

**Providence Englewood Charter School
BOARD OF DIRECTORS MEETING**

**At
6515 S Ashland Ave
Chicago, IL 60636**

**Saturday, November 3, 2018
9:00 a.m.**

MINUTES

ATTENDANCE IN PERSON

Directors

**Ellen Kollar, Chairperson of the Board
John Stoops, Treasurer
Matthew Bergmann, Secretary
Peg Cain
Leslie Holling
Howard Isenberg
Kelley Kalinich
Latasha Thomas
Arlen Wiley
Jason Zenner**

DIRECTORS ABSENT

**Dick Burridge
Caroline Degenars
Rona Fourte
Walter Matthews
James Reilly
John Stevenson**

TELECONFERENCE

Bernard Lilly

OTHERS PRESENT IN PERSON

Staff

**Shinwe Shelton, Deputy Director of Operations, PECS
Tahanni Ragland, Business Manager, PECS
Sonji Jones-Cooks, Executive Director of External Affairs, PECS
Janelle Miller, Academic Dean, PECS**

I. ROLL CALL/DETERMINATION OF QUORUM

The meeting was called to order at 9:05 a.m. by Mrs. Kollar.

A token of appreciation was presented to Mr. Stoops for his years of excellent service as Board Chair.

II. Public Participation Period (not requested in advance of the meeting)

III. Closed Session (not necessary)

IV. Opening Comments and Consent Agenda

a. Brief Review of Strategic Plan

b. Approval of Minutes of September 13, 2018

Comments on minutes- Mr. Bergmann will provide the updated committee assignments and classes of directors and approval of these minutes was tabled to the December meeting.

V. Academics

- a. The Academic Report was given by Dean Miller in Mrs. Johnson-Williams' absence. Due to decreases in both Reading and Math growth and attainment, PECS has dropped from a Level 2+ to a Level 2 school in CPS's SQR system. PECS is dedicated to improving student learning and, as a result, these scores. Dean Miller noted for the Board that the goal for the 2018-2019 school year is that 60% of PECS students will grow at least 1.25 years over last year. Accelerator Institute is helping Mrs. Johnson-Williams to define and lead the school to take effective steps to achieve this goal. A key area of focus is the constant development/training and giving feedback to PECS teachers. To identify who needs coaching and on what content, PECS conducts ongoing in-classroom observations and also has developed an internal monitoring system (scoreboard). Each month teachers give their students assessments and enter student data into the scoreboard. The scoreboard data is reviewed closely each month and development and coaching is provided accordingly. In addition to NWEA, these internal assessments allow more chances to get feedback on how our students' learning is progressing as opposed to just three times a year. Teachers are a little overwhelmed, but they understand that these actions will drive our students' overall learning growth and attainment. The Board expressed support for the goal and actions and emphasized the need to honor and support the teachers' adjustment to this new system. The Academic Excellence committee plans to follow up on ideas to address teacher recognition and incentive, in addition to the merit and compensation review that it will conduct with the Finance Committee.**

Side note: The teacher appreciation luncheon is December 12th. Board members are encouraged to attend.

- b. The Academic Excellence Committee report was given by Dr. Kalinich. Accelerator Institute has empowered Mrs. Johnson-Williams to focus on the things necessary for PECS' improvement. The agenda has shifted slightly this year. Mrs. Johnson-Williams has been able to ramp up observations for better day-to-day insight and the reading and math consultants are still working with teachers based on priority (results from in-room observations and the scoreboard). The Committee is also reviewing ways to ensure PECS can continually recruit and retain its excellent teachers and is exploring barriers as well as opportunities, including forming a partnership with a University as a means to create a pipeline to attaining great teachers. (Illinois State University could be a great partner. Chicago State has a great education program as well). Ms. Thomas has agreed to help to make a connection with someone from Chicago State that could possibly help with our partnering efforts. In addition, since student attendance is a key factor in driving learning, and is also a component of the SQRP report, PECS has recently reviewed and improved its procedures to track attendance. It was also noted that student behavior referrals have dramatically reduced.

VI. Financial/Operations

- a. Review of SY 2017-18 Audit – Mrs. Shelton reported a clean audit for the fifth year in a row. She discussed with the Board, CPS' mandate that all schools record "on-behalf" payments for pension liability and short term borrowing costs on their financials. PECS' auditors, Plante Moran, have advised that recording such costs would not be in accordance with GAAP and therefore that PECS should not record these payments. Plante Moran has advised that the in-kind rent expense that PECS' has recorded is legitimate, but that the two new on-behalf deductions, which CPS intends to reflect the PECS share of unfunded pension liability and interest expense from CPS borrowing, are not actual PECS liabilities so they should not be recorded in the PECS financials. It is Mrs. Shelton's understanding that some charters are providing a supplemental unaudited statement to CPS acknowledging this liability, but PECS believes that this is not appropriate (and she noted that INCS has also recommended that charters not record the expense). Mrs. Shelton additionally noted that PECS should not do anything in the CPS Epicenter system that will not match our audited financial statements, even though we are unsure whether or not this will negatively impact our financial score in the SQRP report. Mr. Stoops expressed his views, as Chair of the Finance Committee, agreeing with Mrs. Shelton and Plante Moran. The Board agreed to the approach recommended by Plante Moran, Mr. Stoops and Mrs. Shelton to submit the PECS Audited Financial Statements to CPS as the auditors recommended, without the two new on-behalf liabilities being reported.

On motion duly made (Mr. Isenberg), seconded (Ms. Cain), and unanimously passed, the 2017-18 PECS Financial Audit was accepted as presented.

