

Minutes of the Southwest Leadership Academy Board Meeting – June 25, 2019

MINUTES OF THE SOUTHWEST LEADERSHIP ACADEMY GOVERNING BOARD MEETING OF June 25,2019

Pursuant to Arizona Revised Statutes (A.R.S.) 38-431.02, notice was provided the public on June 19, 2019 that the Governing Board for Southwest Leadership Academy will hold a meeting open to the public as specified below. The meeting took place at Southwest Leadership Academy, 4301 West Fillmore Street, Phoenix, AZ 85043.

- 1. Call to Order** -The meeting was called to order at 10:33 AM by Board President Mike Gantt. Present in addition to Mr. Gantt were: Ruben Olivas (telephonically), Mark Hendershot, Terry Hines (telephonically) and Brian Heath.
- 2. Visitors** -Mr. Gantt introduced the following visitors: Dr. Philip Geiger (Superintendent), Dr. Greg Fowler (principal) and CJ Bower (ROP Chief Financial Officer).
- 3. Approval of April 9, 2019 Board Minutes** – In reviewing the minutes, Mr. Gantt inquired about the section of the minutes that referred to the reclamation of the funds for audit fees for FY17, FY18 and FY 19 and the 1.06% state salary funding for FY17, FY18 and FY19. Ms. Bower responded that the proper documents were to going to be filed by June 30, 2019 with the State to ensure the recovery of these funds which were not originally applied for as part of the budget worksheet process. Mr. Gantt also questioned whether Ms. Harris (guidance counselor) was now included as part of the 301 pay for performance funding which Dr Geiger affirmed. Dr. Geiger did mention though that Ms. Harris' salary was not adjusted for the 301 salary increases as the Board only approved her receiving 301 pay for performance. Mr. Gantt also requested that a few minor changes to the minutes be made which were noted.

A motion was made by Mr. Hendershot, seconded by Mr. Heath to approve the amended minutes for the April 9· 2019 board meeting which was approved unanimously.

- 4. Review of May 2019 Financial Reports** – Ms. Bower presented the May financials to the Board which they board had previously received and discussed each of the financial reports in detail. Ms. Bower indicated that the school was on budget but that the state did reduce the 100th day count by 1 student which we speculated was based on a state reconciliation of student school attendance. Dr. Geiger indicated that he would have the registrar determine if the student

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that was removed from SLA roles was in fact correct and report back to the Board.

A motion was made by Mr. Heath, seconded by Mr. Olivas to approve the May 2019 financial reports as submitted. The motion passed unanimously.

- 5. Receipt of the 2018 IRS Form 990** – On April 29, 2019, prior to Form 990 being filed with the IRS, the Board received a copy of the filing. Dr. Geiger indicated the item is on the agenda today to formally acknowledge the board's receipt of the Form and for the board to ask any questions that they might have. Ms. Bower reviewed the entire Form 990 for the Board and answered all questions.

Mr. Gantt asked for clarification of the conflict of interest question on the 990 Form to which Ms. Bower indicated that if the Board was buying something from a company owned by a Board member that could be a conflict of interest which could also be mitigated by the board member abstaining from voting. She advised the Board that a Conflict of Interest form was in their packet for review and signature of each board member to be placed on file annually.

A motion was made by Mr. Hendershot, seconded by Mr. Gantt to acknowledge receipt of the IRS Form, 990 on April 29, 2019 and to accept the document with the explanations and clarifications provided by the CFO. The motion passed unanimously.

- 6. Approval of FY20 Annual School Budget** – Mr. Heath indicated that resources to finalize the proposed FY20 budget had been spread thin and diverted to some emergent issues but that the superintendent and the finance office are in the process of completing the proposed budget for board review. The budget must be submitted to the state by July 15 so the Board will meet again on the budget on July 9, 2019 at 1:00 PM at Southwest Leadership Academy.

The approval of the budget was tabled by Mr. Gantt until the next Board meeting. The Board agreed with the president.

- 7. Approval of FY20 (2019-2020) Salary Guide** – The Board received a copy of the proposed FY20 salary guide which included the additional 5% provided by the state for FY20 (based on the 2017-2018 salaries per law). Dr. Geiger confirmed that the guides met the expectations of the law and the guides maintained the competitiveness of the salaries at SLA.

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A motion was made by Mr. Hendershot, seconded by Mr. Olivas to approve the FY20 salary guides as submitted. The motion passed unanimously

8. Update on Board Policies – Dr. Geiger reviewed the process that the Board has been going through to develop a comprehensive set of compliant board policies including the engagement of the AZ School Boards Association that drafted model policies for the Board’s consideration. Dr. Geiger indicated that he has reviewed all 857 pages and submitted recommended changes to ASBA for inclusion in the policies proposed for SLA and that when the final few paragraph changes are complete the draft policies will be available for Board consideration.

