda asked what the interest rate is currently on our line of credit and Karen states that it is at 8.5%.

Karen is also going to apply for a line of credit at Heritage Bank, the first bank MSSPA used. It will be around November when we hear from the banks.

Karen will know by the next board meeting the answers from MDE regarding the 27% holdback.

Karen distributed the income statement for August. Karen is going to be more focused on watching the accounts more closely to ensure that accounts won't be overspending.

We are in the process of creating revenue and expense accounts for each department and organization at MSSPA. Nancy is working on creating those accounts for the 2009-10 school year.

Chuck Spiker has emailed Karen regarding SOD. They don't care that we were in SOD before, we just have to do what we did in the past. The condition of SOD has to be removed within 1 – 3 years. Karen is suggesting that the finance group (which doesn't have a leader yet) met with her and Chuck Spiker to create a plan to get out of SOD.

Karen suggests that we create a much more conservative plan. We have already cut the budget, positions, etc.

Cassy- Have any more work been done to look at private loans?

Karen – We can do that but we have to show them a model as to how we are going to get the money back to them.

Infrastructure committee did meet. Dean has agreed to look at some grants for the school.

The committee has created a survey to be given to PACT, St. Croix, St. Paul

Conservatory. The committee will also check with MACS to see if there is any other school to survey.

Spark the Arts is going ahead for this year. We are going to be doing our annual fundraising. If we do the private letter for loans, it would be in addition to the Ask Letter. Ask Letter will be going out in October after the venue for Spark the Arts is selected. Linda also states that the Spark the Arts committee wants to be really clear with the ways people can contribute.

Upcoming student events: Students will be participating in an event at SuperValue and they will contribute to the school. Students will be participating in the TeensAlone Homeless Youth Summit and TeensAlone will be splitting the proceeds with us. NWEA testing begins next week.

The staff goal is how we can optimize student success.

HR Staffing: Our special ed population is 22% of our student body. The average student load for a case manager is 20 – 23 kids, our case managers are at 27. Student evaluations take a lot of time and the most cost effective way to do the evals is to hire someone for 300 hours (\$15,000) without paying benefits. We do get the money back from federal funding eventually but it does affect cash flow.

Motion to approve the position: Rob Thompson– second by Cassy Schauwitzer

No one denies the motion to hire the position.

Annual Report approval: All approve the annual report.

Committees and responsibilities:

Three committees established. Infrastructure, Marketing, and Finance.

Marketing is Linda Schievelbein, Robert Sundy, Robert Thompson (new chair), Lori Suvalsky, Matt McFarlane

Infrastructure is Karen Charles, Dean Emanuel, Deb Wolf, Bruce Rowan, Andrea Turner

Finance is Michelle Erickson, Rachel Mollick, LeAnn Slama, Aaron Ryan, Cassy Schauwitzer

Follow-up:

- **Look for someone with finance background to be on the board and then be elected to board immediately.**
- **Wellness Policy needs to be approved for the next meeting.**
- **Committees must meet prior to the next board meeting.**
- **Finance committee needs to meet with the Karen and Chuck Spiker**

Motion to adjourn at 10:40: Rob Thompson

MSSPA Board Minutes

Oct. 24, 2009

Present:

Karen Charles, LeAnn Slama, Matt McFarlane, Deb Wolf, Linda Schievelbein,
Rob Sundy, Andrea Turner, Rachel Mollick, Jason Davis, Bruce Rowan, Rob Thompson,
Michelle Erickson, Dean Emanuel

Absent:

Teri Simard, Cassy Schauwitzer

Meeting called to order at 9:45 a.m. Motion to approve agenda- Rob Thompson. 2nd – Rachel

Motion to approve Sept. minutes – Matt. 2nd – Rob Thompson

Karen gave Administrator's Update – Expenses are under budget, but may not continue.

Possible fund balance at end of year- see p. 2 of inc. statement. (if stay at 231 ADM). Student enrollment up 20% this yr.- need to focus on retention. There was a question about the \$22,500 figure under "spark the atrs net rev.", p.1 of Sept. inc. statement. Karen will look into. Matt wants to know monthly fixed expenses – Karen says it's on the "cash flow" sheet. Rob would like to see a cover sheet on inc. statement ea. Month as a "snapshot". Matt – if cash flow is the major problem, we need to see a statement of cash flow ea. Month.

Oct. 30th- Msspa gets last major '08 holdback statement - \$40,000. One other - \$9000 – in Feb. '10.

Karen – cash flow continues to be a major problem – start exceeding our line of credit in Feb.

Karen reports on Charter School Capital – Nov. 1, they start reviewing requests. Our applica. For \$200-\$300 K nearly complete.

Franklin Bank denied our request for larger line in part because of fear they wouldn't get reimbursed by state if we go under. They'll reconsider if Hopkins Sch Dist. Co-signs. Karen to check out.

Karen also reported on Non-Profit Assisst. Fund – it's a 2-tier system and we're in tier 2 because of only 28% of kids on free or reduced lunch (50% for tier 1) More funds may become available in Dec.

Matt suggests we lobby our legislators to exempt charter schools from holdback.

Karen reports that we need to have SOD plan by Dec. at latest. Items needed for Chuck Speiker:

1. Budget
2. When we plan to be cash positive
3. Explain our changes that keep us out of SOD

Discussion about enrollment retention. Below 225 ADM, we're in trouble. Matt states that we lose most kids after quarter 1, which is coming up. Staff needs to find out who may be leaving and see if can help kids stay. This will be a critical week for student retention.

Karen – by Dec. we will have truest picture of ADM to date. PSEO kids updated by Dec. Deb explains why it's hard to get a true picture – online classes, etc. Oct. ADM was 244.97. We need better tracking of ADM for Board members.

Spark the Arts report- we need sponsors. Letter going out early Nov. This year's theme- Hollywood.

