

The Classical Academy
975 Stout Road
Colorado Springs, CO 80921

Board of Directors Meeting
North Campus
Monday, April 11, 2011

- I. Call to Order (6:00p.m. in TCA High School Room 2213/2214)

Chairman Steve Pope called the meeting to order at 6:07pm.

- II. Pledge of Allegiance / Roll Call Est. Time: 5 mins

All board members were present at the board meeting.

- III. Final Speech to Community by All Board Candidates Est. Time: 25 mins

Board Candidates Chris Carter, Erik Demkowicz, Chris Leland, and Steve Palmer shared the reasons they would like to be on the board.

- IV. Final TCA Community Voting Opportunity, Counting of Votes, and Announcement of Election Results Est. Time: 30 mins

Tom Weston shared that he was the third party monitor of the election. John Green covered for Thursday and Friday. The votes were counted twice each day and then again tonight. The individuals who received the most votes and won the election were Chris Cater, Chris Leland, and Steve Palmer.

- V. Board Meeting Begins in Room 2213/2214 (approx 7:00pm)

Item H from the agenda is being postponed to the May meeting.

- VI. Comments from the Audience Est. Time: 5 mins

Mark Stephens said that they are invested in TCA and thank the board and the future board members. He said that he has a concern that he would like to share with the board. He would like to speak to the tight funding within the school and he is speaking from a business perspective. He is concerned with the school opening new positions and adding spots that are not directly teaching spots. Just to consider how the community will feel and building the trust with the community.

David White addressed the board regarding the funding that is being cut at the state, and then the board just approved four new positions that will be a deficit of \$100k. He shared that this is not the right time, especially when they are asking parents to find places to cut in their budget to give to TCA. The board needs to decide where the cuts are going to be first and then decided to add additional positions.

- VII. Consent Agenda Est. Time: 5 mins
 - a. Minutes: February 7th and 21st, March 14th
 - b. Ops Report
 - c. February Financials

Moved by Jim Woody, seconded by Jim Kretchman, to approve the consent agenda, at 7:17pm. Roll Call. Approved by unanimous vote.

VIII. Discussion Agenda Items

a. Core Values Presentation

- i. Teacher Mentoring Program
- ii. Presenter: Veronica For: Information Est. Time: 30 mins

Veronica Wolken said that it is currently understandable about the concern regarding hiring additional positions because of the budget cuts. She said that she would like to share about the program and what it will bring to the TCA community. She reviewed the thought process behind the creation of this program and how it will impact the school, students and classroom culture. She shared that bringing in new teachers and having them be mentored would provide teachers in the future to fill the empty positions with TCA. Each teacher would be paid \$28k to take a classroom and learn through a mentorship program.

Dr. David Bohn said that he had to think through this before he approved the program, what do you do in a situation where you are facing budget cuts but are instituting something that is a net cost. He shared that there is research out there on companies and organizations come through best and which companies and organizations are left behind. This research showed a common characteristic between those companies that came through the recession and those there were left behind. Those companies that came through the recession best saw it as an opportunity and instead of major cutting they asked the question of how we prepare ourselves for what is coming ahead, and they did not cut their research and development. Dr. Bohn said as he thought about these companies and their success, which parts of TCA would be the research and development. He said that this mentorship program falls in this category. The mentorship program can be managed in the budget and will give us ground in the future. He felt the cost was worth it, because of how it will position us for what is ahead in the future.

Kirk Cameron spoke about how he was excited he was about this new program and what it would add to the school. He has experienced the phenomenon of a new teacher each year for his own children and appreciates what this program will bring to new teachers at TCA.

Jim Kretchman said that we as parents are deeply grateful that the administration and principals pursue how to make TCA a better place and do more with less.

b. Budget & Finances: 2011-2012 and beyond

- i. Update Board on latest information regarding state funding
- ii. PPOR & Reserves Policy regarding budget
- iii. Presenter: Mark V./ David B. For: Discuss/First Read Est. Time: 15 mins

Mark VanGamble explained the status of the funding from the state. He reviewed the additional funding the state of Colorado found, and the amount that would be given to K-12 education. He shared with these changes that it would increase the PPR but the bill is still being reviewed and has not been approved by the state. If the additional funding is provided to K-12 it would add about an additional \$100 to the PPR. Mark also said that they would like to give the final budget to the board at the May meeting for a first read, and at the June meeting for board approval.

c. 2011-2012 Fee Schedule

- i. Review proposed student fees for 2011-12. Fee schedule is the same this year.
- ii. Presenter: Mark V. For: 1st Read Est Time: 5 mins

Mark VanGamble reviewed the proposed fee scheduled for next year. He shared that there are no changes to the fee schedule for next year. Dollar for dollar it is the same as the current school year 2010-2011.

