

**Minutes of the Raleigh Charter High School, Inc.
Board of Directors Meeting
28 November 2022**

The Raleigh Charter High School, Inc. Board of Directors meeting began at 5:32 p.m. in hybrid meeting format and was conducted contemporaneously with a meeting of the Board of Directors of the Raleigh Charter High School Foundation, Inc. (the "Foundation Board"). Meeting notice was made on the School Main Calendar posted on the publicly accessible School website (www.raleighcharterhs.org). Those in attendance and constituting a quorum were:

Present: Members: Lisa Huddleston, Paul McSorley (Chair), Patrick Murray (virtual), Jessica McDonald, Pete Smith (virtual), Sandra Headen (virtual), Dwight Thompson (virtual), Yasha Rao (virtual), Rebecca Mann-White (virtual), Amy Koch, and D.J. Hill

Guests: Caio Setubal, David Ennis, Shayne Klein, and Margaret Barnett

Absent: Alice Tate and Jamie Rudd

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: The Chair welcomed all the Raleigh Charter High School Board Members as they joined the Foundation Board meeting in progress.

Chair recognized guest D. Ennis to give some background on the bond that was secured to finance the school building as preparation for a recommendation forthcoming from the Finance Committee. He shared the following:

- When the school's building bond was refinanced in 2015, the interest rate was set to the LIBOR (London Inter-Bank Offered Rate).
- The school's bank (PNC) is working on a replacement to LIBOR because it has become less reliable and is going away on June 30, 2023; they recommend that we move to the SOFR (Secured Overnight Financing Rate).
- The school's outside attorney has reviewed this recommendation and believes it will have no impact to items such as our tax-exempt status, compliance with state and other regulatory bodies, etc.
- Member J. Green, chair of the Finance Committee, stated that the committee has also looked at this recommended change and see no budget impact beyond the legal fees required.
- The lender (PNC) will issue a final agreement document reflecting this change from LIBOR to SOFR and the Finance Committee will have the attorney review that document. If approved by the attorney, the school should be able to execute the document before the end of the calendar year.

Finance & Audit Committees: J. Green was recognized to provide a report and bring forth recommendations from the Finance and Audit Committees:

The Finance Committee recommends that the Board of Directors adopt the following resolution:

BE IT RESOLVED by the Board of Directors that the officers of Raleigh Charter High School, Inc. may enter into one or more agreements with PNC Bank, National Association and others to implement the change of interest rate on the School's debt instruments from a LIBOR based rate to a SOFR based rate. The officers are hereby authorized and directed to execute and deliver all agreements, documents, etc. to effectuate such change in interest rate.

Acting at the recommendation of the Finance Committee, the Board unanimously approved the resolution as presented.

J. Green discussed the Audit Report as presented:

- There was a joint meeting held today between the Foundation Finance Committee and the Raleigh Charter High School Board Finance Committee to review the Audit report submitted by our Auditor Jim Black. The Audit Report covers the school fiscal calendar from 1 July 2021 to 30 June 2022. A copy of the report is in the Board folder.
- The Auditor believes the financial position is in better shape than it was in the prior year. He mentioned that the school does a good job creating a budget and adhering to it.
- Net assets are just above \$7M, which is an increase of \$460k.
- Jim Black will come to the school on 29 November 2022 to complete his audit work. No concerns anticipated.
- The school's return will be submitted online by 3 December 2022.

Acting at the recommendation of the Audit Committee, the Board unanimously approved that upon successful completion of fieldwork, the June 30, 2022 audit report is approved as presented.

Development Committee: R. Mann-White was recognized to provide an update from the Development Committee. She reported on the following items:

- The Phoenix Fund is tracking similar to last year in forecasted pledges and as of today, \$93K received.
- The Foundation Campaign is at 26% progress to goal.
- Board participation to either campaign is not at 100%, we are behind where we were last year at this time. We would like to send a message to the community that our Boards are fully participating.