Ticket prices lowered to \$100.

Rob- requests school performance schedule sent to each bd. Member.

Discussion of H1N1 preparedness. Andrea – we need a prevention protocol. The nurse has been tracking absences and calling home to confirm if flu symptoms. Hand sanitizer has been placed nearly everywhere. Policy on when school should close – no set policy, but if Hopkins closes, we have to close.

Andrea inquires about steps maintenance is taking regarding cleaning, etc.

Discussion of re-hiring if ADM stays high enough. Not at that point yet.

Voted Jason Davis officially on the board. Matt moves motion to add Jason contingent on adding a faculty or reducing non-staff by one. Unanimous. Welcome to him. We now need to reduce a non-staff board member by one or add another staff to board – need 51% staff on board.

Committee updates:

Finance: Jason named head of finance, but can't vote yet.

Infrastructure: going ahead with benchmarking. Need to formulate a set of questions for "sister" school. Dean will research grant writing. Attend seminar in Nov. Teri to contact architect.

Discussion about possibly getting a new sponsor – Karen to circulate sponsor agreement.

Marketing: Rob- formulating plan on how we talk about our school. The touring group has been out in the community. Need to get out there with steel drum band, at summer festivals, block parties, National Night Out, etc. Discussion about getting into Guthrie's and other theaters playbills, etc.

Jason would like to see a list of our current marketing materials . Rob will compile list.

Rob Sundry- would like each committee to make a list of 3 things they will accomplish this year and specifically how they will accomplish – action plan.

Also, we need to have a list of when committees meet circulated. They are to meet on a regular basis.

Motion to adjourn- Rob. 2nd- Rachel. Adjournment 11:45 a.m.

MSSPA Board of Directors
November 21, 2009

Present:	Matt McFarlane
Cassy Schauwitzer	Terri Simard
Rob Sundry	Andrea Turner
LeAnn Slama	
Linda Schievelbein	Absent:
Rachel Mollick	Karen Charles
Rob Thompson	Deb Wolf
Michelle Erickson	Jason Davis
Dean Emanuel	

Meeting Called Order: 9:38 AM

Approval of Minutes: Motion- Rob T. 2nd Terri

Approval of Agenda: Motion-Cassy 2nd-Linda

LeAnn filling in for Karen in Administrator Update

Facility/Lease:

There was a discrepancy in calculating last year's lease payments. Their records show that owe them ~\$73K.

Issue may have come about because of our fiscal year and lease schedule differences. Church holds money until they have a bond payment due, then they cash the lease checks so they did not catch it until recently.

We could owe only \$45K, but this issue has not been resolved as of today's meeting.

We will probably schedule mediation with the church- Jason, Rob, Karen and LeAnn. It is very important that we get all the facts straight before we meet with them. We are aware that we do actually owe them, but need to determine actual amount.

Recruitment/Marketing:

ADM is 245 with actual enrollment of 243- does not include PSEO or online learning students.

Finance:

Application to Charter School Capital is in and under review. We will know something by the end of November.

Citizen's Bank is doing very little with unsecured loans...reviewing a possibility of us applying for a line with their manager.

Karen and Jason are starting the SOD plan and will present to board in December.

Sponsorship:

Hopkins may no longer sponsor charter schools as of 2011. That could affect us in many ways. Our current charter ends at the end of this year, so we are trying to see if we can

get a one year extension. Hopkins is open to this idea. Perhaps we should attend the December Hopkins School Board Meeting.

We should start building a network of support within the community to bring to the Hopkins Board. Parents, business owners, board members, etc.

FOLLOW UP: Discuss with Karen about potential supporters and attending the meeting in December and presenting our case to stay open.

Hopkins currently supports 3 charter schools-may be hard for them to determine who gets to stay and who has to go...perhaps work with the other schools and determine the value of having charter schools in the district. OR try to present ourselves as the BEST charter option to keep open. OR make appearances without being pushy...put our voices out there quietly.

Facts are unclear; we need to determine what the hard facts are and decide what to do from there.

FOLLOW UP: Reach out to other charter schools about this issue, create charter coalition-Karen and LeAnn

FOLLOW UP: Create "team" to attend HSD board meeting- December 17th 7:00PM

FOLLOW UP: Rob S. will meet with Katie Lee about this issue.

Fundraising/Grants:

Spark the Arts:

Letters for sponsorship have been sent

If board has names of individuals to invite, please send to Karen by December 18th.

Grant committee is looking at applying at around 6 grants.

Financial Update:

The income statement is inconsistent. It was showing more as a cash flow statement, not an income statement. The withheld amount was taken out of income statement- but we need to accrue the amount the state owes us- the entire amount, not just what we have gotten...that is why it has looked like we were in negative fund balance.

We will continue to look at income statement, but in the correct way.

We will also have an actual cash flow statement on a monthly basis.

Cash flow is now a serious problem- we have used our line of credit- will squeak by in December, but will have major issues paying bills in January.

Need to focus on both generating revenue and cost cutting. (Refer to Finance Committee Update-Attached)

State Aid is given to us twice a month.

Could we say we have 12 more students than 231 for the next couple of months- does that help with cash flow?

Finance committee will be looking at the day to day spending and see if there is anything that could be cut without taking away from the integrity of the education provided.

FOLLOW UP: LeAnn send out monthly spending chart to the board.

Find sponsors for operating expenses? Have kids come up with plans to fundraise or save money?

First step- Identify biggest spending and make them the focus areas. Focus on Financial Health

Second step- staff and students addressing focus areas.

Third step- reaching out to parents.

Marketing (See Attached):

2 focus areas:

We know we market well to ourselves, but not to new families and not larger places that might give us financial help- how do we get new families and how do we get out to the larger community.

