

**NOTICE OF PUBLIC MEETING
SOUTHWEST LEADERSHIP ACADEMY
GOVERNING BOARD**

Pursuant to Arizona Revised Statutes (A.R.S.) 38-431.02, notice is hereby given to the public, that the Governing Board for Southwest Leadership Academy will hold a meeting open to the public as specified below. The Board reserves the right to change the order of items on the agenda, with the exception of public hearings. One or more Board members may participate telephonically.

Pursuant to A.R.S. §38-431.02 (H), the Board may discuss and take action concerning any matter listed on the agenda.

Pursuant to A.R.S. §38-431.03 (A) (3), the Board may vote to go into Executive Session, which will not be open to the public, for legal advice concerning any item on this agenda.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Nancey Carter, Board Liaison at (602) 265-2000. Requests should be made as early as possible to allow time to arrange the accommodation.

DATED AND POSTED this 6th day of July 2018. By

Nancey Carter
Board Liaison/Compliance Manager

**AGENDA
Southwest Leadership Academy Governing Board
Tuesday,
July 10, 2018
10:30 (MST)**

**Call in Number: 1-646-876-9923
Meeting ID: 853-083-6461**

All items on this agenda are open for discussion and possible action, including reports and action items. Public comment will be acknowledged at the end of the Agenda items.

A copy of the Agenda and Meeting Minutes are available for review on our website:
www.southwestleadershipacademy.com

If authorized by a majority vote of the members of the Governing Board, any matter on the open meeting agenda may be discussed in executive session for the purpose of obtaining legal advice thereon, pursuant to A.R.S. 38431.03 (A)(3). In addition, the Board, by majority vote may enter into Executive Session for discussion and consultation with administration regarding student matters pursuant to A.R.S. §§15-342, 15-521, and 15-843; A.R.S. §38431.03 (A)(2) (consideration of records exempt by law from public inspection); legal advice/instruction to attorney pursuant to A.R.S. §38-431.03 Subsections (A)(3) and (A)(4). The executive session will be held immediately after the vote and will not be open to the public.

*Additional information regarding any of the items on this agenda may be obtained prior to the meeting by calling Nancey Carter at (602) 265-2000. Also, you can attend the foregoing meeting by teleconference from the School. Please contact Nancey Carter of the School's administration to find out how.

**Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Nancey Carter at (602) 265-2000. Requests should be made as early as possible to arrange the accommodation.

1. **Call to order and roll call.** (Board President): Mike Gantt, Jenny Diaz, Mark Hendershot, Ruben Olivas, Terry Hines and Brian Heath.
2. **Introduction of Visitors:**
3. **Resignation of Board Member** – The Board has received a letter of resignation from Jenny Diaz indicating that her multiple businesses are consuming a great deal of time and that she has to reconsider her volunteer work on the SLA Board. She expressed gratitude for the time she was able to serve on the Board and requests the the Board accepts her resignation.

Motion: Move to accept with regret the resignation of Jenny Diaz as a School Board member for Southwest Leadership Academy effective today.

4. **Approval of Meeting Minutes** from the June 26, 2018 board meeting.

Motion: Move to approve the minutes of the June 26, 2018 Board meeting attached.

5. **Board Officers:** At the June meeting, according to the By-laws, the Board was to elect a president, vice president, secretary and treasurer or it can combine multiple positions. Because of other pressing business, the Board agreed to postpone this issue until the July Board meeting. The Board will entertain nominations previously submitted or can make nominations from the floor for whatever officer positions it desires at this Board meeting.

Motion: Move to nominate _____ to the position of _____.

Motion: Move to nominate _____ to the position of _____.

Motion: Move to nominate _____ to the position of _____.

6. **Discussion of New Attendance Policy** – Attendance of students is critical to students achieving success and making academic progress in addition to determining the revenue the school receives. We are implementing a new attendance program, which Dr. Fowler will explain to the Board. No Board action is required.
7. **Appointment of Auditor for FY18 Annual Audit** – The Board is required to select and approve the fee for the annual audit. Having searched the archived minutes and not finding a Board resolution, it is advisable for the Board to simply approve a resolution again to be sure that the Board at a public meeting approved this engagement.

Motion: Move to appoint Fester & Chapman as the auditor for the FY18 school year to conduct the annual audit and prepare the compliance questionnaire for a fee of \$11,900 and \$1,300 to complete the income tax return for a total of \$13,200.