Kirk Cameron asked about the fees that will be charged for field trips and if there is a possibility if this information would be posted or sent to parents ahead of time. He also discussed as the board discusses the possibility of increased class size, that we could take into consideration having fees per grade level similar to Peak to Peak and Monument Charter academy, this could be along with the culture of giving.

Dr. David Bohn said that there is some concern with the fees and mixed messaging, especially since we are trying to raise a culture of giving. If we raise fees this may break the trust we have been establishing with the community.

Jan Stump shared that the feedback from the advisory groups should be looked at and reviewed. The fee portion could potentially mitigate the amount of work that has to be done to raise awareness about the culture of giving and that it would be best to not have too many things on the table because it could become very confusing.

Jim Kretchman said that if there could be clarity around raising fees it would be helpful. If the administration could say that there would be a cost surrounding implementing fees then it would make more sense to not consider. If there is no cost involved then it would be beneficial to look at it instead of increasing the class sizes.

d. Keeping TCA, TCA

i. Class size policy

ii. Presenter: David Bohn For: Discussion/1st Read Est. Time: 15 mins

Dr. David Bohn said the thought behind Keeping TCA, TCA is important because it will help planning and guidance around class sizes. This would also help administrators when making decisions around class sizes. He said when he began thinking about it, that the class size number is more of a target to keep TCA the same. He said that this would provide target ranges for the classes.

Kirk Cameron asked for what the guiding principal behind this policy.

Dr. Bohn shared that this would guide in decision making, in that in reviewing adding students to classes and increasing the number, the increase does not change TCA. This addition would not change the school but would allow TCA, to stay TCA.

The board discussed that if they were to approve this policy that they would like some wording on that an occasional class size increase is okay, but if all classes were increased due to budget issues they would like that brought to them for their approval before the changes to all classes are made.

Jim Kretchman asked the reason behind the discussion and 1st read on this policy now, versus discussing this topic at a board retreat.

Dr. David Bohn said that the reason for the discussion now, is due to the future recession in the budget and the current discussion around increasing class sizes.

e. Budget Deficit and Future Funding Solutions

i. Discuss Lead Team Proposal including class size, teacher mentoring project, staff salary, fee collection process, reserves, development, and future facilities projects

ii. Presenter: David Bohn For: 2nd Read/ Vote Est Time: 45 mins

Steve Pope reviewed a handout with different goals for the annual giving. One proposal is to increase the proposed giving and then backfill what ever is not given from the reserves. This allows you to shoot high in giving but provides TCA with a safety net. He feels this allows the administration and board to set a high goal and use the momentum from the advisory committees to reach out to the community through the annual giving campaign.

Ron Mast asked if the administration or Dr. Bohn have had a chance to digest this information that was just presented.

Kirk Cameron inquired about the funding received from the Best Grant, what the status is and what it will be used for.

Mark VanGamble updated the board that the grant has been received and that it has been targeted for facility use. It does not necessarily have to be used in this manner because all of the requirements have been fulfilled.

Ron Mast reminded the board and administration that we cannot finance the building out of the basement because of how the bond has been written on the whole building.

Jim Woody gave a brief feedback on Steve's proposal. He shared that this is the first time he has reviewed this information. He reviewed the different points of the proposal. The first item number 1 he felt was okay. Number two he believes is way too optimistic due to the economy. Number three he really supports. He does not like just 1% pay raises; it is almost an insult to the staff.

Mark VanGamble shared with the board that he has begun a new proposed budget with this recent suggestions. Adding all of these in, it brought the budget to almost a breakeven point for the 2011-2012 FY. He said that this new proposal was a real risk and that you have two revenue items that you are planning on.

Ron Mast spoke about the proposed 3% raise for the staff. He is for it but he also cringed when this was brought up. The reason for this is because the board has addressed bridging the gap since TCA has opened and the staff has heard this so many times but have never seen action towards doing it.

Jim Woody briefly shared with the board that TCA's reserves do have an impact on our bond ratings. Our bond rating could then impact our ability to pull out the extra million dollars that we would like to get that is being held there. He said that we are redlining giving and redlining PPOR and we are then in turn risking reserves. It is more than just reserves.

The board discussed extensively Steve's proposal of increasing the proposed amount of giving, and then if that giving is not reached have the reserves to cover the shortfall. This would also be combined with a couple of grade level class size increases.

Jim Kretchman said that he agrees with Steve but would like to word it a little differently. He shared that he likes a plan with a starting point and in this plan it could be committing to 3% increase for the staff. The board could talk all day about if the community is going to rise up or not. This is not a matter of Jan succeeding or Jan failing. It is simply whether the community will rise up or not. Jim shared what he is passionate about is he feels that it is a mistake to inflict a large amount of pain by increasing a lot of class sizes on the parent community and staff. He would like to not do that until the community has the opportunity to rise up. Increasing a few class sizes would inflict a small amount of little pain on the parent community. This would allow the administration and board to communicate to the parents if you do not rise up then we will have to move to the next level. If he was going to propose this, he would add the new fourth grade classes but not increase class size, and then increase the fifth and sixth grade by two students. This would be a target plus two additional students. This would allow the community 12 months to decide if the class sizes move back to target or go another direction.