1. Teachers will identify new students that are thriving in this environment, then invite parents to meet the board. Show parents that we really know and care about their student's success. – invite these parents to sit with board at Spark the Arts.

2. Five-ten host families to invite neighbors, friends, potential students, etc. to see a student performance at their home and listen to small presentation. Blend with the prospective students and families.

3. Ticket give-away to all Mainstreet businesses for December No Shame. A “get to know your neighbor” event.

4. Develop a corporate presentation involving admin and students and schedule to increase awareness of MSSPA to some larger MN donators.

FOLLOW UP: Rob S. will identify corporation that are friendly to the arts community.

-Partner up with the PTO for help?

Targeted dance studios within twenty five miles- gave three tickets to instructors for Fall Dance show.

Committee have started a marketing portfolio- looking for cohesion.

Buy One Get One for December No Shame and Fall Dance Show-

Current students bring a non-MSSPA friend for free for the price of one ticket.

Will go out on Facebook and in the announcements.

FOLLOW UP: Need to discuss incentive for new enrollments.

Facility (Update Attached):

Karen, Dean, and Terri met with Anthony Sjolander. DLR Group-Architecture firm.

They have worked with Charter Schools and help put models and projects together.

Still meeting with different firms. Getting ideas and questions answered.

Main objective to create a plan that will get us into a new facility by 2014.

FOLLOW UP: Committee needs to start meeting with potential new authorizers.

Arts Advisory Board:

4-6 individuals that are part of Arts Organization- to provide support and guidance in the arts programs- (attached)

FOLLOW UP: Send names of potential people to Matt.

Create letter before Thanksgiving- have an idea of who will be on this board by Spring Break.

8th Grade Opportunity:

Add another grade to the school. Karen will come with a proposal to our December Board Meeting.

Motion to Adjourn: Matt; 2nd Rob at 11:29 AM

MSSPA Board of Directors Meeting
December 19, 2009

Present:	Deb Wolf
LeAnn Slama	Dean Emanuel
Karen Charles	Rob Sundy
Terri Simard	Andrea Turner
Cassy Schauwitzer	
Robert Thompson	Absent:
Linda Schievelbein	Katie Lee
Rachel Mollick	Bruce Rowan
Matt McFarlane	Lori Suvalsky
Jason Davis	Michelle Erickson

Meeting called to order at 9:36

Approval of Agenda: Motion-Rob, 2nd Cassy

Approval of Minutes: Motion- Matt, 2nd Rachel

Administrator Update

Facility/Lease-

Karen will be meeting with church to discuss missing lease payment. We probably won't be able to until we get some of the holdback later in the year.

Recruitment/Marketing

Current ADM is 242.65. We are still losing some students and need to focus on gaining new students to keep our ADM up. We typically see a drop in January- end of semester/second quarter.

Posters have been made and handed out to parents to hang up in their communities.

Sponsorship

Hopkins board did vote to not continue sponsoring charter schools after 2011. We will ask them if they will roll over for one more year, because we need to renew our charter at the end of this school year.

Next step: Research and reach out to potential new sponsors- a list has been started and will begin in January.

Hopkins has been asked to provide recommendations as we proceed.

FOLLOW UP: Provide Karen with any potential organizations that might be interested in sponsorship.

Fundraising/Grants

All letters have been sent to parents, families, donors.

Spark the Arts committee is regrouping to change our March 26 show into a benefit performance-taking place at the Southern Theatre.

MDE Grant

State applying for a Race to the Top grant. Only 10-15 states will receive the grant.

We need to opt in for this before January 13th.

It is a four year grant- need to keep better statistics on our data (one of our goals), need to be a member of Q-Comp (which we are starting to implement), need common core standards.

We could opt out of the grant later if we decide it doesn't work for us.

This would be implemented in 10-11 school year.

Motion to approve to opt in- Terri Simard, 2nd Rob Thompson.

FOLLOW UP: Need to continue gathering information on this grant- LeAnn and Karen

Other:

Bottom Line- Need to keep staff and students to sustain program.

FOLLOW UP: Need to figure out how we can engage the students in becoming responsible for some of the fundraising and to help out. Speak to them as a school when we get back from break- have them help out with recruitment.

FOLLOW UP: Get PTO involved as well and invite a rep to come to board meetings.

LeAnn

FINANCE

Big picture- we need to diversify our revenue streams- we rely too heavily on state aid and payments, this has hurt us especially with the holdbacks.

Need to look more into Title funding, federal money, and grants- there is a lot of opportunity for us to be aggressive in this area.

FOLLOW UP: Put a plan in place to have accountability in identifying, researching, writing, etc. available grants; formalize process- fundraising committee/staff. Rob

FOLLOW UP: Look for an expert who could train/educate staff on how to write grants- Karen.

Cash Flow is the number one near term priority and the fact we have lost our line of credit.

We are only able to cover 76% of our expenses currently.

We cannot rely on the holdback money- need to come up with a plan to alleviate this loss.

Need to create budgets based off the assumption that there will continue to be holdbacks in the future years.

We also need to start creating a 15-20% cash reserve as we continue.

Taking a look at state aid to see if there are any other monies available- increase in ADM.

Karen has completed the process to change our ADM, which will increase our state payments a bit.

Fundraising goal (near term) is around \$100,000 –incremental to what is budgeted.

Finance recommendations-

- MSSPA Admin must secure a source of bridge financing in the next 30 days.

- Fundraising efforts must be accelerated

- Obtain \$500,000 in grant funding

- Reduce variable expenses by 10% in the next 30 days.

FOLLOW UP: Create list of potential reductions in variable expenses and implement immediately. ERI Program

FOLLOW UP: create a three year projection budget- for our SOD plan by our January board meeting.- Karen, Jason, Andrea.

