**Open Meeting**

**November 27, 2018**

**Joint Corporate and Governing Board of Directors Meeting**

**MINUTES (Preliminary)**

1. Notice of Meeting
   1. Pursuant to Arizona Revised Statutes (A.R.S.) § 38-431.02, notice is hereby given to the members of the Arizona Language Preparatory Board of Directors and to the general public that the Board will hold a public meeting, open to the public as specified below. The Board reserves the right to change the order of the items on the agenda, with the exception of public hearings set for a specific time. One or more members of the Board may participate in the meeting by telephonic communications.
   2. Location and time of meeting: **Arizona Language Preparatory, 4645 E Marilyn Rd, Phoenix AZ 85032 at 5:00 pm on November 27, 2018.**
   3. The Board of Directors reserves the right to move into executive session for legal advice with its attorneys, in person or by telephone, for any item listed on the agenda, pursuant to A.R.S. § 38-431.03(A)(3).
   4. Pursuant to Arizona Revised Statutes (A.R.S.) § 38-431.02, the Arizona Language Preparatory Board of Directors hereby states that all notices and agendas of the meetings of the Arizona Language Preparatory Board of Directors and any of its committees and subcommittees will be posted at least 24 hours in advance on the school website https://azlanguageprep.org/ (on the Board of Director’s page), as well as on the bulletin board located outside of Arizona Language Preparatory, 4645 E Marilyn Rd, Phoenix AZ 85032.The bulletin board is available for public viewing at all times.
   5. Additional documentation relating to public meeting agenda items may be obtained at least 24 hours in advance of the meeting by contacting Renita Myers at (602) 996-1595.

2.      Call to Order: 5:03 pm

3.      Roll Call

* Board Members Present: Michael Gerity (MG), Allison Perrin (AP), Dan Melton (DM), Kellie

Rosinski (KR); Steven Neeley (SN) present over the telephone for the entire meeting.

* Non-Voting Principals Present: Renita Myers (RM), Brittany Miller (BM)
* Members and Principals Not Present: n/a
* Members of the Public Present: Craig Hollinger for the auditor report

4.      Call to the public

*This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §* *38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.*

*-*None

5.      Discussion items

a.  Auditor Report: Craig Hollinger, Ball & McGraw auditor report. Exhibit 1.

Financial audit highlights:

-Revenue streams always need to be earmarked and used as indicated

-Compliance with ADE - we are now on the ADE email list for updated requirements

-No issues with cash found

-AR: many accounts with >90 days due, but board meetings had addressed this subsequently; the allowance for this had to be increased within the audit to account for this; it is important to maintain a steady state with AR; June 30th is the cutoff for fiscal year, and the amount coming in needs to be identified for the appropriate year in the general ledger

-With the fixed assets, capitalization policy is $500 or more, $3000 or more on leasehold improvement (need to keep this in mind as assets are purchased) - helps with more informative tracking of profits and losses going forward

-Accrued liability - 2 months before and after the June 30th cutoff date may be affected/overlap between school years; sometimes need to divide payroll (for example if the date ends 6/24, the next 6 days still need to be applied to the former school year even if distributed in the subsequent fiscal year)

-Craig recommends keeping the salary spread over 12 months (except for teachers limited to a single year of employment due to visa restrictions)

-Revenues and earmarked funds – always maintain a clear demarcation of how earmarked money is spent. He recommends a more clear system (even outside of Quickbooks - for example, in Excel) to help track earmarked funds.

