

**CORNERSTONE MONTESSORI ELEMENTARY SCHOOL  
BOARD OF DIRECTORS MEETING  
TUESDAY, NOVEMBER 19, 2019 – 6:00 P.M.**

**Board Members Present:** Jean Melancon, Jess Goff, Alyssa Schwartz, Julaine Roffers-Agarwal, Maisah Outlaw, Carolyn Ganz

**Board Members Absent:** Marcus Almon

**Other Attendees:** Sarah Stocco (potential board member), Chris Bewell, Joe Aliperto (Dieci Finance until 7:04)

**Meeting called to order by Jean Melancon, Board Chair, at 6:07 pm.**

**AGENDA**

Agenda moved out of order because of limited availability of auditor and financial services provider.

**Auditor's report – Dennis Hoogeveen of CliftonLarsonAllenLLP** - on speaker phone

- Audit was smooth, completed on November 13<sup>th</sup>.
- He talked us through the auditor's reports. There are three different reports that are issued by CliftonLarsonAllen.
  - Financial statements – they have issued a clean opinion, which is as good a rating as we can get. This means that we had clean financial statements, legal compliance, and good budget to actual outcomes. Strong fund balance, good financial state overall. There were no concerns to report from them.
  - Legal compliance - There was one minor finding that is still unresolved. FDIC covers \$250,000 in cash. When audited, at one point Cornerstone had over \$500,000, which makes us non-compliant for the state of MN. There are several ways to resolve this and the Finance Committee is looking into what works best. They are leaning toward opening a new account at Northeast Bank to have an account that sits and earns interest.
  - Internal controls – this was clean as well
- This is basically as good as it gets in terms of charter school audits. Big thanks to Chris and Joe.
- Other notes:
  - Holdback 10% - no indication that will change right now
  - SPED reimbursement has been changing

**JULAINES MOVED TO ACCEPT THE AUDITORS REPORT. MAISAH SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY.**

October Financial Statements

- See reports
- ADM is currently 144. MDE is paying us at 141 and we have budgeted for 142.
- Cash flow is looking good. There are some changes that will be put in place after we approve a revised budget.

**JESS MADE A MOTION TO ACCEPT THE OCTOBER FINANCIAL STATEMENTS. CAROLYN SECONDED THE MOTION. THERE WAS NO DISCUSSION. THE MOTION PASSED UNANIMOUSLY.**

Revised Budget

- The revision of the budget is essentially moving some things around so that it better matches our current reality.
- Discussed change of ADM money from the state (being paid at 142 instead of 141)
- Title IV is a new source of income for us this year.
- Discussion of income sources including various grants, Title funding, SPED reimbursement and so on.
- Lots of additions of staffing while still remaining budget neutral.

**MAISAH MADE A MOTION TO ACCEPT THE REVISED BUDGET. JULAINE SECONDED THE MOTION. THERE WAS NO DISCUSSION. THE MOTION PASSED UNANIMOUSLY.**

**Public Comment Period:** Comments limited to 3 minutes per person.

No public comments were offered.

Consent Agenda

| Policies on the Consent Agenda    | Brief Explanation of Changes   |
|-----------------------------------|--|
| 725 Record Retention Policy       | <ul style="list-style-type: none"><li>• 725 - Minor edits, see redlined version.</li><li>• Note in item III.C, which states <i>A link to the "School Records Retention Schedule" can be found in 725.1.</i> Approving the 725 Record Retention Policy will also approve document <i>725.1 School Records Retention Schedule.</i></li></ul> |
| Other Items on Consent Agenda     |  |
| Draft Prior Month Meeting Minutes |  |

**JESS MADE A MOTION TO ACCEPT THE CONSENT AGENDA ITEMS. CAROLYN SECONDED THE MOTION. THERE WAS NO FURTHER DISCUSSION. THE MOTION PASSED UNANIMOUSLY.**

### **Approval of Agenda & Declaration of Conflict of Interest**

Two items are being added to the agenda: one additional policy and a finance committee action about cash surplus and banking.

**CAROLYN MADE A MOTION TO APPROVE THE EVENING'S AGENDA WITH THOSE CHANGES. MAISAH SECONDED THE MOTION. THERE WAS NO DISCUSSION. THE MOTION PASSED UNANIMOUSLY.**

Jean asked whether, given the approved agenda, there were any conflicts of interest. None were disclosed.