Financing Options:

1. Franklin Bank Line of Credit (Secured by Parents)
 2. Charter School Capital
 3. MSSPA Parent Financing
-
1. This is an option that they have done with some of their other charter school partners and they would reopen our line of credit and would bump it up to \$150,000- but to match \$150,000 put up by parents- could be done in pieces. It is a little different than having co-signing, more as a guarantor.
Pros:
Immediate
Favorable cost of capital
Provides time to implement other strategies
Cons:
Parents taking on financial risk
Conflicts of interest
 2. Not a loan, it's an advance. They buy our accounts receivable.
Pros:
Quick access to cash flow
Not a loan
Provides time to implement other strategies
Cons:
The funds are expensive and interest is relatively high.
Cost of capital may increase with each cash infusion we receive MSSPA would need a second "cash infusion" in April or May of 2010
Really need to manage the budget and raise more money to cover that payment that they bought from us.
 3. Similar to charter school capital, but money is coming from the parents- they are paying up front.
Pros:
Probably lowest cost of capital option
Cons:
Potentially requires more time to implement
Parents are taking on significant financial risk if state doesn't pay outstanding state-aid
Conflicts of interest.

Perhaps do a hybrid of options 2 and 3. Ask parents who are willing when we know more about how much of the holdback we are actually getting.

Need to authorize a maximum amount that we would ask for if we go for option 2.

Ask if in addition to parents interested in option 3, if there are parents who are willing to cover the interest or service fee with option 2.

FOLLOW UP: Jason, LeAnn and Aaron meet and come up with a hard number for what we are actually going to ask for. –need to communicate to board

FOLLOW UP: Find out which parents would be willing in option 3- come up with a plan on how to do this what is the approach –Dean, Rob

Motion to approve resolution to get funds from CSC- Linda, 2nd Deb.

All in favor in approving funds up to \$500,000 from CSC- ayes have it.

Meeting adjourned motion Matt, 2nd Rob at 11:36

MSSPA Board of Directors
January 23, 2010

Present:

Bruce Rowan
Cassy Schauwitzer
Karen Charles
Deb Wolf
Rob Sundy
Rob Thompson
Lori Suvalsky
Andrea Turner
Dean Emanuel
Terri Simard
Linda Schievelbein
Rachel Mollick
Bud Blanchette (PTO President)
Jason Davis

Absent:

Matt McFarlane
Michelle Erickson

Call Meeting to Order at 9:39 AM

Approval of Agenda: Amendment to Agenda- Add audit information. Motion: Cassy
2nd: Deb

Approval of Minutes: Motion: Rob T 2nd: Rachel

MMKR Audit Review

Jim Eichten

Purpose: To present our annual audit (as of June 30, 2009) and communicate information to the board of directors.

Financial Report- The required document the school has to prepare on an annual basis to MNDOT. We are meeting this requirement.

We also have to have a certified audit- which is what Eichten provides for us.

Management Report- discusses results of the audit.

Audit Summary-

FINDINGS-

Did not have a lot of findings- ones that were there were consistent with most audits done across the board.

Payroll Transactions a little bit more serious, but overall not a major concern.

Statutory Operating Debt and Going Concern-

As of June 30, 2009, MSSPA has an accumulated fund balance deficit of \$153,633 in its general fund. Need to file a recovery plan with the state to get out of this position.

Negative fund balance is at 6.5% which greatly exceeds the 2.5% which constitutes SOD.

Minnesota Public Education Funds

We are not getting any increases in aid and they are taking away one time payments.

MN has also replaced some of the state aid that we received with federal monies- which won't always be the case.

In 2009 state paid only 90% of what was owed to us in aid.

In 2010, state is only paying 73% of what is owed to us in aid. This change is not expected to affect the accrual based revenue, but will have a significant impact on cash flow.

Financial Position as of June 30, 2009

Fund Balance and Cash Balance

Fund balance down 103,000

Cash balance is down 79,000

We have a heavy reliance on state sources of revenue.

We had in a decrease in revenue due to ADM and gifts and donations.

On the plus side, we have a larger number in "other" than other charter schools.

Compared to other charter schools, we have far less revenue from federal sources (which relies heavily on student population and demographics).

Expenditures

Our lease payments "purchased services" are not comparable in the least to other schools- it seems excessive. This is our major challenge in the expenditure area.

It is hard to manage SPED costs as well.

Our total net assets at June 30, 2009 were \$183,024 lower than the previous year, which was mainly the result of a decreased fund balance in the General Fund in fiscal 2009.

Grant writing is going to be critical. Rob T. will send out the marketing committee update on this.

As always, the lease is the largest factor.

Charter School Capital (CSC) Transaction

We are currently in the final steps of transaction. We are trying to see if we can have them sign on for a two year contract. By this, we would be buying time, but not getting more revenue. We know there will still be a gap financially, but we will have more time to fill this.

Our current agreement goes until October of 2010, which is in the next fiscal year.

In March/April is when we will start to get more of a sense on what we will be receiving back from the hold back.

Money right now is coming from April and May- one payment of two from each month- so we will have to find revenue to cover half of a month's payment.

We will need to set up two separate accounts.

Goal is to sign off on this transaction by the end of this week.

We have updated our ADMs to 240, so we will be getting an increase in funds from the state and have had a strong fundraising effort in December. Because of this, bills have been paid and the needs from CSC will be smaller.

Finance sheets have been handed out; please review.

Administrative Update has been handed out; please review.

FOLLOW UP: All committees send out updates for December-January.

Administration Transition Plan

LeAnn Slama has accepted a position with the MPLS school district working as coordinator for the magnet schools

Duties have been redistributed in the office.

We have received around 15 resumes for an administrative intern position to help with the reallocation of duties.

Salary savings would be around \$28,000 if we don't hire someone above the intern position or do not give intern a stipend.

We need to figure out what exactly we need in that position for the future.