Mr. Heath started a discussion as to how the Board and ROP will address the fact the SLA Board had adopted ROP policies in the past that now need to be “cross walked” so that the polices are consistent with the management firm’s policies but also meets the state requirements for charter schools.

Mr. Heath recommended that the relevant sections of the policies be sent to the heads of the various departments at ROP (HR, Finance, etc.) for their review and input after which that information and the original ASBA documents will be presented to a committee of the Board for review and resolution so that the Board can ultimately adopt a set of policies that are both state compliant and consistent with ROP policies as the management company. The Board felt that this was an advisable approach to take.

Mr. Heath asked if the SLA Board had to have a set of Board policies of its own to which Dr. Geiger responded that they did but they could incorporate ROP policies if they comport with state rules and regulations.

No action was required by the Board.

9. **Renewal of Day Care Agreement with TLC-** The current agreement between TLC and the SLA Board includes a one year renewal provision that TLC has decided to exercise. Under the terms of that agreement TLC will pay SLA 7% of gross revenue monthly in lieu of rent.

No action was required by the Board.

10. **Renewal of the Sublease between Southwest Leadership Academy and Rite of Passage** – Annually ROP negotiates a lease with Isaac School District for the SLA facility locaed at 4301 West Fillmore Street in Phoenix and subleases

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to the not for profit board for the year. The Board was asked to approve the sublease and to authorize the execution of the lease.

A motion was made by Mr. Heath, seconded by Mr. Hendershot to authorize the Board president to enter into an agreement between Southwest Leadership Academy and Rite of Passage to sublease the property at 4301 West Fillmore Street, Phoenix on the terms of the attached agreement. The motion passed unanimously.

11. Principal's Report – Dr. Fowler presented the Board with data regarding AZ Merit testing for FY19. The number of students who were partially proficient dramatically increased and the number of proficient students increased by 20%. Because of time constraints Dr. Fowler could not complete his presentation but will do so at the September board meeting.

12. Agreement between Vail Unified School District and Rite of Passage- Annually Vail USD requires renewal of the agreement between ROP and Beyond Textbooks. The school is satisfied that BT is making a difference for our students and therefore the administration recommends renewing the agreement.

A motion was made by Mr. Gantt, seconded by Mr. Heath to approve the 2019-2020 Beyond Textbooks agreement between Vail USD and Rite of Passage as attached. Motion passed unanimously.

13. Approval of Teacher 301 (Pay for Performance) Rubric – The administration presented the proposed Pay for Performance Matrix to the Board for FY20.

A motion was made by Mr. Heath, seconded by Mr. Gantt to approve the 301 Pay or Performance Matrix as provided. Motion passed unanimously.

14. Transportation Equipment for FY20 – The administration previously recommended the acquisition of a new ten passenger van but when it was informed of the “turn in” cost of the van previously leased it determine that it would be more economical to pay for the repairs (which were required whether SLA keep the van or not) and use that van for another year during which the administration will do a broader study of the transportation needs and options.

The Board took no further action since the current lease would be extended an additional year.

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15. Election of Board Members – Terry Hines’ term as a board member expires June 30, 2019. Ms. Hines expressed an interest in continuing on the Board and considering her outstanding contributions to the Board and the expertise she brings to the Board, the Board was delighted and nominated her for a three-year term.

A motion was made by Mr. Heath, seconded by Mr. Hendershot to elect Terry Hines to a three-year term on the SLA Board effective 7/1/19 to 6/30/22. The motion passed unanimously.

16. Board Officers – Annually the Board elects officers for the Board. Mr. Gantt recommended to the Board that the current officers be re-elected by unanimous acclaim for the term of July 1, 2019 to June 30, 2020. Mr. Gantt also indicated that he would be more than happy to step aside as president if someone else was interested in serving in that capacity. There being no further nominations or recommendations the Board closed nominations.

A motion was made by Mr. Hendershot, seconded by Mr. Heath to elect the current officers to their positions for another term from July 1, 2019 to June 30, 2020: Mike Gantt, president; Ruben Olivas, vice president; Mark Hendershot, Secretary/Treasurer. The motion passed unanimously.

17. Proposed Meeting Dates for FY20 – The Board agreed on the following meeting dates for FY 20 in addition to any special meetings called by the President or majority of the Board: September 17, 2019, December 17, 2019, March 17, 2020, May 5, 2020 and June 23, 2020.

18. Public Comment – There being no outside visitors, there was no comment.

19. Adjournment – President Gantt adjourned the meeting at 12:46 PM.