

**Minutes of the Raleigh Charter High School, Inc.
Board of Directors Meeting
23 January 2017**

Present: Members: Lynne Chambers, Nancy Thompson, Amy Marschall, Sharon McConnell, Jeff Simone, Lisa Huddleston, Kathy Perkinson, Graham Satisfsky, D.J. Hill, James Kotecki, Jonathan Philips, Jameson Marks, Elizabeth Iaquina-Karsten, and Howard Browne.

Guests: Lisa Springle, Shayne Klein, Glenda Atkinson, and David Ennis.

The Raleigh Charter High School, Inc. Board of Directors meeting began at 5:30 p.m.

Except where noted below, the meeting followed the Agenda which was distributed at the meeting, a copy of which is attached to these minutes.

Welcome: S. McConnell called the meeting to order and welcomed all in attendance.

Minutes of the 21 November 2016 Joint Meeting of the Board of Directors of Raleigh Charter High School, Inc. and Raleigh Charter High School Foundation, Inc.: The Board reviewed the draft minutes of the 21 November 2016 meeting of the Joint Meeting of the Board of Directors of Raleigh Charter High School, Inc. and Raleigh Charter High School Foundation, Inc. and discussed revisions thereto. On proper motion by J. Simone and second by G. Satisfsky, the Board of Directors unanimously approved the minutes of the Joint Meeting of the Board of Directors of Raleigh Charter High School, Inc. and Raleigh Charter High School Foundation, Inc. as revised.

Committee Reports:

1. Audit. The Chair reported on two (2) questions about the School's audit posed by the Local Government Commission. She noted that the questions, which related to the accounting treatment of: (1) funds due to/due from the Foundation and (2) the interest rate cap obtained as a part of the bond re-financing, would not affect the numbers reported in the audit.

She then led the Board in a discussion of the Audit Committee's desire to issue a Request for Proposal for audit services.

On proper motion by the Secretary and second by K. Perkinson, the Board of Directors unanimously authorized the Audit Committee to issue a Request for Proposal for audit services.

2. Finance. K. Perkinson was recognized to give the report from the Finance Committee. She noted that the School's Form 990 would need to be approved and submitted upon the completion of the audit process. She led a discussion of a proposal that the Finance Committee be authorized to finalize, approve, and submit the School's Form 990 upon the completion of the audit.

On proper motion by K. Perkinson and second by N. Thompson, the Board of Directors

unanimously adopted the following resolution:

Resolved that, following the completion of the audit, the Finance Committee is authorized to finalize and submit the Form 990 for Raleigh Charter High School, Inc. unless they deem there to be material changes from the draft audit reviewed by the Board on 21 November 2016 and in such case electronic voting by e-mail shall be utilized to allow the Board to review and accept the Form 990.

She then distributed and led the Board in a discussion of the Budget as of 17 January 2017. She noted that funding was coming in as expected. She reported that while there was no need to amend the budget at this time, she expected that the Finance Committee would request an amendment at the next meeting of the Board.

She noted that the Debt Service Coverage Ratio is still strong.

A copy of the Budget handout as reviewed at the meeting is attached to these minutes.

3. Development. E. Iaquina-Karsten reported that the Phoenix Fund continued to be ahead of last year's pace, year to date; however, the participation rate is slightly behind last year. She pointed out that large gifts are up this year over last year.

J. Simone was recognized to provide a report on Long Range Planning and Development. He distributed and led a discussion of a handout concerning the purposes and goals of the Foundation Fund.

On proper motion by E. Iaquina-Karsten and second by the Secretary, the Board of Directors unanimously approved the concept of the Foundation Fund as described in the materials reviewed at the meeting and the continued work of the Development Committee to plan meetings in the spring to explain the Foundation Fund to the School community.

Copies of the Phoenix Fund Report and the Long Range Planning and Development handout as distributed at the meeting are attached to these minutes.