SOD plan has been submitted to MNDOT. Karen has handed out and reviewed with the board. It includes ADM projections and three different models of the budget depending on holdbacks.

Approval of change in projected salaries to show difference in contracts in 2009-2010.

Motion: Rob, 2nd: Terri

Resolution to be approved is that the board has reviewed this plan with 1-7 on page 13.

Motion to adjourn: Rob T. 2nd: Rachel

Meeting adjourned at 11:23

MSSPA Board of Directors
2-20-2010

Present: Rachel Mollick, Karen Charles, Rob Sundy, Linda Schievelbien, Jason Davis, Michelle Erickson, Matt McFarlane, Bruce Rowen (ex-officio). Special Guest: Hannah Schivelbein, student observer.

Absent: Cassy Schauwitzer, Andrea Turner, Dean Emanuel, Terri Simard

Meeting called to order at 9:36 by Rob Sundy.
Agenda Approved by LS, second by JD.
Minutes Approved by RM, second JD.

Admin Update:

Church facility discussion items:

- RS- need to get in front of church on lease
- RS- Need to put \$ owed for last year into next year's budget
- KC- Increasing cost to maintain building

Follow up for RS, KC, JD, & Infrastructure Committee: Meet with church

JD- Develop comparable facility info, for similar building sq. footage.

Follow-up to Authorizer Discussion: KC meets with Hopkins to encourage authorization extension (1yr)

Follow-up to HR/Staffing: LS will develop a task force to look into administrative structure.

Rob moved to approve the 2010-2011 school calendar start/close dates of school session.
Motion carries.

Committee Reports:

Follow up: energy audit

Follow up: Survey parents and students on website.

Marketing – Contract grant writer.
Grant status update needed on board level. KC

Focus on students this year, ramp up grant process.
Reader/writer candidate- Bruce
State Charter School Day is March 9

11:35:14 Adjournment

MSSPA Board of Directors
March 27, 2010

Present:	Michelle Erickson
Jason Davis	Terri Simard
Robert Thompson	
Deb Wolf	Absent:
Cassy Schauwitzer	Rachel Mollick
Bruce Rowan	Andrea Turner
Karen Charles	Linda Schievelbein
Dean Emanuel	Lori Suvalsky
Rob Sundry	Katie Lee
Matt McFarlane	Bud Blanchette
Alison Albrecht	

Meeting called to order at 9:37

Approval of minutes- Moved by Cassy, 2nd Deb
Approval of agenda-Moved Rob T., 2nd Terri Simard

Grant Writing

Alison Albrecht- visiting to give us insight in the grant writing process.

Our initial grant process has been reviewed and should be broken down even further to fine tune.

Developing relationships prior to submitting a grant is very helpful- emails, phone calls, mailing list, etc.

We should create a grant writing schedule which includes the organization, requested amount, specific purpose, status, deadlines, etc.

Alison suggests having a position in place to oversee all grants and deadlines.

We should not pay hired grant writers dependent on how much grant money is received.

Initial grants tend to take the most time and subsequent proposals less time- grant writers are usually paid hourly unless it is a long-term plan.

FOLLOW UP: Discuss our needs as a board as far as grant writing goes.

Administrative Update (Please refer to attachment)

Facility/Lease

Met with St. Joe's. Discussed our repayment of the 73K, the audit, what's going on in the legislature, etc. It went fairly well. We can repay the 73K when we get it. Jason was successful in being very transparent with our finances and finding out where they are financially as well.

As compared to other charter schools in Minnesota- we are not paying a significant amount more or less in rent- we are at about average as far as square footage.

Recruitment/Marketing

Current ADM 236 with 230 students enrolled.

We should be confident to meet the 231 ADM by the end of the year.

We currently have 72 applications for next year, which is a little low from last year.

We are considering submitting a piece for the press as an additional marketing piece. We would need to think about how to structure this and what the purpose would be. Perhaps we should release our performance schedule for the 10-11 school year.

Finance

We will need to reapply to Charter School Capitol if we do end up needing more money.

We will receive a part of our hold back in June since we ended last year in SOD.

The latest MACS update indicates we will receive the full 27% back- but that would be followed by another hold back.

Spark the Arts was successful-will know numbers by the next meeting.

Met with CMRDC to clarify the financials statements and fine tune the process.

Sponsorship

Terri and Deb will schedule a follow up meeting with Hennepin Theater Trust sometime in April to possibly ask them to be our new authorizer.

Hopkins has sent a one year sponsorship agreement contract- which gives us time to find a new authorizer.

Fundraising/Grants

We have grant applications in with Target and General Mills

We are not eligible for the Cargill Foundation grant.

Matt will look into the McKnight grant.

MDE Grant

Minnesota did not make the first cut on that.

HR/Staffing

Intent to return forms were sent out.

Financial Update

Met with CMRDC- financial statement format has been changed to reflect monthly and YTD financials.

Line items have also been clarified.

We are managing cash flow carefully.

Fundraising has raised close to \$90,000 prior to Spark the Arts.

We raised the ADM that we report to the state.

We did have a small reduction in staffing costs.

We can get through the school year without any additional funding.

We are trying to reinstate our line of credit with Franklin Bank.

Currently we are trying to start the 10-11 budgeting process, which can be difficult without knowing holdbacks and funding.

Continuing to meet and work with the church.

Net income for the year \$345,707 with 231 ADM

Largest negative variances YTD are State Special Ed and Fed Stabilization Aid. The largest unfavorable variance in for Technology/Computers- which is being investigated.
Showing a positive fund balance as the end of the year and can hope to be out of SOD.
Cash Flow statement- reviewed and it seems we will have cash on hand through the end of the year.

MSSPA Reorganization Update

Redefining MSSPA Leadership and Admin Functions (see attachment)

We are restructuring our business model now that we have been open longer and need a different structure.

FOLLOW UP: Feedback and thoughts should be sent to Linda Schievelbein.