Jim Woody summarized what the board had been discussing and what it would look like if they asked Mark VanGamble to create a new scenario. This new scenario would include increasing PPOR to \$6100, increase 5th and 6th grade by the two students, and new class in 3rd and 4th, increase in staff salary of 3% and then we see how much we have to pull out of reserves to make the budget balance also remembering the \$1.2m from the Best Grant to offset the risk.

Kirk Cameron shared that what type of pushback would the board and administration get from increasing class sizes or not increasing class sizes and how that would impact the culture of giving. He asked if the administration has any sense of what this might look like and what groups this would come from.

Dr. Bohn noted that he has not heard from any parents that the answer to all the problems is increased class sizes. He said that most parents feel and believe that small class sizes are important to the culture of their child's learning.

Mark VanGamble shared that the next steps would be for him to meet with Dr. Bohn and bring back to the board an updated proposal with the board's suggestions from this meeting.

Dr. Bohn reviewed the suggested changes to the proposal presented to the board. This was to help clarify so that Jan Stump would be able to articulate the information correctly to the advisory boards.

Jim Kretchman reviewed that when the mill levy was originally passed that a portion of the money was earmarked for staff salary increases. Due to the budget shortfall, this money was used for other areas. He said that we might want to get the word out that this 3% increase is to pay out the original earmarked money.

Jim Woody said that when he was CFO he did a market survey of what other teachers were being paid, and Kevin Collins did a market survey for other staff positions. He said that this information could be used to inform parents about how much less staff is being paid at TCA and the reason for the 3% staff salary increase.

- f. Safety, Safe2Tell, and Security Update postponed until the May board meeting
 - i. Update on Safety and Security at TCA
 - ii. Presenter: Kevin Collins For: Information Est. Time: 15 mins
- g. High School Withdrawals Review
 - i. Review High School Full-time withdrawals, including transfers to College Pathways
 - ii. Presenter: Dr. David Bohn For: Discussion Est. Time: 15 mins

Dr. David Bohn shared that the questions have been what is attrition, what has it been, and what it will look like.

Kara MacIntyre said that they are doing a lot of prep work for the parents that are currently on the waiting list and preparing them for when they are notified that they have been accepted. She reviewed the handouts with the board regarding current attrition and past year's numbers. The number and percent of individuals in between grades 6-11 currently is slightly higher than last year. This year's total attrition overall is well below the total attrition from last school year.

- h. SAC Discussion – postponed until the May board meeting
 - i. Proposal on how SACs communicate with TCA President
 - ii. Presenter: Kirk Cameron For: Information Est. Time: 15 mins
- i. Discuss Possible Board Retreat Topics
 - i. Solicit possible topics from board members
 - ii. Presenter: Steve Pope For: Discussion Est. Time: 10 mins

The board discussed possible dates for the board retreat in July. The two possible dates are the 23rd or the 30th of July. Possible topics are board governance, College Pathways, Scarborough 4th Elementary, role of the board.

- j. Communication from Board to Community
 - i. Presenter: Board Chair For: Discussion Est Time: 5 mins
- k. Board Debrief / Future Meeting Schedules and Agenda Items
 - i. Confirm next meeting dates and discuss any known agenda items

ii. Presenter: Board Chair

For: Discussion

Est Time: 5 mins

IX. Executive Session

- a. Provide performance Feedback to TCA President, pursuant to Colo. Rev. Stat. sec. 24-6-402(4)(f)

Moved by Matt Carpenter, seconded by Kirk Cameron, to adjourn to executive session pursuant to Colo. Rev. Stat. sec. 24-6-402(4)(f), at 11:01pm. Roll Call. Approved by unanimous vote.

Moved by Kirk Cameron, seconded by Jim Kretchman, to adjourn to public session, at 11:55pm. Roll Call. Approved by unanimous vote.

X. Future Agenda Items

a. Future Agenda Items

- i. Charter Update- 1st Read (Kevin Collins) - May
- ii. Staff Evaluation Proposal (Ron Mast) – May
- iii. President Objectives Review – May and June

b. Regular Board Meeting Dates for 2011

- i. May 9, June 13, July TBD (Board Retreat), August 8

XI. Adjournment

Moved by Jim Woody, seconded by Kirk Cameron, to adjourn the public session at 11:55pm. Roll Call. Approved by unanimous vote.

Meeting was adjourned at 11:56pm.