8. **Officers and Directors Errors and Omissions and Cybersecurity Insurance** - At our previous meeting the CFO presented the Board with a proposed D&O insurance policy with a \$1,000,000 limit to which the Board requested additional quotes from the same firm at \$2,000,000 and \$5,000,000. The CFO will present those price quotes at the July 10, 2018 meeting.

Motion: Move to authorize CJ Bower to execute an agreement on behalf of the Board with Philadelphia Indemnity Insurance Company \$_____ at the cost of \$_____.

9. **Approval of Teacher Salary Guide** – CJ Bower, CFO for ROP, will present ROP's recommended salary guide for the SLA staff that complies with the recently approved AZ legislation regarding teacher pay.

Motion: Move to approve the teacher salary guide for Southwest Leadership Academy as presented.

10. **FY19 Budget Adoption** – The Board conducted a public hearing on the FY19 budget on June 26, 2018 and now needs to adopt a FY19 budget to submit to the state.

Motion: Move to adopt the proposed FY19 budget as submitted.

11. **FY 19 Board Meetings:** The Board discussed the possibility of restructuring the Board calendar to meet quarterly for a longer period instead of every other month for a briefer

time. The Board can decide to change its meeting calendar. Now the Board meetings are at 10:30 AM on July 10, 2018, September 25, 2018, November 27, 2018, January 22, 2019, March 26, 2019, May 28, 2019 (retreat), June 19, 2019 (annual meeting). If the Board were to meet quarterly, the calendar would be October 9, 2018, January 8, 2019, April 9, 2019 (Board retreat) and June 30, 2019.

Motion: Move to approve a new quarterly board-meeting calendar effective immediately with the following planned meeting dates for FY19: October 9, 2018, January 8, 2019, April 9, 2019 and June 30, 2019 as well as any special board meetings called by the president.

12. **Identify future agenda items** (Discussion/Action)

13. **Public Comment**

14. **Adjournment**

Next regular meeting: September 25, 2018 @ 10:30 AM (MST) @ Southwest Leadership Academy (telephonic attendance is acceptable).

**MINUTES OF THE PUBLIC MEETING OF
SOUTHWEST LEADERSHIP ACADEMY
GOVERNING BOARD**

Pursuant to Arizona Revised Statutes (A.R.S.) 38-431.02, notice was given to the public, that the Governing Board for Southwest Leadership Academy would hold a meeting open to the public on Tuesday, June 26, 2018 at 10:30 A.M. at Southwest Leadership Academy located at 4301 West Fillmore Street, Phoenix, AZ 85043.

15. **Call to order and roll call.** Board President Mike Gantt called the meeting order and the following board members were present: Mark Hendershot, Ruben Olivas, and Terry Hines (telephonically) and Mike Gantt. Absent due to illness was Jenny Diaz and absent due to a meeting on behalf of SLA in Pima County, Brian Heath.
16. **Introduction of Visitors:** Nancey Carter (new compliance officer) was introduced to the Board. In addition, present at the meeting were Michael Hernandez, assistant principal; Alice Doan, HR specialist; CJ Bower, ROP chief financial officer, Dr. Gregory Fowler, SLA principal; Dr. Philip Geiger, ROP regional Director of Education.
17. **Approval of Meeting Minutes** from the May 15, 2018 board meeting. (Action) Motion: A motion was made by Mr. Hendershot, seconded by Mr. Olivas to approve the minutes of the May 15, 2018 Board meeting. The motion passed unanimously.
18. **Election of Board Members:** Mr. Gantt's term expires on June 30, 2018 but he is eligible for reappointment to a three-year term.
- A motion was made by Mr. Hendershot, seconded by Mr. Olivas to elect Michael Gantt to a three-year term on the Board effective July 1, 2018 to June 30, 2021.
19. **Board Officers:** At this meeting, according to the By-laws, the Board elects a president, vice president, secretary and treasurer or it can combine multiple positions. Either the Board will entertain nominations previously submitted or can make nominations from the floor for whatever officer positions it desires at this Board meeting.

After a brief discussion regarding the lack of nominees and without having polled all board members regarding their interest in one of these positions, the Board President suggested that this item be tabled to the next Board meeting, which was acceptable to the rest of the Board.