We need to be grounded in our financial limitations and realities.

Critical concepts:

Educational Leadership

Program Development and Outreach

Financial and Business Management/Administration

Facility Leadership

Proposed Structure:

Executive Director at the top

Director of Program Development Outreach following that (part time position)

Director of Financial Affairs (CFO)

Director of Student Affairs

Business Manager

FOLLOW UP: Need to meet with finance committee to discuss implications of this restructuring.

Infrastructure

2 goals- have a plan for facility in place and a new authorizer.

The Luther building down the street is available. Location-wise, it is less stressful- but the space is not optimal because of the cost of necessary renovation.

Also looking at the old McPhail building which St. Thomas is looking to lease- will be planning a walk through.

Century Lutheran School in Bloomington is empty-about the same lease cost as our current location.

Authorizer Update-

Audobon would be willing to authorize us.

Innovative Quality schools has not been reached yet.

Volunteers of America has been emailed.

Will be meeting with Hennepin Theatre Trust.

Motion to adjourn the meeting: Rob, 2nd Jason

Meeting adjourned 11:24 AM

MSSPA Board of Directors
April 17, 2010

Present:	Terri Simard
Linda Schievelbein	Lori Suvalsky
Rachel Mollick	Michelle Erickson
Cassy Schauwitzer	William Leaf
Rob Thompson	
Karen Charles	Absent:
Rob Sundy	Dean Emanuel
Matt McFarlane	Bruce Rowan
Deb Wolf	Andrea Turner
Bud Blanchette	Jason Davis

Call meeting to order: 9:35 AM

Approval of agenda: Motion- Rob Thompson, 2nd Terri Simard
Approval of minutes: Motion- Matt McFarlane, 2nd Rob Thompson

Reorganization Recommendation:

Executive Director at top
Reinserted the nurse position- full time
Director of Program Development and Outreach- part time position
Director of financial affairs- part time position
Business manager- full time position
Director of student affairs- full time position
Academic/Arts Chairs
Year-level deans

Discipline should be moved from Director of Student Affairs to year level deans.
Add reporting to the state to the Director of Student Affairs (MARS, STARS, etc.)
Accreditation reporting falls under Executive Director
SERVS reporting to Director of Financial Affairs
Test data analysis and reporting for accreditation- needs to be added.
Motion to approve the recommendation- Cassy, 2nd Terri Simard
Ayes have it.

Executive Director Selection Process:

The communication has been a good with the students, parents and community.
Need to take into account all factors when considering financial repercussions and student enrollment for next year.
Keep communication very clear when hearing concerns and questions.

Going to create a committee made up of parents/board members, 3 students, staff members and Karen for the selection process.
Committee will be using recruiting sites in the education field for searching to fill the position.
Committee and this process will be focused primarily on the Executive Director position. The posting for this position will be done early next week.
The Committee will also be posting for the nurse position and financial affairs position as well.
Hope to have recommendation by June 5th.

Board Elections and Leadership Process

Elections for next year- solicit nominees and staff in April and May.
Need to fill 2 community positions and 2 instructional staff positions-including president. Nominees need to send a brief bio to Karen.
Elections will happen May 6th at the conferences.
Officers are elected in August. We can elect interim officers in May.

Administrator Update

Facility/Lease-

The church has a representative attending finance committee meetings.
We are planning on paying back some of the 73K in May and the rest when we get our holdback.

Recruitment/Marketing-

Current 232, but for the year- it estimated to average out somewhere between 230-240. About 20 applications down from last year at this time. Projected enrollment for '10-'11 223 ADM.
Have placed ads in the Sun and the Ordway over the past month.

Finance-

We have not heard anything from Franklin regarding restoring the Line of Credit.
Spark the Arts raised about \$21,000. Saved money because we already had the space.
Recommendation is to fine tune auction check out and ticket sales.
Budget for 2010-2011-
2 projections- 231 ADM and 220 ADM for each model.
Four Models-One model that has benefits for all positions. One has no benefits for 0.5 FTE each with no increase- next two models with 2% increase
If at 220 and full benefits- we would end in the hole at the end of the year.
If at 231 and full benefits-we would be okay.
Expenses will be fine tuned as departments report their budgets.
Technology could change as well- we need to replace several computers.
Motion for the 231, no benefits with 2% increase- all.

Fundraising/Grants

We received \$20,000 from General Mills

Staff/Parent/Student No Shame next Friday

Sponsorship-

Karen is waiting for dates from Hennepin Theater Trust to meet and discuss sponsorship. They question whether they have the staffing capacity to do this and the paperwork.

Karen is recommending that the Outreach Coordinate be tasked with assisting the new sponsor and even assisting with the new sponsor's application to be a sponsor if needed.

The infrastructure committee has also received info from VOA and Audobon regarding how to apply to become a school sponsored by their organization.

Finance-

Based on 231 ADM our net income \$399,922. We will NOT end the year in SOD this year.

Revenue is tracking relatively close to budget.

Space rental is slightly over as is special education and computers/technology.

Revenue of Spark the Arts is not fully stated in March financials.

We had a cash balance of \$115,831 as of March 31st.

Cash flow is still the biggest issue- but we won't turn negative until the end of May.

Recommendation is to create fundraising committee responsible for developing overall fund-raising plan and updating board on monthly basis so we are not just constantly asking for money- but to have a plan.

We should add the grant writing consultant to the budget up to \$3,000- the board feels it would be money well spent. Motion to approve- Matt and 2nd by Michelle. A majority vote by the board approves it.

Recommendation to build the budget on a monthly basis instead a 12 month overview.

Trying to create a multi-year giving campaign.

Marketing-

Jazz Band and Wolf Mountain will be doing a performance at Hewitt.

We are also bringing performers to Honeywell, the World Learners School, and Barnes and Noble.