A copy of the Phoenix Fund Report and Foundation Campaign Update as reviewed at the meeting is attached to these minutes.

Principal's Report: L. Huddleston was recognized to provide the Principal's Report. She distributed and led the Board in a discussion of the Principal's Report handout.

On proper motion by D.J. Hill and second by P. Smith the Board unanimously voted to approve the proposed 2023-2024 Raleigh Charter High School School Calendar as presented.

A copy Principal's Report handout and Proposed 2023-2024 School Year Calendar as presented at the meeting is attached to these Minutes.

Adjournment of the Meeting of the Foundation Board: The meeting of the Foundation Board was adjourned at 5:58 p.m.

Minutes of the 24 October 2022 Meeting of the Board. The Board reviewed the draft minutes of the 24 October 2022 meeting of the Board. On proper motion by S. Headen and second by D. Thompson, the Board unanimously approved the minutes of the 24 October 2022 meeting of the Board as written.

Finance Committee: J. Green was recognized to provide a report from the Finance Committee:

- There was a decrease in actual funding from the state of \$169k. L. Huddleston added this is due to the state reverting back to the pre-COVID-19 method of how they allocated funds based upon ADM.
- Some of this state funding decrease was offset by a small increase in county funds.
- The school has experienced increased expenses in the areas of personal leave, technology, and sports.
- As a result, the transfer from the Foundation Fund to the school will need to be \$375k, higher than the original \$332k planed.
- Debt service coverage ratio remains in good shape after this increased transfer amount.

Acting at the recommendation of the Finance Committee, the Board unanimously approved the revised 2022-2023 budget as presented.

A copy of the Raleigh Charter High School Budget as reviewed at the meeting is attached to these minutes.

Diversity Committee: P. Smith was recognized to provide an update on behalf of the Diversity Committee. He reported the following items:

- A meeting of the Committee was held today just prior to the meeting of the Board.
- The affinity groups at the school, both students and staff, have been meeting regularly, doing events, and the students are engaged.
- The next meeting will be held in January.

Phoenix Parents: No Report.

Additional Business / Public Comment: The Chair opened the floor to entertain additional items of business not covered in the meeting agenda. No Public Comments were raised.

Chair recognized member S. Headen to make a personal statement.

Member S. Headen stated that when she retired, she became a middle grade fiction writer focusing on stories that would encourage healthy life behaviors for African-American youth, and this month Holiday House Publishing agreed to publish two of her novels, one of which is a story of an African-American high school student. The first book should be released in 2024 and we can go to her

website sandraheaden.com to learn more.

Every member of the Board applauded S. Headen upon hearing this news.

Board Meeting Schedule: Chair was recognized to discuss the upcoming Board Meeting schedule:

- The December 12, 2022 meeting seems unlikely, but cannot be ruled out; Chair will inform us as soon as a decision is made.
- We are confirmed to meet on 23 January and 27 February 2023.

Closed Session: Did not enter Closed Session.

On proper motion by D.J. Hill and second by J. Green the Board unanimously voted to adjourn at 6:12 p.m.

Respectfully submitted by: Patrick Murray, Board Secretary

Raleigh Charter High School
Board of Directors' Meeting
November 28, 2022 5:30 pm
Agenda

** Joint Session **

1. Call to Order and Welcome
2. Audit Report Jonathan Green
3. Development Report Rebecca Mann-White
4. Principal's Report Lisa Huddleston

** Joint Session Ends **

5. Approval of Minutes of October 24, 2022 Board Meeting
6. Finance Committee Report Jonathan Green
7. Diversity Committee Report Peter Smith
8. Phoenix Parents Report Alice Tate
9. Additional Issues / Community Feedback
10. Upcoming Meetings
 1. 12/12/2022 (if needed)
 2. 01/23/2023
 3. 02/27/2023
11. Closed Session
12. Adjourn