- b. Mrs. Shelton then reviewed with the Board the revised SY 2018-2019 budget. The initial budget, which was approved by the Board and submitted to CPS, was based on an expected enrollment of 475 students. The revised budget reflects PECS' actual enrollment of 464 students. As reflected in the revised budget presented to the Board, this which leaves PECS with a budgeted deficit of (\$367,032.68).

Mrs. Shelton reviewed with the Board the PECS financials for the three months ending September 30, 2018, noting and explaining variances between actual results in the period for 2018 vs. 2017. Specifically, on the Balance Sheet, Total Cash and Cash Equivalents increased due to the remittance of revenue payments; A/R decreased due to new PTC methodology which combines SPED and SGSA; PPE decreases were due to retired assets; Accrued payroll increases were due to labor costs and an increased number of employees; and overall Total Liabilities and Net Assets were \$115K more than 2017.

On the Income statement, the Charter School funding increase was due to increased per-student payments from CPS; although the next payment will be reduced based on actual student count (464 vs initial estimate of 475). Grants and Contributions increased due to occupancy increases; Total Revenue in comparison to 9/30/17 is \$129K more, which is most likely due to Rent.

On motion duly made (Dr. Kalinich), seconded (Ms. Thomas), and unanimously passed, the 2018-19 Revised Budget was approved.

- c. Regarding compliance, Mrs. Shelton informed the Board that there were a couple of submissions that were submitted timely then rejected and resubmitted.

VII. Building Operations and Security

- a. Mrs. Shelton led the Board through a discussion regarding PECS' Building Operations Project List. She reminded the Board that she and Mr. Stevenson developed the Project List with the assistance of, IFF, a facilities consultant which performed a facilities assessment some time ago. The Board reviewed and discussed the list of Projects, noting those which require attention by priority: immediate, high, and low, and also noting the amounts currently included in the PECS budget vs the current cost estimates. A discussion ensued about the terms of PECS' lease with CPS and CPS' responsibilities with respect to these facilities projects and the need to get the projects added to the CPS

capital improvement plan and/or to ultimately get CPS approval in order for us to make the improvements ourselves.

The Board discussed a two-pronged approach with respect to the projects: that PECS will move forward to promptly make the repairs with respect to nearly all of the projects, while at the same time connecting with CPS to discuss in more detail the exterior masonry/sealant replacement and the issues causing sinkholes in the parking lot and on PECS property. The Board recognized that taking on these improvements directly will require expenditures by PECS over and above what is currently in the PECS SY 2018-2019 budget, but believes it is important to make the improvements as promptly as possible.

Ms. Thomas volunteered to attempt to gain access to the findings from the exploratory process that CPS has performed on the sinkholes. If no response, we will consider doing an FOIA request. In addition, the Board directed Mrs. Shelton to work with Mr. Stevenson and Ms. Thomas to develop a plan to engage with CPS with the intention of getting at least the external masonry/sealant replacement and sinkhole issues on their capital improvement plan.

On motion duly made (Dr. Kalinich), seconded (Mr. Zenner), and unanimously passed, additional expense funding to cover new security cameras (\$75,000), and the fire panel/sprinkler system (\$25,000) were approved and the Board directed that PECS move forward with those projects as well as with the budgeted repairs to the fuse panel, roof, gym lights and patching potholes – so that all of these repairs are made promptly.

- b. Mrs. Shelton also discussed with the Board the state of PECS' technology and the technology review that is currently being undertaken. She reminded the Board of PECS' vision of obtaining Chrome book computers for every PECS student as this is seen as a critical enabler for student learning and to enhance our students' ability to best perform on the NWEA tests which are conducted on-line (in fact, PECS' current computers frequently crash during NWEA testing). A technology consultant, Stratosphere, has conducted a technology assessment, and while we have not received their final report, the need for a new server is likely.

Mrs. Shelton will continue to work with Stratosphere to understand our technology needs and the costs, with the aim to discuss this in depth with the Board at the December Board meeting. It was noted that Middle of Year NWEA testing is in January and End of Year NWEA testing is around the end of May

and PECS would like to be in a position to have the new technology and upgrades in place as quickly as possible.

- VIII. External Affairs Overview.** Mrs. Jones-Cooks noted for the Board the following:
- a. She has hired a program manager, Jessica Lewis, for External Affairs.
 - b. She will provide quarterly reports regarding college persistence.
 - c. The annual development/fundraising appeal will go out this month.
 - d. Regarding recruitment, Ms. Jones-Cooks is reevaluating the application and open application process. Ms. Jones-Cooks identified that the application is currently 14 pages long, which could be the cause of the falling conversion rate. Mrs. Jones-Cooks will review recruiting with the Board in more depth at the December Board meeting.

IX. Other Board Committee Reports

- a. Governance – Mr. Bergmann requested that all Committee chairs reach out to him about whether they need additional help on their Committees. In addition, Mr. Bergmann asked all Directors to let him know about their committee interests.

X. Other Business

Mr. Isenberg briefed the Board about a recent meeting he and Mrs. Kollar had with INCS leadership and the work INCS is doing on behalf of the charter school community. He also mentioned that the INCS Charter School Conference is Thursday, December 15th. Mrs. Shelton asked Directors to let her know if they would like to attend.

XI. ADJOURNMENT

On motion duly made (Mr. Isenberg), seconded (Ms. Cain) and unanimously passed, the meeting of the Board was adjourned.

NEXT MEETING: Thursday, December 13, 2018 4:00 pm – Water Street (444 W. Lake, Suite 1800)