20. **Appointment of Superintendent** – Recognizing that Southwest Leadership Academy is a public school district and often the AZ Department of Education requests that the superintendent sign or authorize certain actions, it appears to be prudent to actually name a qualified individual to be superintendent of this charter school district. If a person currently employed by Rite of Passage is selected as superintendent then that person would do their current job and perform the role of superintendent for which there would be no further cost to SLA, but if the Board selects a qualified person outside of ROP, the Board will most likely have to pay for these services.

The Board discussed the role of the superintendent and the duties to be performed. Dr. Geiger indicated that all other ROP school have Ms. Tracey Bennett Joseph serving as superintendent of schools, which Ms. Bower confirmed. Ms. Bower said that she was not sure who else might qualify. Mr. Gantt asked what the cost would be to hire someone

outside of ROP to which Dr. Geiger indicated that the standard salary for a superintendent is in the 6-figure range. Mr. Hendershot asked Dr. Geiger if this is a role he could fulfill with the current duties he has to which Dr. Geiger indicated that those are a large part of the duties he has been providing.

Mr. Hendershot, seconded by Mr. Gantt moved to appoint Dr. Philip Geiger, a qualified individual who holds a valid certificate to be superintendent in the State of Arizona, as the superintendent of the Southwest Leadership Charter Schools effective immediately, then made a motion. Motion passed unanimously.

21. **Membership in the Arizona School Boards Association;** SLA Board of Education is eligible for membership in the Arizona School Boards Association which would enable the 3 Board members to attend ASBA meetings at member rates, receive the monthly ASBA journal and periodic information and newsletters, subscribe to the ASBA policy service, if desired (extra cost), and become better informed about Board business. If the Board desires to participate, the annual dues for the board, which includes all board members and staff, is \$549.26.

A motion was made by Mr. Hendershot, seconded by Mr. Gantt to authorize the submission of a membership application for Southwest Leadership Academy to the Arizona School Boards Association at the annual fee of \$549.26. Motion passed unanimously.

22. **Approval of Revised Student/ Staff Calendar for FY19** – The school calendar is to be 180 days, which the attached reflects. Dr. Fowler discussed the proposed calendar and indicated that the instructional hours more than meets the requirements of the state.

Mr. Hendershot, seconded by Mr. Olivas moved to approve the revised school calendar for FY19 as submitted. Motion passed unanimously.

23. **Discussion Re: Enrollment, Attendance, Staffing, Extracurricular Sports, Calendar of Events, Summer School, Curriculum and Instruction, Professional Development, Vocational Courses, Facility Updates and Current Status of the School** – Dr. Greg Fowler, principal, discussed the Galileo, Star and AZ Merit testing results and informed the Board of plans to improve performance for the upcoming school year. He indicated that 50 students have completed summer school this year, the highest in SLA's history. He discussed the programs that SLA will start this year in collaboration with Woz University in drones and coding. Mr. Hendershot suggested that the administration develop a marketing package so that we could seek donations for these high tech programs for our students - - something like an "Adopt A Drone or Adopt a Drone Pilot"

to raise funds for additional drones. Dr. Geiger said that the administration would develop something for such a program.

Dr. Geiger indicated that for FY20 the Board might want to consider going to a 200-day calendar. Dr. Fowler explained the benefits of a longer school year in terms of knowledge retention.

Mr. Gantt inquired if there was a letter grade issued to the school for FY18 yet to which Ms. Bower stated that letter grades will not be developed this year and that we would retain the same rating we had in 2014. Dr. Geiger distributed the State Board of Education's latest plan for rating alternative schools, which is still in the discussion stage.

24. Financial Report for May 2018 – ROP CFO, CJ Bower verbally presented the May 2018 financial report for SLA.

25. Authorization to Transfer Funds from Reserve: Dr. Fowler has requested payment of \$1,000 stipends to both Patrick Newley and Chuck Connor for leading the Professional Learning Community meetings each week throughout the year of \$1,000 each. The request was submitted to finance but denied since that line item was fully expended therefore creating this request for transfer of funds. Ms. Bower said that there were no funds for additional stipends in that line item of the budget, which therefore required Board approval.

Mr. Olivas, seconded by Mr. Hendershot moved to approve the transfer of \$2,000 from reserve for PLC annual stipends of \$1,000 each to teachers, Patrick Newley and Chuck Connor, made a motion. Motion passed unanimously.

26. Appointment of Auditor for FY18 Annual Audit – The Board is required to select and approve the fee for the annual audit.

The Board was going to consider a motion to appoint Fester & Chapman but Ms. Bowers said that the auditors were appointed three years ago by Board resolution and that this action was not necessary and she would provide the copy of the Board resolution for the records. The Board then decided to take no action on this matter.

