

**Minutes of the Raleigh Charter High School, Inc.
Board of Directors Meeting
24 October 2022**

The Raleigh Charter High School, Inc. Board of Directors meeting began at 5:33 p.m. in hybrid meeting format. 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), Amy Koch, Jessica McDonald, Alice Tate, Pete Smith (virtual), Sandra Headen (virtual), Dwight Thompson (virtual), Jamie Rudd and D.J. Hill

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

Absent: Rebecca Mann-White and Yasha Rao,

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 and guests.

Minutes of the 26 September 2022 Meeting of the Board. The Board reviewed the draft minutes of the 26 September 2022 meeting of the Board. On proper motion by J. Green and second by J. McDonald, the Board unanimously approved the minutes of the 26 September 2022 meeting of the Board as written.

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

- No significant changes to the budget, however a few small ones will require a recommendation from the committee to the Board to approve a revised budget.
- There is a small increase in funding from Wake County of \$27,000. It may go up again before the next meeting of the Board.
- Additionally there is reflected the \$16,000 from the State mandated as a Principal's bonus.
- No significant change in Federal funds.

Member A. Koch asked for an explanation of the "Debt Service Ratio". J. Green answered that it is the ratio of income to debt service expenses; the lender requires that that ratio be positive.

Member L. Huddleston brought to the Board's attention that she has submitted a letter to the Board expressing her discomfort with the State mandated Principal's bonus. She feels that a bonus delivered to one person based upon the school's performance is counter to the philosophy and culture at the school as it requires the efforts of everyone. L. Huddleston wants to ensure the Board understands her discomfort.

J. Green responded by saying that the Committee did discuss the issue and while they do not believe the bonus is unwarranted, they do understand L. Huddleston's concern as raised.

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.

A copy of the letter submitted by L. Huddleston to the Board is attached to these minutes.

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

- The Phoenix Fund is tracking ahead of schedule compared to last year.
- Current families will received a fundraising communication next week.
- The “12.12.12” challenge was launched with a goal of 12 new recurring gifts by 12 December 2022.
- The Alumni social is set for 9 November 2022 at Boxyard RTP. Board members are encouraged to help spread the word to school alumni.
- Remember that we aspire to have 100% participation by Board members in our fundraising programs before the end of October. As of the end of September, we are at 54%.
- For this fiscal year, the Foundation Campaign has \$75,700 pledged with \$68,300 received. Towards the \$1.5M campaign goal, we have \$360,100 pledged with \$146,500 received.

A copy of the Phoenix Fund Report 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 where they discussed new ideas to engage and involved families.
- A Parent Diversity Network event was held earlier in the month.
- There were a tremendous amount of activities at the school this past month as part of Heritage month. The Committee recognizes the fantastic work by Sarita, Shayne, and the whole school.

Phoenix Parents: A. Tate was recognized to provide an update on behalf of the Phoenix Parents Organization. She reported the following items:

- A copy of the Phoenix Parents meeting minutes were distributed to the Board in advance of today’s meeting of the Board.
- They have 191 members signed up this year.
- Everything is running smoothly and calmly.
- The next meeting will be held on 1 December 2022 and will be in-person.

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.

Member D. Thompson asked if the school rankings are used in fundraising purposes. L. Huddleston

responded that it is done occasionally, and mostly with raising funds from foundations. She has some methodology concerns with the Niche rankings as shown and will ask the Development Committee to look at using rankings in their efforts to fund raise with alumni.

A copy Principal's Report handout as distributed at the meeting is attached to these Minutes.

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

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

- Upcoming Meetings: 28 November 2022, 12 December 2022, and 23 January 2023.
- Since the December meeting of the Board is only two weeks after the November meeting, if there are no substantial topics to discuss or no Board decisions required, that meeting will be canceled.
- The June 2023 meeting of the Board has been scheduled for 26 June 2023 at 5:30 p.m.

