

**Minutes of the  
CHIME Institute Board of Directors Annual Meeting  
Held at the CHIME Charter School  
Tuesday, June 27, 2017 6:00 p.m.**

**Members Present:** Eight members of the Board were present: Michele Haney (chair), Lei Bowen, Hilary Goldberg, Todd Hacker, David Kretschmer. Josh Mark, Traci Myman and Patrick Smith. These members constitute a quorum.

**Members Absent:** Two members were absent: Tony Battaglia and Marc Polansky.

**Others Present:** Parent: Melody Mooney (parent and CAA Liaison). Staff: Irina Castillo (ExEd), Kathy Jamison and Erin Studer.

1. Call to Order

M. Haney called the meeting to order.

2. Public Comment No speakers contributed public comments.

3. Approval of the Consent Agenda

Minutes of the May 4, 2017 Board Meeting.

**M/S/P** (D.Kretschmer/H.Goldberg) Motion to approve the minutes of the May 2, 2017, Meeting.

***VOTE***

***Yeses:*** Michele Haney, Lei Bowen, Hilary Goldberg, Todd Hacker, and David Kretschmer.

***No's:*** None

***Abstentions:*** Josh Mark, Traci Myman and Patrick Smith.

***MOTION PASSES:*** 5-0-3

4. Board Committees

a. Finance and Audit Committee -- Charter School Budget: The Board prioritized this agenda item and dedicated the majority of this meeting to discussion and consideration of the Charter School proposed budget for the year 2017-2018. The Finance Committee and Irina Castillo presented the proposed budget to the Board of which all of the members had a copy prior to the meeting and reviewed. The Finance Committee met with Irina Castillo and Erin Studer who had prepared a proposed Charter School Annual Budget. The Committee came to the meeting with a recommendation that the Board approve the Budget as presented, but discussed the details and considered questions, concerns, and suggestions as follows:

In a discussion led by Irina Castillo, the Proposed Budget was discussed by the Board in detail. The Board discussed budget ending cash balance (approximately \$350,000 better than last year) for this budget which puts us in a considerably better position than last year.

The June financials will show the final budget; but overall expenditures for the prior year were within the budget. The Board discussed the goal of having at least 5% of budget in ending cash balance and overall goals for fiscal health of the organization.

The Board discussed the need to be vigilant as we are not funded at the level of new charter schools and that budgeting choices are important to ensure fiscal health. Fundraising continues to be a concern given the need for stable/reliable contributions from the various stakeholders. The Board discussed Budget Assumptions. The Budget assumes 774 Students enrolled at the Charter School. Overall it is reported that the Charter School has a good enrollment number within the confines of our Charter. However, the enrollment demand is not equal across all grades, so some grade levels are impacted differently because there is a smaller waiting list and demand for slots. The Charter School increased 3rd Grade by 23 students and 4 through 8 by 29 students.

A discussion of the State Budget which was approved (the May revise and passage of June budget) also took place. One-time funding given to schools was taken away this school year, but is subject to approval on an annual basis as extra money is available. State Budget changed and impacts budget and the 8550 series in the CHIME Charter School budget as it shows going down in 18-19 Budget Projection.

Budget Projections are targeted to be the same from last year, but without the one-time monies. Board and Charter have to work harder to meet the fundraising budget in order to stabilize donations and other funds from fundraising. Budgeting is problematic when prior years contain one-time unique gifts. The Board is looking at ways to stabilize this income for the fiscal health as well as to make the budget process more predictable, including the need to fundraise around the new building, library and classrooms.

Salaries will remain in place but teachers to move up the scale and get an increase in pay and do get a Cost of Living Adjustment (COLA). Part of the discussion included teacher turnover and how that affects the budget process and whether the ratio of experienced and newer teachers changes the budget. Turnover appears to be “a wash” because the school hired experience teacher for SPED; fourth grade teacher is new to teaching.

4000 Series (Supplies) budgeted at same amount from last year. Conference attendance will not increase from last year. Office staff is very thrifty. All other series discussed as being within last years budgeted amounts.

Specific liabilities for next year discussed: Payment to Pacifica (\$110,000); Retirement (\$60,000); Prop 39 Energy Expenditure towards Trotter Consulting (Solar) money not spend to be sent back to the state; Soccer Field expenditure (\$14,000).

Balance of budget discussed in detail so that Board understands projections, assumptions and expenditures as well as projections through 2020 and the end of year balance progressively being reduced. This illustrates the importance of stabilizing fundraising at a significant amount.

Discussed increasing enrollment options and increased fundraising. It was clarified that 5% increase in student population is the limit without a material revision to the Charter.