### **Finance Committee Report**

As indicated by the audit, we need to deal with our cash balance to make sure everything is in FDIC insured. We have about \$600,000 cash (operating money and fund balance), which needs to be spread out into three accounts in order to stay FDIC insured.

- Sunrise Bank – 2 accounts
- Northeast Bank – recommendation to open new account that will earn interest

**JULAINÉ MADE A MOTION TO OPEN A NEW ACCOUNT AT NORTHEAST BANK FOR THE OVERAGE IN ORDER TO BE IN COMPLIANCE AND ENSURE FDIC INSURANCE. JESS SECONDED THE MOTION. THERE WAS NO DISCUSSION, THE MOTION PASSED UNANIMOUSLY.**

### **Head of School Report – Alyssa Schwartz**

- See report.
- Successful UST site visit on 10/28

### **Governance Committee –Julaine Roffers-Agarwal**

- Updates to Bylaws – these have been reviewed by the authorizer, who thought they looked fine
  - o changing number of required annual meetings (to 8 meetings throughout the calendar year)
  - o updating process for adding new board members

**JULAINÉ MADE A MOTION TO ACCEPT THE CHANGES TO THE BYLAWS. CAROLYN SECONDED THE MOTION. THERE WAS NO DISCUSSION. THE MOTION PASSED UNANIMOUSLY.**

- Board book conversation – A Good Time for the Truth: Race in Minnesota – at February board meeting – can talk to Alyssa for book
- Policy that came up at UST review

- 415 Purchase of Group Health Insurance Coverage

**JULAINÉ MADE A MOTION TO ACCEPT POLICY 415 AS WRITTEN. JESS SECONDED THE MOTION. THERE WAS NO DISCUSSION. THE MOTION PASSED UNANIMOUSLY.**

### **Director of Business Operations – Chris Bewell**

- Enrollment update: ADM currently 144. We are being paid by MDE at 141.
- The lottery is taking place on December 10<sup>th</sup>. Applications are due by December 1<sup>st</sup>.

**JESS MADE A MOTION TO APPROVE THE FOLLOWING ENROLLMENT OPENINGS FOR THE 2020-2021 LOTTERY: KINDERGARTEN – 20 OPENINGS, 1ST – 6TH GRADES: 0 OPENINGS. JULAINÉ SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY.**

### **Development Committee**

- Currently in flux. Chris went through the Give to the Max website and updated our page. We are waiting for an official number from Give to the Max and will approve those donations when we receive them.
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### **Board Work Session – Strategic Plan – Jean Melancon**

- “Access” portion of strategic plan included making decision about expansion
- Alyssa read a letter from Upper Elementary children about middle school expansion
- Creation of a task force charged with researching all CMES expansion options.
  - Parameters for task force
    - Refer to CMES Board Project Vetting Checklist
    - Jean collected list of questions and issues
    - What is the make up of the task force?
- By consensus, the Board approves the development of a Task Force to explore expansion options.
- Sarah Stocco and Alyssa will meet to look more at the list Jean created to help organize to start Task Force work.

### **Board Chair Report – Jean Melancon**

- Environmental Scan
  - SPPS talking about limiting charter school expansion in order to support steady enrollment for their district schools
- MACS has newly organized website

### **Suggested Agenda Items for Future Board Meetings**

- Task Force (December 17<sup>th</sup>)
- Sharing about equity work: 10/17, 10/18 (January 21<sup>st</sup>)

### **Meeting Check In**

- What worked?
  - o Financial stuff is sometimes a lot of information
  - o Revised budget would be good at least 24 hours in advance
  - o Definition sheet to support understanding (what is Title I, etc) could be helpful
  - o Thoughtful conversation about task force work
  - o Audit information could have been presented more clearly with advance reports available

### **Adjourn**

**MAISAH MADE A MOTION TO ADJOURN THE MEETING AT 8:19 PM. JULAINE SECONDED THE MOTION. THERE WAS NO DISCUSSION. THE MOTION PASSED UNANIMOUSLY.**

***Respectfully Submitted by Jess Goff, CMES Secretary***

***The next CMES Board Meeting is Tuesday, December 17<sup>th</sup>, 2019 at 6 pm.***