Closed Session: On proper motion by Chair and second by D.J. Hill, the Board unanimously voted to enter Closed Session to consider a school legal matter and a personnel matter, and to allow D. Ennis to remain for technical support and for S. Klein, C. Setubal, and M. Barnett to remain as visitors.

On proper motion by D.J. Hill and second by J. Rudd, the Board unanimously voted to leave Closed Session.

On proper motion by A. Tate and second by S. Headen the Board unanimously voted to adjourn at 6:13 p.m.

Respectfully submitted by: Patrick Murray, Board Secretary

Raleigh Charter High School
Board of Directors' Meeting
October 24, 2022 5:30 pm
Agenda

1. Call to Order and Welcome
2. Approval of Minutes of September 26, 2022 Board Meeting
3. Finance Committee Report Jonathan Green
4. Development Report Rebecca Mann-White
5. Diversity Committee Report Peter Smith
6. Phoenix Parents Report Alice Tate
7. Principal's Report Lisa Huddleston
8. Additional Issues / Community Feedback
9. Upcoming Meetings
 1. 11/28/2022
 2. 12/12/2022
 3. 01/23/2023
10. Closed Session
11. Adjourn

RCHS Budget - 2022-23	Approved 2021-22	Approved 2022-23	Proposed 2022-23
ADM	556	562	562
Funding per ADM - State Funding	6,336	6,424	6,453
Funding per ADM - County Funding	3,097.19	3,095.55	3,145.16
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	3,613,318
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	-	-
State Bonuses	123,744	-	16,148
Total State Funds	3,647,769	3,726,482	3,742,630
Wake County	1,675,000	1,675,000	1,702,932
Johnston County	9,950	9,950	9,950
Durham County	30,760	28,520	28,520
Chatham County	20,203	21,203	21,203
Chapel Hill/Carrboro	4,329	4,329	4,329
Franklin County	938	938	938
Washington County	117	117	117
Mecklenburg	163	163	163
Granville County	2,258	2,572	2,572
Total County Funds	1,743,718	1,742,792	1,770,724
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	6,092,952	6,137,031
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

<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	60,000
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	299,989
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	4,839,468	4,855,616
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	85,000
Sports (incl. coaching salaries)	70,000	100,000	100,000
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	379,500
Total Expenses	6,360,072	6,452,568	6,468,716
Operating Reserve	(418,181)	(359,617)	(331,685)
Transfer from / to Foundation	419,000	360,000	332,000
Fiscal Year Reserve after Transfer	819	383	315

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	500
Interest Rate Cap	-	-	41,000
Rental Income - RCHS	726,000	726,000	726,000
Miscellaneous Income	-	-	-
Total Revenue	860,500	861,500	902,500
Audit	6,500	7,000	7,000
Interest Expense	80,000	150,000	191,000
Bond Fee	1,000	1,000	1,000
Amortization Expense	228,001	228,001	228,001
Depreciation Expense	7,695	7,695	7,695
Transfer to RCHS	419,000	340,000	332,000
Miscellaneous Revenue	-	-	-
Total Expenses	742,196	733,696	766,696
Reserve	118,304	127,804	135,804

Debt Service Coverage Ratio	2020-21	2021-22	2022-23
Clubs & Activities reserve	(5,000)	(1,000)	(5,000)
Raleigh Charter HS reserve	6,437	819	315
Foundation reserve	391,804	118,304	135,804
Plus: Board designated funds	100,000	100,000	100,000
Plus: capitalized items	75,000	15,000	5,000
Total reserve	568,241	233,123	236,119
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	635,145
Total principal and interest expense	417,302	417,302	487,302
Debt Service Coverage Ratio	2.15	1.35	1.30
Requirement (greater than)	1.05	1.05	1.05
Debt Service Coverage Ratio without 100K Designated Funds	1.91	1.11	1.10
1/100th of total principal and interest changes ratio by .01	4,173.02	4,173.02	4,873.02

Dear Board Members,

Over the last several years, the Finance Committee and the Board have worked to consider fair and reasonable compensation, including raises and bonuses, for our faculty and staff. I appreciate the thoughtful and supportive way in which you have gone about this work.