Board discussed considering opening a line of credit since the CHIME Charter School’s fiscal position is relatively strong and the line of credit would be there only for emergency spending for, say, teacher salaries, if funding is interrupted or delayed at the state budget level. Board discussed the need to be disciplined with a Line of Credit and put restrictions on use so that it could be used as a safety net for critical expenses (salaries). Board member Lei Bowen authorized to explore possibilities and report to Finance Committee for recommendations. Even though net income is satisfactory, the cash balances are at the lower end.

Finance Committee continues to recommend approval of the CHIME Charter School 2017-2018 Budget as revised.

**M/S/P** (J. Mark/T. Hacker) Motion to approve the revised 2017-2018 CHIME Charter School budget.

***VOTE***

**Yeses:** Michele Haney, Lei Bowen, Hilary Goldberg, Todd Hacker, David Kretschmer. Josh Mark, Traci Myman and Patrick Smith.

**No's:** None

**Abstentions:** None

**MOTION PASSES:** 8-0-0 4.

b. Other Board Committees: All other Board Committees were tabled.

5. Program Reports

a. Early Education Programs: This item was tabled to next meeting given time needed for Finance Committee and Proposed Budget discussion and the absence of A.Cox.

b. Charter School Update and Requests for Action: E. Studer presented the following:

(1) LCAP: New goals towards the Local Control and Accountability Plan (LCAP) were developed in consultation with teachers and principals and with the feedback from families. The LCAP plan was presented to the Board for approval. LCAP was reviewed and discussed. LCAP Goals address 8 state priorities and dollars apportioned to Budget. Review of EAH Specific Goals 1-13 were reviewed individually. Board also reviewed page three of Plan Summary. LCAP is coordinated with Budget 3% over the past years. CHIME salaries are behind relative to LAUSD salaries which must be addressed. CHIME behind and ahead in Charter School salaries overall. CHIME Charter has completed three-year plan and cannot increase teacher's scale next year. Staff will be reassessing 2018-2019 goals to stay attuned to student data. Compensation Review Committee to review for next year and make recommendations.

**M/S/P** (P. Smith/J. Mark) Motion to approve LCAP as presented for 2017-18 as included in the board Packet.

***VOTE***

**Yeses:** Michele Haney, Lei Bowen, Hilary Goldberg, Todd Hacker, David Kretschmer. Josh Mark, Traci Myman and Patrick Smith.

**No's:** None

**Abstentions:** None.

**MOTION PASSES:** 8-0-0

(2) Thompson Family Foundation Grant: This item is a follow up from prior meeting for which CHIME was solicited and CHIME presented a plan to assist the Foundation in launching an inclusion oriented charter school program in Orange County. CHIME's role is to assist in the administrative startup by hiring a principal and training that principal in the 2017-2018 school year for a grant of \$100,000 and additional consulting fee to be paid in two installments in the same school year. The grant is renewable for up to two

years upon mutual agreement. Charter Schools Association and the El Dorado County School District are also taking part in the grant start up with different roles. The Board discussed the staff's due diligence with regard to the Foundation and their goals and mission and how it coincides with CHIME's as well as other issues regarding the viability of the Foundation and the launch project. The Board also discussed the burden on the staff in training the principal, the mechanics and the time needed and is satisfied that the staff can handle the grant without undue burden on their duties at the CHIME.

**M/S/P** (H.Goldberg/Lei Bowen) Motion to accept the grant contract upon the final approval of the Foundation upon the condition that the Executive Committee is kept advised for reporting to the Board of any significant developments in the execution of the grant.

***VOTE***

***Yeses:*** Michele Haney, Lei Bowen, Hilary Goldberg, Todd Hacker, David Kretschmer. Josh Mark, Traci Myman and Patrick Smith.

***No's:*** None

***Abstentions:*** None.

***MOTION PASSES: 8-0-0***

(3) Walton Foundation Grant: Staff applied for a grant to of up to \$375,000 for possible High School expansion. Board members L. Bowen, H. Goldberg and T. Myman and Charter School Executive Director E. Studer participated in the final interview round of the grant cycle. Awards are expected in August.

(4) Track Installation around Soccer Field: CHIME Charter raised funds and designated funds for the installation of a soccer field. A dirt track is needed for around the soccer field. Budget includes a \$14,000 itemization for the project and staff seeks authorization to publicly bid for a vendor to install in an amount not to exceed the budgeted amount.

**M/S/P** (J. Mark/P. Smith) Motion to approve and authorize staff to publicly bid the project for a vendor to install the dirt track in an amount not to exceed \$14,000 and further to allow staff to accept strongest bid (Lowest bid plus reference checks).