Phoenix Fund Report: October 31, 2022

	Goal Phoenix Fund	Forecasted Phoenix Fund	Received Phoenix Fund	Current Parent Participation	New Family Participation	Board Participation ¹ (gifts to RCHS or Fnd)	Large Gifts \$1000+ ²	Recurring Gifts	Alumni	Alumni Parents
Oct. 31, 2022	\$325,000	\$101,205	\$64,577	18%	19%	86%	46	53	3	19
This time last year	\$325,000	\$102,120	\$72,494	22%	25%	100%	46	50	9	17
2021-2022 YE	\$325,000	\$333,185	\$332,254	44%	40%	100%	99	55	20	40
2020-2021 YE	\$325,000	\$345,128	\$344,766	47%	50%	100%	108	57	24	54
2019-20 YE	\$325,000	\$327,422	\$320,220	49%	43%	100%	98	59	16	54
2018-19 YE	\$325,000	\$342,905	\$338,521	53%	55%	100%	115	56	20 + more in Fdn Fund (5)	63
2017-18 YE	\$325,000	\$347,505	\$332,380	54%	46%	100%	123	57	45	72

Notes: Forecasted v. received difference due to fees, missed payments, unfulfilled pledges, and timing of disbursements of corporate payroll deductions and matches.

¹ RCHS Board only, Fnd Board not counted.

² Includes matching gifts over \$1,000 and recurring gifts that are forecasted to total \$1,000 or higher. Also includes grants.

Updated 11/15/2022

RCHS Foundation Campaign Report

	Forecasted/Pledged	Received
Current Fiscal Year (7/1/2022 to present)	\$102,600	\$93,300
Campaign Total (7/1/2021 to present)	\$387,100	\$171,400
Amount left to raise/receive	\$1,112,900	\$1,328,600
Campaign Progress: 26% Fulfilled		Campaign Goal = \$1,500,000

Principal's Report for Raleigh Charter High School Board of Directors' Meeting on November 28, 2022

General

- We held our ninth-grade parent program Partnerships and Possibilities on Wednesday, November 2. There were approximately 60 people in attendance. Shayne Klein, Mimi Tomei, and Margaret Barnett helped lead and manage the program.
- Thanks to Caio Setubal, Charles Montague, and Hikaru Wajima for their work with the Student Government Association to manage the November 4 Homecoming Dance at the Marbles Kids Museum.
- The second six-week grading period ended on Friday, November 4, and report cards went home with all students through Advisory on Monday, November 14.
- 126 sophomores took the PreACT on Thursday, November 10. We have 11 additional tenth graders who will participate in the make-up test this week.
- On Friday, November 19, World History students displayed their artifacts and described their historical significance to visitors at the school's annual Artifact Museum. The weather cooperated, and the event was held outside again this year. We appreciate the work and dedication of Dave Palmieri, Charles Montague, and Petra Martignoni in once again preparing their students to run this event.
- We had our eleventh-grade parent program Transitions and Turbulence on Wednesday, November 16. There were approximately 65 parents in attendance. Shayne Klein and David Ennis ran the program with help from Margaret Barnett.
- On Friday, December 2, we will have a professional development program for faculty and staff in which an outside facilitator will focus on developing effective responses to identity-based bias incidents and interactions. This program is the first of three trainings and will focus on recognizing and interrupting events when they occur. The other two parts will take place in February and June.
- The members of our Honor Council will lead exam review sessions for ninth-grade students after school on December 5 and 6. Melani Winter and Philip Kellogg sponsor the Honor Council and supervise these review activities.
- Semester exams will be held December 12-15. Make-up exams will take place on December 16.
- We will have our annual Alumni Winter Coffee on Friday, December 16 from 11:00 to 1:00.
- We have a draft calendar for the 2023-24 school year for review and approval: [2023-2024 Calendar_DRAFT_221128.pdf](#)

Athletics

- All fall sports have been completed.
- Basketball and swimming seasons have begun.