27. Approval of Teacher Salary Guide – With the change in the law in Arizona for teacher salaries, we adjusted our current salary guide by adding 8% to each step and advancing every teacher eligible for a step increase (which is 2%) thereby providing the 10% increase for FY19 that the state has proposed. (Proposed 190 and 260 days). Actual teacher increases range from 9.2%- 10%.

Ms. Bower said that this item should be removed from the agenda, as the SLA Board of Education is not the employer of the faculty and staff but that ROP is and ROP sets the salaries. She also stated that ROP has a national salary guide that must be used in all locations although they are considering moving to regional guides. Dr. Geiger objected to the suggestion that this item be removed from the agenda since it is the Board's ultimate responsibility to comply with the law, which includes the recently passed 20%, x2020 legislation and that the SLA board as the holder of the charter can make those decisions and then direct the management firm accordingly. Ms. Bower disagreed and said that this was an ROP decision.

Several members of the Board indicated that they certainly wanted to comply with the law and Ms. Bower reassured them that ROP would certainly do so. Mr. Hendershot then suggested that the Board approve a motion to recommend the proposed salary guides that were provided with the agenda to ROP for their review and consideration noting that this was the board's desire but leaving the decision to ROP.

Ms. Bower said that the proposed raises must take into account FICA, worker's compensation, unemployment and other expenses that could reduce the salary increases proposed and be less than the 10% the state is suggesting. Dr. Geiger noted that the proposed guide was based on the current ROP guide to which was added an 8% increase on each step and the advancement of one-step, which is generally 2%. Depending on the step the faculty was on proposed increases were between 9.2% and 10%.

After further discussion, a motion was made by Mr. Hendershot, seconded by Mr. Olivas to request an impact statement of the additional fees and expenses that will be incurred with salary increases and for Ms. Bowers to report to the board at its next meeting. Motion passed unanimously.

- 28. Review and Public Hearing of FY19 Budget** – Ms. Bower discussed the proposed budget that was updated and provided to the Board. She indicated that the budget includes a 6% salary increase for the faculty. She said that under the new legislation the school would receive additional funds to address the raises that the state was funding but that she had no further information about those funds at this time. The Board asked whether there should be a delay in approving the tentative budget at this time but was advised that the state does have specific dates when the tentative budget must be posted to the state's website, which in this case, is the upcoming Thursday. Ms. Bower then indicated that the budget could be changed at any time in the future and certainly prior to the final adoption in July.

Ms. Bower also presented to the Board a price quote for \$1M Directors and Officers Insurance with Cyber security coverage to determine if the Board wanted to purchase this insurance and add the cost to the school's annual budget. The board discussed the amount of coverage and Ms. Bowers said that she thought with a 6-person board, which is larger than their prior three-member board that \$1M may not be enough, and that the Board may want \$2M in coverage. Mr. Oliva then recommended that Ms. Bower provide price quotes for \$1M, \$2M and \$5M at the next Board meeting.

Mr. Olivas, seconded by Mr. Hendershot moved to adopt the proposed FY19 budget ad to hold a public meeting on July 10, 2018 at 10:30 A.M. to adopt a final FY19 budget, made a motion. Motion passed unanimously.

29. FY 19 Board Meetings: The Board president announced that he Board will meet on the following dates generally at 10:30 AM: July 10, 2018, September 25, 2018, November 27, 2018, January 22, 2019, March 26, 2019, May 28, 2019 (retreat), June 19, 2019 (annual meeting). Telephonic attendance is acceptable. The president may convene other meetings as needed. Mr. Hendershot suggested that rather than this be a brief telephonic meeting that it would be helpful if the Board members met as usual for this meeting. The Board agreed that all those who can attend should do so.

Mr. Olivas suggested that we consider less frequent, but longer meetings. He thought that a half-day meeting held quarterly would be a better way to conduct business and ensure Board involvement. The Board members said that this should be a topic for further consideration.

30. Identify future agenda items:

- D&O Insurance
- Fee and Salary Increases Impact on FY19 budget
- Election of Officers
- Quarterly Meeting Schedule

31. **Public Comment** – No member of the public was present.

32. **Adjournment** – President Gantt adjourned the meeting at 12:13 PM.

Next regular meeting: July 10, 2018 @ 10:30 AM (MST) @ Southwest Leadership Academy (telephonic attendance is acceptable).