-Recommends including how money is earmarked within teacher contracts

-Recommends additional Quickbook training for Brittany (there is someone within their company we could hire)

Compliance audit main issues identified:

-Annual filing with the Corporation commission is necessary (we are still in good standing)

-Every time the board members change, can file an interim report with the corporation commission

-Special education – need to have all supporting documentation for 45 day screenings, which is currently a priority of the school this year and we have been 100% compliance thus far for the 2018-19 school year

-For K, which charges tuition for a partial day, the allocations from the state and tuition need to always be consistent - we need to divide the day into first half state paid, second half tuition based; this is important for Synergy recording with the state

-Synergy settings were updated appropriately (don’t make changes during the year - always make sure that it is set up correctly before the first day of school so reporting isn’t affected midway in the year)

-There was a finding on how a 10-day withdrawal was recorded for a student in the system

-Capturing the dates on the withdrawal forms - entry date on the form wasn’t always clear - it needs to match the date that it is submitted to the state

-An engagement has been given to Renita and Brittany for additional compliance training

-Verifiable residency was another finding – AZ state statute requires not only obtaining the required documentation, but also maintaining the documentation - for example, students re-enrolling need to re-submit the documentation for verifiable residency to account for changes

-Withdrawal and entry dates need to always be captured somewhere on the student application

-Regarding adequate electronic controls, there were submission issues between our school and ADE

-He recommends regularly reconciling the 40th day and 100th day attendance reports with ADE in preparation for audits

-Board meetings: always capture the manual posting dates and times (can take a screenshot or picture of the posting with a time stamp)

-Recommends considering completion of the compliance audit over the summer, which helps with identifying findings early enough to fix for the whole subsequent year

-Also recommends completing the financial audit early which will help complete the separate annual financial report that needs to be turned in by 10/15, therefore resulting in reconciliation between the two financial reports

b.      Principal’s Report

i. Homework Club Meeting update: Several parents from the PTO met with Renita to discuss their ideas about how to optimize HW club; Renita educated them about what hw club is, who is in charge of hw, role of hw, etc. Some of the concerns shared by parents were related to teacher:student ratio, which teachers are available, amount of homework, how hw is communicated, how it is graded, etc. The result of the meeting is that the PTO is going to create a survey to provide Renita, which she will send out to parents to identify the most common overall goals. Once the results are obtained, then additional meetings and decisions can be addressed.

ii. ESS Compliance Visit update: Heidi, our ESS compliance officer from the state, came in and she will be coming in for two more planned visits in Jan and Feb. At this point, she reviewed all the 45 day reviews, and found us to be 100% compliant at this time. The ESS policy guidelines were appropriately put on the board agenda and approved in a vote. The Child Find posters are up. The Success Gaps Rubric committee met (Exhibit 2) and the report was completed and filed.

iii. Curriculum Map update: The maps continue to be in process. In math, for K-6, students are using Eureka with fidelity and reteaching is being performed when appropriate. In grades 3-6, Ms. Yao is individualizing the math curriculum and is using data to drive her instruction. The state science standards changed this year and two of our teachers will be doing a webinar to increase understanding, and they have a map for their science teaching. For ELA, grades 2-6, Ms. Nelson is working hard to build their curriculum map and the lesson plans reflect that. Early release days are spent on furthering curriculum development. Additional curriculum still is in process of being identified for Spanish. The mandarin teachers are working toward furthering curriculum development as well. All teachers understand the overarching goal of building a strong curriculum map.

iv. Parent Conference Survey data: Exhibit 3. Overall impression is that we need to reconsider holding parent teacher conferences in which all the teachers are together for each grade level, as opposed to separate conferences for each student.

v. Enrollment Update: Exhibit 4; the new registration form includes a question that includes how families found out about us; parents that tour get added to the future dragon mailing list; we have almost 1 tour scheduled per day at this point. Michael suggested putting visiting families on a CRM, which could be included with our Microsoft Office system. Enrollment is currently at 81.

c. Accounts Receivable updates - Brittany Miller

i. Account Receivable Hardship Requests: We have ~$13,000 overdue in accounts receivable. Brittany and Renita have been in communication with many of the families on the list. We now have a series of letters that have been sent home to alert families when they are overdue at different levels. Four letters have gone out. The plan is for letters to go out weekly with different restrictions at 30/60/90 days and to follow the protocol previously voted upon in a prior board meeting. When we get to the point of the children being removed from services and the family has not responded with a payment plan, and the decision for collection is to be determined, that will be the point when the board needs to vote to implement sending the account to collection.