Upcoming Events

- Band Winter Concert, December 1, 7:30
- Early Release, December 2, 12:05
- Choral Winter Concert, December 6, 7:30
- Strings Winter Concert, December 8, 7:30
- State We the People Competition - Friday, December 9
- Early Release, December 12, 12:05
- First Semester Exams, December 12-16
- Alumni Winter Coffee, December 16, 11:00-1:00
- Winter Break, December 19-January 1
- Teacher Work Day, January 2

- Application Period, January 9-February 28
- Prospective Student Open Houses, January 27 & February 1
- Mini Ex Days, February 2 & 3

ANNUAL CALENDAR 2023-2024

July 2023

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August 2023

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September 2023

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October 2023

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November 2023

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December 2023

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

January 2024

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February 2024

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

March 2024

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April 2024

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May 2024

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June 2024

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

AUGUST
9-11, 14 Teacher Planning Days
15 First Day of School

SEPTEMBER
4 Labor Day (No school)

OCTOBER
12-13 Fall Break

NOVEMBER
10 Veterans Day (No school)
22-24 Thanksgiving Break

DECEMBER
25 Winter Break begins

JANUARY
9 School resumes
15 Martin Luther King, Jr. Day (No school)

FEBRUARY
19 President's Day (No school)
19-20 Holiday

MARCH
11 Holiday
25-29 Spring Break

APRIL
2 School resumes

MAY
27 Memorial Day (No school)

JUNE
8 Graduation, Meymandi Concert Hall, Duke Energy Center for the Performing Arts
11 Last Day of School
12-13 Teacher Planning Day

Additional dates to be added.
*In case of an emergency situation, remote instruction days may be used for make-up days.

For more detailed calendar information, including athletics events, grade-level parent nights and club and school events, click on "School Calendar" under the "Calendars" tab at www.raleighcharterhs.org.

RCHS Budget - 2022-23	Approved 2021-22	Approved 2022-23	Proposed 2022-23
ADM	556	562	562
Funding per ADM - State Funding	6,336	6,453	6,152
Funding per ADM - County Funding	3,097.19	3,145.16	3,327.38
ADM - EC	22	20	20
Funding per EC ADM - State Funding	5,673	5,803	5,803
State Funds	3,389,607	3,613,318	3,437,672
State EC Funds	124,816	116,065	116,065
State COVID Relief Funds	4,337	4,337	4,337
NCVPS Reduction	(6,095)	(7,238)	(7,238)
State Funds - School Connectivity	867	-	-
State Funds - Gaming	3,734	-	-
State Funds - F&F	6,759	-	6,608
State Bonuses	123,744	16,148	16,148
Total State Funds	3,647,769	3,742,629	3,573,592
Wake County	1,675,000	1,702,932	1,785,000
Johnston County	9,950	9,950	7,689
Durham County	30,760	28,520	55,095
Chatham County	20,203	21,203	21,203
Chapel Hill/Carrboro	4,329	4,329	4,329
Franklin County	938	938	-
Washington County	117	117	-
Mecklenburg	163	163	-
Granville County	2,258	2,572	-
Total County Funds	1,743,718	1,770,724	1,873,316
Federal Funds - PRC 060	86,855	86,855	86,855
Federal Funds - PRC 203 Bonus	37,695	-	-
Federal Funds - COVID Relief Funds	-	107,173	107,173
Total Federal Funds	124,550	194,028	194,028
Sport Donations	25,500	35,000	35,000
Educational Programs	13,500	40,000	40,000
Phoenix Fund	325,000	295,000	295,000
Development and Donations	364,000	370,000	370,000
7th Period Class	13,750	13,200	13,200
Gate Receipts	10,271	9,000	9,000
Interest Income	550	550	550
Testing	13,149	13,500	13,500
Parking	21,200	23,400	23,400
Miscellaneous	2,935	-	-
Total Other Funds	61,855	59,650	59,650
Total Revenue	5,941,892	6,137,031	6,070,586
Rent	726,000	798,600	798,600
Utilities	90,000	120,000	120,000
Maintenance & Repair	170,000	130,000	130,000
Miscellaneous	-	-	-
Total Facilities	986,000	1,048,600	1,048,600
Salaries	3,575,327	3,775,961	3,775,961
Substitutes	60,000	60,000	60,000
State and Fed Bonuses	161,439	16,148	16,148