Publicizing the performance calendar for next year.

Hennepin Theatre Trust is writing a letter on our behalf for the rights for Hair (the musical).

May meeting will be changed to Thursday, May 20th at 5:30.

Motion to adjourn = Rob, 2nd Rachel.

Meeting Adjourned at 11:26

MSSPA Board of Directors
May 26, 2010

Present:	Linda Schievelbein
Rob Thompson	Bruce Rowan
Cassy Schauwitzer	Rob Sundy
Karen Charles	Terri Simard
Kelly Tousley	
Jenny Heggem	Absent:
Jason Davis	Andrea Turner
Michelle Erickson	Matt McFarlane
Rachel Mollick	Deb Wolf
Dale Mahaffy	

Meeting called to order: 6:06 PM

Approval of Agenda and Minutes: Motion: Rob T. and 2nd Rachel Mollick

Introductions: Jenny Heggem- new PTO President, Kelly Tousley-new PTO Secretary (will act as Ex Officio), Dale Mahaffy- on Finance Committee and observing.

Administrator Update:

Facility/Lease-

Legislature did not ratify any of the recommendations and changes for facility financing for charter schools.

Application will be submitted this week.

Recruitment/Marketing-

ADM is at 229 and yearly average is at 238. Probably will be between 230-240, so should be okay.

We have received 126 apps for 09-10 school year. 62 of those are registered. The staff is currently contacting the remainder of the applicants.

Projected enrollment for next year is 211 as of right now.

If we start at 227, we should budget for 200 ADM for next fiscal year- not ideal.

Parents are volunteering to follow up with applications and call families- Rob will contact Dale and Kelly.

Finance-

Have adjusted staff based off of the 200 ADM projection.

Sponsorship-

6 of 12 entities have been approved by MDE to authorize charters.

Infrastructure will start contacting those entities for information.

Hennepin Theatre Trust has been contacted and they were impressed with our program. The director still needs to meet with their board to see if that is something that is viable for them.

Would like to know by March '10 for the 10-11 school year.

Fundraising/Grants-

There needs to be a new Spark the Arts committee designated. Probably won't tie the gala with a show due to time constraint and venue availability.

Committee wants to turn Spark into more than just the gala, but a year long fundraising event.

HR/Staffing-

Contracts scheduled to go out based on the current FTE projections; this can be changed if ADM goes up.

Other-

Elections results- Jodi Bland and Dale Mahaffy will be joining from the community, and Tracy Johnson and Alison Miller will be joining from the staff. Karen will invite the other people who ran to join a committee.

ALL MEMBERS must attend board training. Email Cassy with preferred session.

Senior Showcase is tonight and tomorrow night at Eisenhower.

Support the Street went well. Rummage Sale was also successful.

Q-Comp is in the process of being approved.

Finance-

Need to reinstate the line of credit- checking back with Franklin Bank.

2010-2011 Budgeting Process in the works. Things need to happen in the next 30 days:

- Budget Refinement- analyze assumptions and budget scenarios

- Cash Flow Refinement- analyze inputs and assumptions based off of proposed budget.

- Meet with Church to share 2010/11 Projections.

Need to ID someone other than Karen to sit on budgeting meetings to have an interim person during this process. Rob Thompson has volunteered to act as interim staff member involved in the process.

Recommendations:

- Board VP or other staff play active role in budget process.

- Build budgets on a monthly basis to enhance ability to manage cash.

- Provide visibility to the Board into individual department budgets.

Long term priority- Revenue diversification to offset potential reductions/holdbacks of future state revenue.

Fundraising plan incorporates: gifts/donations (Spark the Arts, United Way, giveMN.org, parent campaign, etc.), and grant writing plans. Multi-year plan.

Income: Based on 231 ADM, and before the state holdback and unallotment, MSSPA's net income year to date is \$415, 518.

Revenue is tracking closely with the approved budget.

Largest negative revenue variances YTD- Fed Stabilization Aid and Performance/Admission Source.

Expense: Operating expenses YTD are currently less than 1% over budget.

The largest unfavorable variances are for: Personnel Salaries and Benefits (but seems to be a timing issue), and Technology Equip/Computers.

Balance- cash balance of \$61,950 as of April 30 and total assets of \$430,855.

Liabilities- account payable balance of \$102,200 and lease payable balance of \$73,369

Cash Flow- MSSPA's cash balance will turn negative by the end of the May.

Ratification of Board Election Results:

Motion to approve the newly elected board (Tracy Johnson, Alison Miller, Dale Mahaffy, and Jodi Bland): Motion: Linda, 2nd Jason

Executive Director Update:

Down to five candidates and have interviewed 4 of them. Have been impressed so far and will have a recommendation by June meeting. Will plan on an Open House once the candidate has been chosen.

Selection of Interim Board Chair

Not official until the August meeting, but need a transition period since Rob Sundy will not be returning. Linda Schievelbein has been nominated. Motion to approve: Terri and 2nd Michelle.

Motion to adjourn: Jason, 2nd Linda

MSSPA Board of Directors
June 19th, 2010

PRESENT:

Karen Charles
Jason Davis
Rachel Mollick
Rob Thompson
Linda Schievelbein
Andrea Turner
Bruce Rowan
Kelly Tousley
Terri Simard
Alison Miller
Matt McFarlane

ABSENT:

Cassy Schauwitzer
Michelle Erickson
Rob Sundy
Deb Wolf

Meeting called to order: 9:33 a.m.

Approval of Agenda and Minutes: Motion: Rob T, Andrea T 2nd

ADMINISTRATOR UPDATE

- ADM is at 227.57 – should still end year between 230 and 235
 - Need about 227 students to reach 200 student budget projections for 2010-2011
- Decent attendance at June 15th Info Session. Mostly new families.

