

The Classical Academy
975 Stout Road
Colorado Springs, CO 80921

Board of Directors Meeting
North Campus
Monday, September 8, 2008

- I. Call to Order. Chairman Matt Carpenter called the open session to order at 6:01p.m.
- II. Pledge of Allegiance/Roll Call
 - A. Matt Carpenter led those present in the Pledge of Allegiance.
 - B. Roll Call. The following Directors were present: Steve Pope, Clark Miller, Chris Bender, Lisa Sutton, Vance Brown, and Jim Kretchman. Also present: Mark Hyatt, President.
- III. Comments
 - A. From the Audience

Jim Kretchman spoke about his daughter's first day of school, saying she came home and said she "learned so much." As a parent, Jim is thankful and grateful to all of the TCA teaching staff.

Moved by Matt Carpenter, seconded by Clark Miller, to adjourn to executive session per C.R.S. [§ 24-6-402(4)(f)] at 6:07p.m, for the purpose of discussing personal family issues. Roll Call. Approved by unanimous vote.

[A TCA Parent shared concern about a TCA Student and this student's impact on the entire TCA Community.]

Moved by Steve Pope, seconded by Vance Brown, to adjourn to public session at 6:31pm. Roll Call. Approved by unanimous vote.

- B. From the Administration – None.
- C. From the Board – None.

The Board chose to address Discussion Agenda Item D. Update on TCA East Campus.

Mark Hyatt shared the news that Standard & Poors gave TCA a Triple B Rating for the East Campus building, adding they thought we are one of the top 15 to 20 charter schools out of 400 nationwide for financial position, leadership and stability, reserves, and business plan. The Ground Lease has been signed by the Building Corp Director, Rick Mueller, and is currently at the state level for community colleges. Mark then introduced Bill Mahaffey, TCA's legal representative, to talk on the Sublease and Memorandum of Understanding (MOU).

Mr Mahaffey explained that negotiations are complete with the State, Pikes Peak Community College (PPCC), and TCA and that TCA has an agreement with PPCC that the lease (currently for 10 classrooms) is a fair deal. Under state law, it must be written as a year-to-year lease. If for some reason PPCC does not renew the lease, TCA's Chief Financial Officer, Doug Hering, is confident TCA can cover the space financially, with the unlikelihood of this happening.

The MOU is negotiated between PPCC and TCA, not through the State's attorneys. It discusses the special relationship between the two communities and addresses other issues, not addressed in the lease or sublease. Specifically:

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- a) PPCC to be the exclusive provider of TCA's dual enrollment program for the length of the lease
This pass through to a four-year institution benefits TCA students and it gives PPCC strength to form partnerships with more 4 year institutions.
- b) 5 graduates per year from TCA who have prerequisites completed will be admitted directly into PPCC's Nursing Program (normally 2 year wait)
- c) 5 PPCC faculty's children admitted into TCA per year (total, not per grade)
- d) PPCC gets 10 hours of use of the field per week (as long as TCA isn't using it)

Recently added clauses:

- a) Department of Public Safety to have jurisdiction since TCA is on PPCC land
- b) TCA agreed to pay up to \$5k to move observatory
- c) El Paso county to enforce zoning laws

Mr Mahaffey concluded that the MOU is in conjunction with Ground Lease. It is a one time document, not an annual, renewable contract. In his mind, nothing jumps out as a "show-stopper" on either the Sublease or the MOU.

IV. Consent Agenda Items

These are items that are for information or for vote but do not require further discussion by the Board or staff at this time. In the event that new information is available since the publication of this agenda, prior to approval of the consent agenda as presented, the board or staff may remove any consent agenda item(s) and move the item(s) to the Discussion Agenda.

- A. Approval of Minutes- Handout (August 2, 2008, August 11, 2008, August 25, 2008)

Moved by Chris Bender, seconded by Clark Miller, to approve the Consent Agenda Items, with amendment to the August 11th Board Secretary Vote. Roll Call. Approved by unanimous vote at 6:57p.m.