PASTA Report: G. Satsky was recognized to provide a report from PASTA. She noted that PASTA's last meeting was an excellent one. She reported that PASTA would have a room at the Open Houses to allow prospective parents to meet and talk with PASTA members. She reported that Ethan Ontjes has resigned from his facilities duties and that his replacement is under consideration. She noted that Doughnuts at Drop-off event is being scheduled. Finally, she reported that Class Parents will be designated for each class to provide another personal touch from similarly situated parents.

Principal's Report: L. Huddleston distributed and led a discussion of the Principal's Report handout.

She distributed and led the Board in a discussion of a draft of the 2017/2018 School Calendar. On proper motion by D.J. Hill and second by G. Satsky, the Board of Directors unanimously approved the 2017/2018 School Calendar as reviewed at the meeting.

D. Ennis was recognized to provide a report on the covered walkway. He noted that the School has asked to be excused from the requirement of preparing an asbestos management report related to the covered walkway. The request has not been acted upon yet.

A copy of the Principal's Report handout as distributed at the meeting and a copy of the 2017/2018 School Calendar as approved are attached to these minutes.

The Chair then led the Board in a discussion of the policy for network access by departed students.

The Chair requested that members of the Board provide the Nominating Committee with names of individuals they believe to be good candidates for membership on the Board.

On proper motion by J. Simone and second by E. Iaquina-Karsten, the Board unanimously voted to adjourn at approximately 6:50 p.m.

Respectfully submitted by: Howard Browne, Secretary

**Raleigh Charter High School
Board of Directors' Meeting
January 23, 2017, 5:30 pm
Agenda**

1. Call to Order and welcome
2. Approval of minutes - November 21, 2016 Board meeting
3. Committee Reports
 - a. Audit Sharon McConnell
 - b. Finance Kathy Perkinson
 - i. Form 990
 - ii. Designated funds update
 - c. Development Simone/Iaquinta
4. PASTA report Graham Satsky
5. Principal's Report Lisa Huddleston
 - a. Calendar review and approval
6. Network access by departed students Sharon McConnell
7. Nominations
8. Upcoming Meetings
 - February 27, 2017
 - March 27, 2017
 - April 24, 2017 (if needed)
 - May 15, 2017
 - June 12, 2017
9. Adjourn

RCHS Budget - 1/17/2016	2015-16 Final Draft	2016-17 Approved Budget	Proposed Budget	12/31/16
ADM	561	560	561	
Funding per ADM - State Funding	4,710	4,757	5,037	
Funding per ADM - State Bonus	81	-	-	
Funding per ADM - County Funding	2,323	2,323	2,323	
ADM - EC	24	21	20	
Funding per EC ADM - State Funding	3,985	3,985	3,985	
State Funds	2,642,379	2,663,705	2,825,965	1,826,396
State Funds - \$750 bonus	45,228	-	-	-
State EC Funds	95,646	83,690	79,705	14,830
NCVPS Reduction	(5,882)	(20,882)	(20,882)	-
State Funds - Other	1,845	-	-	-
State Funds - F&F	6,765	6,765	6,765	-
Total State Funds	2,785,981	2,733,278	2,891,552	1,841,226
Wake County - 546 ADM @ \$2,359	1,274,330	1,268,280	1,283,296	657,277
Johnston County - 7 ADM @ \$1,571	15,717	15,120	10,997	4,628
Franklin County - 1 ADM @ \$1,553	1,553	1,331	1,553	418
Durham County - 2 ADM @ \$3,135	6,270	6,002	6,270	3,221
Chatham County - 2 ADM @ \$2,946	6,011	5,840	5,893	2,593
Orange County - 1 ADM @ \$3,350	-	-	3,350	1,538
Chapel Hill/Carrboro - 2 ADM @ \$3,635	-	-	7,270	3,745
Vance County - 0 ADM @ \$978	1,001	-	-	2
Total County Funds	1,304,882	1,296,573	1,318,629	673,423
Federal Funds - PRC 060	79,268	70,000	79,268	-
Federal Funds - PRC 103	-	-	2,557	2,557
Total Federal Funds	79,268	70,000	81,825	2,557
Sport Donations	30,450	30,000	31,000	27,970
Drama Donations and Sales	-	-	12,000	4,321
Grants	16,567	-	-	-
Curriculum Competitions	26,373	6,000	6,000	-
Phoenix Fund	321,250	295,000	295,000	177,226
Development and Donations	394,640	331,000	344,000	209,517
7th Period Class	12,000	12,000	13,000	13,000
Yearbook	-	4,000	4,000	-
Gate Receipts	7,579	9,000	9,000	3,848
Sales Tax Refund	1,698	5,000	5,000	-
Interest Income	113	1,000	1,000	175
Testing	18,816	8,000	8,000	12,663
PASTA - Bonus	9,127	-	-	-
RACL Staff Reimbursement	5,167	-	-	-
Parking	23,080	23,400	23,400	23,200
Miscellaneous Income	141	-	-	-
Total Other Funds	77,721	62,400	63,400	52,886
Total Revenue	4,642,492	4,493,251	4,699,406	2,779,610
Rent	660,000	660,000	660,000	330,000
Utilities	83,654	90,900	90,900	52,013
Maintenance & Repair	78,426	90,000	80,000	37,508