<i>RCHS Budget - 2022-23</i>	<i>Approved 2021-22</i>	<i>Approved 2022-23</i>	<i>Proposed 2022-23</i>
Employee Bonuses	281,200	-	-
Personal Leave	60,000	60,000	50,000
Health Insurance	323,026	359,381	359,381
Retirement (6.0% of salaries)	232,396	245,437	245,437
Payroll Taxes (7.70%)	284,540	299,989	299,219
Flexible Spending Account	7,700	7,700	7,700
Disability Insurance	13,000	13,500	13,500
Workers Comp Insurance	16,000	17,500	17,500
Miscellaneous	-	-	-
Total Personnel	5,014,628	4,855,616	4,844,846
Academic Departments	55,000	110,000	110,000
Educational Programs	41,000	60,000	60,000
Testing	12,500	15,000	15,000
Miscellaneous	-	-	-
Total Instructional	108,500	185,000	185,000
Office and Administration	90,000	110,000	110,000
Technology	38,000	85,000	75,000
Sports (incl. coaching salaries)	70,000	100,000	90,000
Legal & Consulting	20,000	35,000	35,000
Development	10,000	10,000	10,000
Admissions	530	1,500	1,500
College Counseling	914	2,500	2,500
Graduation	8,000	10,000	10,000
Student Services	13,000	25,000	25,000
Board of Directors	500	500	500
Miscellaneous	-	-	-
Total Support	250,944	379,500	359,500
Total Expenses	6,360,072	6,468,716	6,437,946
Operating Reserve	(418,181)	(331,685)	(367,361)
Transfer from / to Foundation	419,000	332,000	375,000
Fiscal Year Reserve after Transfer	819	315	7,639

Foundation Budget - 2021-22	Approved 2021-22	Approved 2022-23	Proposed 2022-23
Donations - Annual	3,000	10,000	10,000
Donations - Foundation Fund (Received)	131,000	125,000	125,000
Interest Income	500	500	1,000
Interest Rate Cap	-	-	21,000
Rental Income - RCHS	726,000	726,000	726,000
Miscellaneous Income	-	-	-
Total Revenue	860,500	861,500	883,000
Audit	6,500	7,000	7,000
Interest Expense	80,000	150,000	171,000
Bond Fee	1,000	1,000	5,000
Amortization Expense	228,001	228,001	228,001
Depreciation Expense	7,695	7,695	7,695
Transfer to RCHS	419,000	340,000	375,000
Miscellaneous Revenue	-	-	-
Total Expenses	742,196	733,696	793,696
Reserve	118,304	127,804	89,304

Debt Service Coverage Ratio	2020-21	2021-22	2022-23
Clubs & Activities reserve	(5,000)	(1,000)	(1,000)
Raleigh Charter HS reserve	6,437	819	7,639
Foundation reserve	391,804	118,304	89,304
Plus: Board designated funds	100,000	100,000	100,000
Plus: capitalized items	75,000	15,000	25,000
Total reserve	568,241	233,123	220,943
Plus: depreciation	241,331	241,331	241,331
Plus: amortization	7,695	7,695	7,695
Plus: interest expense	80,000	80,000	150,000
Reserve + depreciation + amortization + interest	897,267	562,149	619,969
Total principal and interest expense	417,302	417,302	487,302
Debt Service Coverage Ratio	2.15	1.35	1.27
Requirement (greater than)	1.05	1.05	1.05
Debt Service Coverage Ratio without 100K Designated Funds	1.91	1.11	1.07
1/100th of total principal and interest changes ratio by .01	4,173.02	4,173.02	4,873.02