Finance

- Still pursuing Line of Credit
- Charter School Funding have contacted us -similar to CSC
- Possibly Obtain Energy Audit from Excel

Sponsorship

- Possible lease of space from St. Louis Park High School - Decided not to pursue due to possible low interest and potential visibility issues having MSSPA housed inside St. Louise Park HS
- Hennepin Theatre Trust – still interested in them as a sponsor
- Have contacted 4 of the 6 approved as authorizers, *heard back* from 2 of 4
 1. *Friends of MN* - require Core Knowledge Curriculum
 2. *Volunteers of America*
 3. Minneapolis Public Schools
 4. Anoka Tech

Fundraising/Grants

- Still need *Spark the Arts* Committee Chair
- Need to plan and implement a year's worth of fundraising events, not just one Gala Event
- Looking into *Hennepin Stages* for next year's Gala and/or *Hair*.

Human Resources/Staffing

- **Contacts have been distributed and returned**
- **New Counselor has been hired and spent time at end of the year with Deb**

Other

- **River Valley Girl Scouts – Best Buy Geek Squad Summer Academy rented space from school-Great Success!**
- **New Board Member Packets will go out in early July**
- **Looking into getting “School Business Solutions” to provide mandatory board training as a group**
- **Board Members that joined before January 1,2010 (Jason, Rachel, Cassy, Linda, Terri) need to *start* board training by June 30th.**
- **A Parent has paid for MSSPA to join the *Arts School Network*- (Nation-wide Organization of Arts Schools)**
- **Spark the Arts Fund-A-Need: Discussion about whether to move specific raised moneys to general operation or keep as specifically funded items.**

FINANCE COMMITTEE

- **Budget approach this year was to build it based on this year’s rates, projected ADM’s and/or other factors**
 - **We adjusted rates that were below to a lower amount for FY 2010-2011.**
 - **2% Salary Increase and 200 ADM (Reduces Staffing)**
 - **If we get below 200 ADM, we need to revisit program needs**
 - **If we get above 200 ADM, we would restructure FTE (out of a need to add sections of classes)**

Budget: Revenue

Projecting 8.1% decline – better than expected according to State Funding Model – quite close to FY 2009-2010 (State Funding holding quite steady despite reduction in students.)

Budget: Expense

- **12-13% projected increase in benefits – will know more in July hopefully when we receive actual projections from insurance company.**
- **Looking into possibly sharing costs of increase equally among staff vs. individual costs.**
 - **Possibly looking into other options for the future.**
- **Overall 2.5% decrease in expenses**
- **We are budgeted at a break-even point, but at a cash-flow standpoint there will be more going out than coming in many months of FY 10-11.**
- **If we grow beyond 200 ADM, we will most likely need to adjust budget**
- **Recommend that the new finance person work with staff to coordinate department budgets that reflect and sync with overall budget**

Motion to approve 2010-2011 Budget: Terri S, Rob T 2nd

(Ayes: Jason D, Linda S, Andrea T, Terri S, Rob T, Rachel M, Matt M)

Vote is taken and passes with a majority.

May Financial Statement

- Based on 231 ADM's – will end up between 230-235
- Net income YTD is \$440,776
- Revenue from Performances, Spark, and Gifts YTD is \$153,287
- Operating expenses YTD are 1.5% over budget
- OK on current payments due to State Holdback, but have not paid the 73K to Church
- \$64,221 Cash on hand as of May 31, 2010
- Aiming to find a local bank, but our situation (charter school, no assets) makes us an undesirable candidate.
- New finance director will hopefully make a list of potential local lenders.
- Cash flow statement for next year looks positive.

Finance Follow-Ups

- 1. Department Budgets-Follow Through with new Finance Person**
- 2. Title 1 Funding**
- 3. Discussion about Benefits (options)**

INFRASTRUCTURE COMMITTEE

Goal is to talk to the church and inquire about tying our lease aid to ADM to potentially stay in this space and eventually renovate and/or build an instructional theatre space.

MARKETING COMMITTEE

Objective is to communicate the "brand" and "product"

- Develop Six Key Talking Points
 - Brand Architecture: Implement new URL: www.msspahs.org
 - Utilize New Logo (with four color bar), Freshen Website
- Segmenting Clients and Targets
 - Families, Students, Community, Corporate
- Marketing Support
 - Hopefully track marketing strategies that are working/not working

RECRUITMENT UPDATE

- Sent out postcards in May
- Attrition looking to be about 10-15%
 - Ultimately won't know enrollment numbers until 1st day of school
- Students are performing at Raspberry Festival and walking in Raspberry Parade
 - Will ask parade announcers to identify and recognize school during parade

EXECUTIVE DIRECTOR POSITION

- Committee formed in early May,
 - Reviewed about 12 resumes, chose five interview eligible candidates
- Interview guide included Leadership, Strategic Plans, Communication, Administration, etc.

- **Interviewed four candidates**
- **Two candidates moved onto next level of interviews (student interview panel)**
- **Student Panel and rest of the committee recommended Barbara Wornson for Executive Director Position.**

Motion to Vote on Executive Director Recommendation: Motion: Rob T., Terri S. 2nd

(Ayes: Jason D, Linda S, Andrea T, Terri S, Rob T, Rachel M, Matt M)

Vote is taken and passes with a majority.

- **Karen has agreed to meet with New Executive Director during this transition period.**
- **New Executive Director will need to hire new Finance Position and remaining staff/faculty positions**

BOARD MEETING SCHEDULING

- **August: Plan for a board meeting and a training (two separate meetings)**
 - **Linda will follow-up via email**

New Meeting Day and Time: 4th Tuesday of the month at 6:30 p.m. at MSSPA

Follow-up: Linda will email board on status of New Executive Director Position Acceptance

Motion to Adjourn: 11:28 a.m.- Motion: Rob T, Jason D 2nd