RGHS Budget - 1/17/2016	2015-16 Final - Draft	2016-17 Approved Budget	Proposed Budget	12/31/16
Miscellaneous	-	-	-	-
Total Facilities	822,080	840,900	830,900	419,521
Salaries	2,828,968	2,894,601	2,973,104	1,335,860
Bonus - \$750	41,136	-	-	-
PASTA - Bonus	9,127	-	-	-
Substitutes	28,321	30,000	30,000	12,890
Personal Leave	26,007	24,000	55,000	-
Health Insurance - \$5,718 per employee	240,812	244,086	245,537	121,021
Retirement (6.0% of salaries)	171,386	170,976	178,386	80,152
Payroll Taxes (7.60%)	212,412	222,706	234,557	101,525
Staff Development -- incl. PRC 103	3,717	-	2,557	2,557
Flexible Spending Account	2,491	2,200	2,200	1,152
Disability Insurance (.365%)	10,397	10,565	10,852	3,544
Workers Comp Insurance	12,524	14,000	14,000	11,118
Miscellaneous	-	-	-	-
Total Personnel	3,587,298	3,613,135	3,746,193	1,669,818
Academic Departments	50,789	70,000	70,000	55,210
Educational Programs	30,470	27,000	27,000	12,020
Testing	17,395	8,000	8,000	7,045
Miscellaneous	-	-	-	-
Total Instructional	98,654	105,000	105,000	74,275
Office and Administration	71,512	76,000	76,000	61,090
Technology	22,224	65,000	65,000	31,092
Sports (incl. coaching salaries)	67,684	75,000	75,000	42,707
Legal & Consulting	15,777	27,000	27,000	6,078
Development	2,388	7,610	6,998	8,019
Admissions	-	2,000	2,000	68
College Counseling	2,246	3,000	3,000	413
Graduation	6,301	7,200	7,200	-
Student Services	-	1,000	1,000	174
Board of Directors	-	1,000	1,000	54
Expenses Paid from Restricted Funds	6,796	-	-	119
Miscellaneous	-	-	-	-
Total Support	194,928	264,810	264,198	149,813
Total Expenses	4,702,960	4,823,845	4,946,291	2,313,428
Operating Reserve	(60,468)	(330,594)	(246,884)	
Transfer from / to Foundation	260,000	335,000	261,000	
Fiscal Year Reserve after Transfer	199,532	4,406	14,116	
Total Reserve	540,364	326,975	554,479	