From the beginning of my tenure as Principal, the Board has directed me to safeguard our school culture. I have worked hard and will continue to work hard to maintain our strong and unique culture. At the heart of this culture are the relationships that our teachers and staff have with one another. These relationships are built on respect, trust, and shared responsibilities. We believe that we all work hard and that we are all in this endeavor together.

When the current structure for AP bonuses was implemented in 2017, fifteen members of our faculty, who were teaching AP courses at the time, sent a letter to state legislators protesting this system. Because they were very concerned with the unintended consequences of rewarding only AP teachers, they asked that the distribution of performance-driven money be left up to individual schools. Unfortunately, their concerns and requests went unheeded.

We find ourselves in a similar position now because of the manner in which bonuses are distributed to school principals. The principal's bonus, as provided by the state, depends solely on our school's achievement and growth score when compared to other schools. The higher the school is ranked on the comparison list, the higher the principal's bonus. We can neither opt in to nor out of this system. We are required to distribute this as soon as it is issued to the school.

Our strong performance last year was the result of hard work from every member of our faculty and staff as well as our students. I believe that it is wrong to single out any one person, including the school principal, for a significant bonus under these circumstances. Every one of us added value to the school that resulted in our accomplishments, and I am very uncomfortable with a system that rewards me financially for these results when others are left out. I firmly believe that we are all in this endeavor together and that everyone's hard work should be recognized and rewarded, not just mine. I am just one member of a very strong team.

As we discussed at length in the Finance Committee meeting last week, there doesn't seem to be any option or remedy for this situation that wouldn't create other, bigger problems. However, I would appreciate your considering this problem as you structure bonuses for our teachers and staff throughout this year. Treating me in the same manner that we do all other employees is in the best interest of the school, our students, our staff, and me. Thank you for all that you do to make Raleigh Charter High School all that it is.

Sincerely,

Lisa Huddleston

Phoenix Fund Report: September 30, 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+	Recurring Gifts	Alumni	Alumni Parents
Sept. 30, 2022	\$325,000	\$83,942	\$44,182	13%	11%	54%	41	52	3	16
This time last year	\$325,000	\$59,800	\$29,780	11%	5%	64%	29 ²	48	8	13
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.

Principal's Report for Raleigh Charter High School

Board of Directors' Meeting on October 24, 2022

General

- On Wednesday, October 12, 259 sophomores and juniors took the PSAT while ninth graders participated in Brain 101. Seniors heard from panels of recent alumni, reviewed how financial aid works, and participated in an essay writing workshop.
- There is an online ranking and review company for schools called Niche. According to their methodology, we ranked
 - #2 in best charter schools in the US (#1 in NC)
 - #31 in best public high schools in the US (#3 in NC)
 - #48 in best college prep public high schools in the US (#2 in NC)
 - #80 in best public high school teachers in the US (#2 in NC)
- The drama program will present Alice in Wonderland this fall on October 27-29 and November 3 and 5.
- We will have our first Community Work Day of the year on Friday, October 28. Program descriptions are available here: [Community Work Day Assignments & Descriptions 2022-23](#)
- We will have our ninth-grade parent program Partnerships and Possibilities on Wednesday, November 2.
- The Student Government Association will conduct Spirit Week and then host a Homecoming Dance at the end of that week on Friday, November 4. The dance will be held at Marbles Kids Museum.
- The second grading period will end on Friday, November 4.
- Sophomores will take the PreACT on Thursday, November 10.
- The annual Artifact Museum for ninth-grade students will take place on November 18. They will be outside again this year if the weather permits.

Compliance

- The Health Department conducted our annual inspection on October 11 which we passed.
- We will again use the state reporting app See Something, Say Something to have an anonymous tip line available that is staffed 24-hours-a-day, 7-days-a-week. We have three staff members who rotate the responsibility for monitoring this tip line at all times.
- Veterans' Day (November 11) is a required school holiday.