***VOTE***

***Yeses:*** Michele Haney, Lei Bowen, Hilary Goldberg, Todd Hacker, David Kretschmer. Josh Mark, Traci Myman and Patrick Smith.

***No's:*** None

***Abstentions:*** None.

***MOTION PASSES: 8-0-0***

(5) Database RFP Award: Staff seeks approval from the Board to award contract for the Searchable Database contract to Right Lesson, LLC. After a public RFP bid process Right Lesson has been selected based on their experience, project plan, and local availability to work with the CHIME Staff. The contract is \$17,250 which will be paid by a LAUSD SELPA COP grant. Discussion regarding the CHIME Staff inputting the information into the framework to develop the modified curriculum material for a student and how to modify a lesson. Content ownership remains CHIME's. This is a proof of concept grant not a length

of time authorization and as an educational institution, not an educational business, the goal is to license the content to others.

**M/S/P** (J. Mark/D. Kretschmer) Motion to authorize staff to award the winning contract bid for the Searchable Database to the most qualified bidder (Right lessons, LLC).

***VOTE***

***Yeses:*** Michele Haney, Lei Bowen, Hilary Goldberg, Todd Hacker, David Kretschmer. Josh Mark, Traci Myman and Patrick Smith.

***No's:*** None

***Abstentions:*** None.

***MOTION PASSES: 8-0-0***

(6) Middle School Bathroom Lift: Staff has put out to bid a contract for an accessible Bathroom Lift for use at the Middle School bathrooms. Staff has received bids and seeks authorization to award the winning bid contract to Accessible Construction for the installation of the Middle School Bathroom Lift. The bid was based on low bid (\$7,741.64) and positive reference checks

**M/S/P** Motion to authorize the award and accept the lowest bid of \$7,741.64 with references. 8-0 M/S/P (P. Smith/D. Kretschmer) Motion to authorize staff to award the winning contract bid for the MS Bathroom Lift to the lowest bidder with positive reference checks (Accessible Construction at \$7,741.64.

***VOTE***

***Yeses:*** Michele Haney, Lei Bowen, Hilary Goldberg, Todd Hacker, David Kretschmer. Josh Mark, Traci Myman and Patrick Smith.

***No's:*** None

***Abstentions:*** None.

***MOTION PASSES: 8-0-0***

(7) Short term Fiscal Plan: E. Studer presented a Short Term Fiscal Plan to Increase Attendance Assurance. The 5-step action plan includes (1) Summer Outreach in order to make prediction of enrollment more reliable); (2) Increasing access to waiting list more efficiently; (3) Plan class size at a higher level to fall back to 774 enrollment. (4) Advertising in local media and internet blogs; (5) Attendance at local events by staff to promote CHIME and recruit students.

Board had discussion about ways to improve and maximize these efforts. There will be outreach through the CAA liaison about family participation in this process ad action plan. CAA liaison will bring up at Parent Association meeting and discuss with staff.

(8) Title 1 Application: Presentation of E. Studer regarding CHIME Charter School applying for Title 1 Finds. State agreed that we do not need to create an entirely new plan annually, but can revise it in order for the application process may be cost efficient. An increase of \$20,000- \$30,000 is anticipated for targeted assistance. A discussions of benefits to school and students was included. The school is not at 40% qualifying amount at this time; it is at approximately 14% and would apply targeted funding.

**M/S/P** (J. Mark/D. Kretschmer) Motion to approve submitting application for Title 1 funding for CHIME Charter school.

***VOTE***

***Yeses:*** Michele Haney, Lei Bowen, Hilary Goldberg, Todd Hacker, David Kretschmer. Josh Mark, Traci Myman and Patrick Smith.

***No's:*** None

***Abstentions:*** None.

***MOTION PASSES: 8-0-0***

(9) Education Protection Account (EPA): Staff requests that the last line of the Fiscal Year 2017-18 budget be approved based on the state formula. EPA funds for CHIME Institute are estimated to be \$974,115.

**M/S/P** (T. Hacker/D. Kretschmer) Motion to approve the EPA plan portion of the budget based on the state formula and to direct staff to allocate funds accordingly to support teacher salaries and benefits.

***VOTE***

***Yeses:*** Michele Haney, Lei Bowen, Hilary Goldberg, Todd Hacker, David Kretschmer. Josh Mark, Traci Myman and Patrick Smith.

***No's:*** None

***Abstentions:*** None.

***MOTION PASSES: 8-0-0***

**6. Next Meeting**

The next meeting is scheduled for either Tuesday, August 22 or August 29, 2017. A poll to indicate preference will be sent out to Board members.

**7. Closed Session**

A closed session was not held.