Foundation Budget	Budget 2015-16	Budget 2016-17	12/31/15
Donations - Annual	9,502	10,000	450
Donations - Future Fund	16,800	30,000	22,500
Interest Income	541	300	231
Rental Income - RCHS	660,000	660,000	330,000
Rental Income - RACL	51,552	-	-
Rental Income - Arts Together	6,000	6,000	4,000
Miscellaneous Income	227	-	-
Total Revenue	744,622	706,300	
Audit	6,500	7,500	-
RACL Staffing Fee	5,167	-	-
Bank Fee	56	100	-
Bond Fee	1,000	-	-
Interest Expense	121,791	109,817	52,511
Amortization Expense	109,761	-	-
Depreciation Expense	225,779	-	-
Transfer to RCHS	260,000	261,000	-
Write off of Pledge Receivables	-	-	-
Building Improvements	-	-	-
Total Expenses	730,054	378,417	52,511
Reserve	14,568	327,883	

Debt Service Coverage Ratio	2013-14	2014-15	2015-16	2016-17
Club and PASTA reserve	(7,031)	2,761	3,247	
Raleigh Charter HS reserve	15,319	(26,439)	185,972	14,116
Foundation reserve	49,425	194,702	14,568	327,883
Plus: Designated Funds	-	-	100,000	100,000
Plus: Capitalized items	33,060		14,896	30,000
Total reserve	90,773	171,024	318,683	471,998
Plus: depreciation	225,779	225,799	225,799	
Plus: amortization	6,140	6,140	109,761	
Plus: interest expense	162,773	156,726	121,791	109,817
Reserve + depreciation + amortization + interest	485,465	559,689	776,034	581,816
Total principal and interest expense	414,340	418,103	394,293	397,118
Debt Service Coverage Ratio	1.17	1.34	1.97	1.47
Requirement (greater than)	1.15	1.15	1.05	1.05
Debt Service Coverage Ratio without 100K Designated Funds			1.71	1.21
1/100th of total principal and interest changes ratio by .01			3,942.93	3,971.18

Cash Balances: 1/17/16			
Entity	Financial Instituti	Account	Balance
RCHS	BB&T	Operational	5,092
RCHS	BB&T	CLUB - Checking	148,899
RCHS	Compass	Operational	362,543
RCHS	Compass	Money Market	410,175
Foundation	Compass	Operational	261,194
Foundation	Compass	Money Market	475,404
Foundation	Compass	Restricted MM	-
Foundation	Triangle Community Foundation		10,353
Total Cash Balance			1,673,659
Minimum Liquidity requirement			500,000
Loan Balance	Compass		6,344,677

Phoenix Fund Report

December 30, 2016

	Goal RCHS + FDN	Pledged RCHS + FDN	Received RCHS + FDN	Current Parent Participation	New Family Participation	RCHS & FDN Board Participation	Large Gifts \$1000+	Recurring Gifts
2016-2017	\$325,000	\$281,688	\$221,124	43%	48%	RCHS 100% FDN 87.5%	95*	57+4
<u>This time last year</u>		<u>\$275,668</u>	<u>\$167,063</u>	<u>49%</u>	<u>50%</u>		<u>59</u>	<u>62</u>
2015-2016	\$325,000	\$339,949 (105%)	\$329,905 (102%)	315/480 = 66%	66/101=65%	16/16 = 100% 3/4 = 75% pledged	93 (plus 5 restricted gifts)	58
2014-2015	\$300,000	\$319,700	\$313,385	63%	59%	100%	102	53
2013-2014	\$300,000	\$272,279		73%			73	33
2012-2013	\$115,000	\$160,850		57%			36	17

Notes:

Upcoming Events:

February 23-Building Balance (10th grade families)

April 26 – Senior Parent Coffee

*Includes corporate matching gifts over \$1000 and recurring gifts that total \$1000 or higher.

Pledged v. received difference due to fees, missed payments, corporate payroll deduction and match timing and unfulfilled pledges.