V. Discussion Agenda Items

These are specific items that the Board and/or staff would like to discuss and expand upon in greater detail than the materials that have been provided.

The Board decided to discuss Discussion Agenda Item E. Spending Limit for East Campus.

The Administration requested permission to spend up to \$1M for the East Campus PPCC project. This money would be used to cover expenses until the \$12M bond monies are in place. Rick Mueller explained this is a similar position TCA was in almost 5 years ago and the \$1M requested will cover expenses, namely the next big piece, excavation. This amount of money has the potential to be spent over the next 30 days.

Moved by Chris Bender, seconded by Lisa Sutton, for the TCA Administration to spend up to \$1M (to include funds already spent) over the next 30 days to continue the PPCC East Campus Project. Roll Call. Approved by unanimous vote at 7:08p.m.

Steve Pope read from the July 28th Board Meeting Minutes, highlighting the distinction between this vote and the previous Board vote:

"Moved by Clark Miller, seconded by Lisa Sutton, at 11:10pm to approve the motion that the TCA Board of Directors authorizes the continued pursuit and closure of necessary contracts and lease agreements to complete the partnership and construction projects for the East Campus and the TCA-PPCC Partnership. The construction contract and related contracts shall not exceed \$12M plus finance and bond expenses. Roll Call. Approved by unanimous vote"

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Mark Hyatt shared with the Board that the Administration had received an offer from an individual to rent the Scarborough Campus. The modulars would be used for swing space for a D-49 charter school and the offer included paying to move TCA's property out of the gym. Neither the cost, nor the rental term has been negotiated yet. The Board and the Administration agreed to a short rental contract with month-to-month options (4 month contract) for now, without committing TCA for a long period of time. The long-term decision still hasn't been made what to do with the Scarborough Campus – sell, rent, build, or hold for appreciation.

Mark Hyatt proposed to the Board that TCA consider another artificial turf field at the new East Campus at PPCC. A turf field costs \$500k, vice the \$170k for a sod field, plus \$20-\$30k per year in maintenance. TCA could make up the difference in 7 years, beyond that, bring in extra revenue. D-20 has also gone to artificial turf fields due to problems with sod fields on their campuses. The cost needs to be absorbed into the \$12M ceiling for the entire project. If the East Campus project does come in under budget, legally all of the money needs to go into a building fund and any excess has to go into a fund that pays the interest. The \$12M debt is approved for a specific project and cannot be used for "anything TCA."

- A. Annual Update of TCA Charter- Handout
 - Item: To share with the Board the updated TCA Charter
 - Presenter: Kevin Collins
 - For: Information/First Read

Kevin Collins provided the Board a copy of the Charter we review and update annually to stay in compliance with D-20. The highlighted marks on the handout indicate changes from the previous year's charter. On Thursday, September 4th, the D-20 Board voted and approved the document. It includes changes and descriptions to discipline practices, adds specific TCA language on the Mill Levy, and updates routine numbers on formulas and buy back of services. It also states TCA no longer needs D-20 "prior approval" on actions, but rather only "notification," and that TCA will comply with the No Child Left Behind Law. Kevin stated the contract is a routine document and included the contract has gotten more streamlined each year.

The Board decided to add the TCA Charter as a Second Read/Vote to the Agenda for the Board's Offsite, September 12th and 13th.

- B. Classical Institute/Great Starts Summer Report- Handout
 - Item: To share with the Board the report from two of TCA's summer programs
 - Presenter: Mark Hyatt
 - For: Information

Mark Hyatt explained that Great Starts turned out to be a good thing for TCA – netted \$13.6K, without including field rental. (By including field rental, the program approximately broke even). He recommended continuing Great Starts next summer, with a potential of \$20k of income for next summer. The Classical Institute did not break even, but had a 50% increase in participation from last summer. Mark recommended continuing this program as well, but the proposal is not to run a class unless it has enough participants. Kay Goble, TCA East Teacher, ran the academic program of The Classical Institute. She added the program was written as a TCA-student program for K-6th graders, as a teacher-recommended program for "remediation." Currently the program does not accept students from outside of TCA (do not speak the same "language") and is not set up to challenge gifted children. It is focused on helping TCA students and, also, funds teachers' salaries during the summer. Also, Fall and Spring Classical Institute courses have been added to the calendar.