We are not contracted with DES for payment assistance for half day K for students of families that qualify financially. Per DES, we don’t have enough students to operate on a contract with them. Family 15 is contracted with DES but DES won’t pay the ½ day K fee for their child to go to our school, but would pay the fee for them to attend a different larger school. This issue will need to be voted on below.

d.  CINTAS 5-year inspection: The two 1-year inspections on the fire system have been completed and paid for. The only thing is that CINTAS is now recommending a 5-year internal inspection that needs to be completed every 5 years. We have not heard back from the Temple regarding who pays for this. Overall, the Temple continues to be highly unresponsive to email and phone questions. Tomorrow, Renita will re-send the email and cc the board, and if they continue to be unresponsive, then we will go up the ladder to get the answers we need. Allison thinks we need to write a letter to the Temple about the difficulty we have had with communication and timely answers. Since last month, Brittany and Renita have starting putting everything in writing to help document the poor responsiveness. Plan is for a repeat email tomorrow, then a follow-up from the board requesting a face to face meeting if no response is received within 24 hours.

e. Smore license quote: Right now the weekly newsletter is put together using Smore, which is easy and convenient, and saves hours of time. The amount for up to 10 users is $499 for the year, and $999 for 15 users. The $499 plan is being phased out but we have been offered the $499 for this next year.

f. Redaction of Vargas’ letter of resignation: Ms. Rosario Vargas previously submitted a resignation letter, but quickly sent in a letter retracting her resignation.

g.  Pretest Data (Presentation by Renee Gallegos or Renita Myers): Renee put together the pre-test data, but she is not here tonight to present it.  We will put on the next agenda given the substantial amount of time needed to go over it comprehensively. Renita will also present some of the data to families in the first few minutes of the winter performance on Dec 19th.

h.  School and Teacher surveys: At our last board meeting, we discussed that school and teacher surveys will be sent out at the end of January. Allison has the set of questions from last year and will provide it to Renita. Goal is to have the data in time to use for part of the 301 payment determination. There are a couple parents from the PTO who have volunteered to join a committee to help develop the questions that will go out to parents.

i. Contract addendum for Principal: When the principal contract for 2018-19 was drafted, one of the milestones for determining bonus by 1/31/19 was the ability to recruit at least 2 incoming K classes. However, this was when the cap lift was anticipated to be in the late fall, whereas it will not likely occur until late February of 2019, affecting the ability to complete this milestone by the end of January.

j.  Ball & McGraw Audit Invoice 18431: audit price increased based on the extra time that was required to prepare our audit.

6.      Action Items

a.      Approval of prior meeting minutes for Corporate and Governing Board meeting from

October 16, 2018

-AP motioned to approve, DM seconded, all in favor

b.      Account Receivable Hardship Requests

-Vote regarding Family 15 on AR list that DES declined payment for ½ day K and homework club:

-HW club:AP votes to write off the bad debt for hw club for August and September, and deny request for free hw club going forward for both students in the family, MG seconds, all in favor

-½ day K: AP votes to offer a reduced rate 50% tuition for ½ day Kindergarten, MG seconds, all in favor

c.      CINTAS 5-year inspection – no vote needed at this time, plan as above

d.      Smore license renewal

- KR motions to approve $499 for the annual license, DM seconds, all in favor

e.      Vote regarding redaction of Vargas’ letter of resignation

- KR motions to approve the redaction, AP seconds, all in favor

f.       Contract addendum for Principal

- KR motions to approve the addendum distributed for board review, DM seconds, all in favor. Contract addendum signed by board members present (KR, MG, AP, DM) and dated 11/27/18.

g.      Ball & McGraw Audit Invoice 18431

- AP motions to approve the $3,750 for invoice 18431, KR seconds, all in favor.

7.      Executive Session: Pursuant to A.R.S. § 38-431.03(A), Section 7.9.5.1, the board may vote to enter executive session to discuss personnel matters.

-No executive session held.

8.      Announcement of future meeting: Dec 11th at 5pm

9.      Meeting adjourned: 7:52pm