Average ACT Scores

Grad Year	English		Math		Reading		Science		Composite	
	RCHS	State	RCHS	State	RCHS	State	RCHS	State	RCHS	State
2009	26.6	20.9	27.6	22.0	26.9	21.9	25.1	21.1	26.7	21.6
2010	28.1	21.1	27.3	22.3	27.9	22.2	26.8	21.6	27.6	21.9
2011	28.0	21.2	29.0	22.4	28.5	22.2	26.8	21.4	28.2	21.9
2012	28.2	21.0	27.7	22.3	29.0	22.2	26.4	21.4	28.0	21.9
2013*	28.2	17.1	28.9	19.6	28.0	18.8	26.8	18.7	28.1	18.7
2014	28.5	17.5	28.8	19.6	29.0	19.0	27.8	18.9	28.6	18.9
2015	27.8	17.6	28.1	19.5	28.7	19.2	27.0	19.0	28.0	19.0
2016	27.8	17.8	28.3	19.4	28.5	19.5	27.6	19.2	28.2	19.1
2017	28.2	17.8	28.1	19.3	27.9	19.6	27.2	19.3	27.9	19.1
2018	29.5	18.0	28.9	19.3	30.0	19.5	28.5	19.2	29.4	19.1
2019	29.4	17.8	28.7	19.2	29.3	19.4	28.0	19.0	28.9	19.0
2020	28.5	17.0	27.5	18.8	29.7	19.2	28.0	18.7	28.6	19.8
2021	27.6	16.7	26.8	18.3	28.0	18.9	26.6	18.6	27.3	18.2
2022	26.2	16.4	26.5	18.1	28.7	19.0	26.6	18.6	27.1	18.2

* The graduating class of 2013 was the first junior class required to take the ACT by NCDPI.

National Benchmarks: Percent of ACT-Tested Students Ready for College-Level Coursework

%	English (18) English Comp		Reading (22) Social Science		Math (22) Algebra		Science (23) Biology		Met All Four	
	RCHS	NC	RCHS	NC	RCHS	NC	RCHS	NC	RCHS	NC
2014	99	47	85	31	92	33	88	23	77	16
2015	96	47	88	34	89	32	85	26	78	18
2016	93	47	84	34	94	32	80	26	73	18
2017	95	46	84	36	90	30	82	27	71	18
2018	96	46	91	35	90	31	86	25	79	18
2019	98	45	89	34	89	31	85	26	79	18
2020	96	41	91	34	90	26	86	25	81	17
2021	95	40	84	34	80	24	80	24	69	16
2022	86	39	89	34	80	24	79	25	71	16

Benchmark scores in () indicate readiness for success in college courses: 50% chance of B and 75% chance of C.

The complete report from NCDPI is available in the Board folder here: [2021-22 ACT Results.xlsx](#)

Athletics

- Fall sports are completing their seasons now.
- Basketball and swimming will ramp up in the next few weeks for the winter season.

Upcoming Events

- Community Workday - Friday, October 28, 1:05 dismissal
- Drama Presentation of *Alice In Wonderland* -
 - Thursday, October 27, 6:00
 - Friday, October 28, 6:00
 - Saturday, October 29, 6:00
 - Thursday, November 3, 5:00
 - Saturday, November 5, 6:00
- Partners & Possibilities, 9th-Grade Parent Night - Wednesday, November 2, 6:30
- Homecoming Dance - Friday, November 4, 7:00 - 10:00 pm
- End of Second Grading Period - Friday, November 4
- Early Dismissal - Friday, November 4, 12:05
- PreACT, Tenth Grade - Thursday, November 10, 12:35 dismissal
- Veterans' Day Holiday - Friday, November 11
- Transitions & Turbulence, 11th Grade Parent Night - Wednesday, November 16, 6:30
- Ex Days - Thursday, November 17 and Friday, November 18
- Artifact Museum - Friday, November 18, 3:15
- Thanksgiving Holiday - Wednesday, November 23 - Friday, November 25