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C. Controversial Issues Policy- Handout

Item: To discuss and approve "Controversial Issues Policy"

Presenter: Leesa Waliszewski

For: Second Read/ Vote

Leesa Waliszewski explained this item was previously on the Board's Agenda in June. The handouts include the D-20 policy, the TCA Board Policy from November 2004 (outdated) so the TCA Science Team drafted the proposed Controversial Issues Policy. Leesa recommended to the Board to delete the Nov 04 Board Policy and resubmit the Controversial Issues Policy, on top of the D-20 policy. This is important so that the Board has a voice and gives good guidance to teachers, parents, and staff about who we are and what we are about. Nothing in the TCA policy contradicts the D-20 policy, but rather the TCA versions gives more power and clout. If the D-20 policy changes dramatically in the future, TCA will submit a waiver. If approved, the Administration will add it to the Board Policy Series, clarifying that it's a reference back to the D-20 policy, and publish it.

Moved by Chris Bender, seconded by Vance Brown, to supersede the November 2004 TCA Board Policy TCA #101-04, 11-8-04 Policy to Bring TCA into compliance with the Santorum Amendment of No Child Left Behind Legislation (NCLB) with the proposed revised Board Policy, TCA Board Policy on Teaching Controversial Topics, in line with the District 20 position. Roll Call. Approved by unanimous vote at 8:00p.m.

D. Update on TCA East Campus

Item: To inform the Board of progress since August 25, 2008 Board Meeting

Presenter: Mark Hyatt

For: Information

Previously discussed.

E. Spending Limit for TCA East Campus

Item: To authorize TCA President a spending limit prior to bond approval of TCA East Campus

Presenter: Matt Carpenter / Mark Hyatt

For: Vote

Previously discussed.

Moved by Vance Brown, seconded by Steve Pope, to adjourn to executive session per C.R.S. § 24-6-402(4)(f) at 8:15p.m, for the purpose of discussing personnel issues. Roll Call. Approved by unanimous vote.

The following agenda items were discussed by the Board during Executive Session:

F. President's Objectives


Item: To finalize the President's Objectives for 2008-2009

Presenter: Matt Carpenter

For: Discussion

Moved by Steve Pope, seconded by Vance Brown, to adjourn to public session at 11:20pm. Roll Call. Approved by unanimous vote.

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G. Discussion of Presidential Objectives for 2008-2009

Item: To discuss among the Board and with TCA President, the President's Objectives for 2008-2009

Presenter: Jim Kretchman

For: Discussion/First Read

H. Board Retreat – Sept 12th and 13th

Item: To discuss the format of the Board Retreat (Sept 12th and 13th)

Presenter: Matt Carpenter

For: Information

I. TCA Fundraising Philosophy

Item: To discuss our philosophy of fundraising, and how the Board should be involved

Presenter: Matt Carpenter

For: Discussion

J. Mill Levy Override Message

Item: To discuss the message the Board would like to send to the TCA Community

Presenter: Matt Carpenter

For: Discussion/Vote

Future Agenda Items

- A. Fundraising Philosophy/Report – Oct.
- B. Teacher Compensation Plan – Oct.
- C. Follow-up from Sept Board Retreat – Oct
- D. Succession Planning – Oct
- E. Board Orientation – Oct
- F. Board Code of Conduct – Oct
- G. Registrar Report – Nov.
- H. Audit Review – Nov.
- I. Quarterly Review – Nov.

IV. Adjournment

Moved by Steve Pope, seconded by Vance Brown, to adjourn meeting at 11:40p.m. Roll Call. Approved by unanimous vote.