**Raleigh Charter High School
for Board of Directors' Meetings on January 23, 2017**

Enrollment Details

Grade	9/12/2011	9/17/2012	9/15/2013	9/15/2014	9/8/2015	9/7/2016	1/25/2017
9	143	138	145	147	150	142	141
10	144	135	136	143	141	146	145
11	136	139	132	133	138	139	138
12	134	127	134	136	134	136	136
Total	557	539	547	559	563	563	560

Professional Development

- From December 1-4, six members of the History Department attended the national conference in Washington, DC for the National Council for Social Studies. Their trip included a visit to the new National Museum of African-American History.
- Shayne Klein and Lisa Springle described the conference experiences for both the History and English Departments in the December 9 issue of the Phoenix News.

Programming

- Students completed and teachers graded roughly 3330 semester exams in December. Semester grades went home in report cards on January 6.
- Our on-site Cohort Graduation Monitoring audit took place on December 1. Linda Hash met with our NCDPI Regional Accountability Coordinator and efficiently provided him with the documentation that he needed to complete this audit. We appreciate her careful work on this effort.
- We completed the Economically Disadvantaged Survey (EDS) that NCDPI required for December 1. From the responses that we received, we determined that 5.3% of our families reported income which placed them within the Economically Disadvantaged range. Last year our EDS number was 4.8%. We continue to provide financial assistance to any family expressing a need.
- On January 2, we held our annual Alumni Winter Coffee which approximately 52 alumni attended. They visited with their former teachers and other alumni.
- On January 6, our seniors participated in the annual Senior Breakfast. This event marks the beginning of our seniors' final semester in high school.
- We have two Open Houses for Prospective Students scheduled on January 27 and February 2, 5:30-7:30. Shayne Klein and Amy Koch plan and organize the event, and about two-thirds of the faculty and 60 students will assist on each night. We appreciate the many folks who give up both evenings to help out. Board members who are able to come and answer questions for parents are a welcome addition.
- Our application in both Spanish and English was posted online this morning. We will accept applications postmarked or delivered between January 23 and February 24.
- Each spring the school is required to complete and submit the NCDPI Performance Framework to the Office of Charter Schools. In past years all elements were submitted in June. However, this year some of the documents must be turned in during each of the next several months. We believe that all documentation can be completed and submitted on time.

- As part of our continuing efforts to evaluate how we are fulfilling our mission, the faculty is reviewing our approach to citizenship education. To give us more information, this year's parent survey focuses on the different aspects of our citizenship mission.
- Through PASTA and other avenues, our parents continue to provide us with wonderful support whether driving on trips, cleaning our kitchens, or dropping off treats for the faculty. We appreciate their many contributions.

Calendar

- We lost two school days earlier this month to bad weather and made up one on Saturday, January 14. Our other make-up day will be Tuesday, February 21 (originally a teacher work day).
- Our 2017-18 proposed calendar begins school on August 10, 2017 and will allow graduation to take place on June 2, 2018.
- We have scheduled our make-up day for first semester exams on Monday, December 18 next year. While this adjustment is not ideal, it will allow most students to have an additional weekend on their winter holiday.

Athletics

- The men's and women's basketball and swimming teams continue to compete. The swimming conference meet was today, and basketball playoffs will begin in a few weeks.
- Our women's soccer coach has resigned for personal reasons, and the team will be coached this year by Steven Grosso, who has coached both men's and women's soccer for us before. We appreciate his stepping into this particular role again.

Facilities

- We continue to battle leaks in the roof; however, there have been fewer leaks so far this year than in past years.
- The Facilities Committee will meet on January 30.

Upcoming Events

- Admissions Window Open, January 23-February 24
- Prospective Student Open Houses, January 27 & February 2
- Bad-Weather Makeup Day (9:00-12:05), February 21
- Building Balance for tenth-grade parents, February 23
- Drama Production, *Joseph and the Amazing Technicolor Dreamcoat*, March 3-5 and 9-11