

Regular Meeting of the Yinghua Academy School Board

1616 Buchanan Street NE, Minneapolis, MN, Music Room

Teleconference location: Diamond Court, Shanghai, China

Monday, November 12, 2012, 6:00 PM

FINAL

Board Members in Attendance: Lou Bender, Denny Grubish (Treasurer), Ruth Hansen, De Hanuman, Scott Jax, Rosemary Lawrence, Karen Lu (Secretary), Joel O'Malley, Jen Shadowens (Chair), Seth Werner (via Skype)

Executive Director not in Attendance: Mrs. Sue Berg

Academic Director in Attendance: Dr. Luyi Lien

YACA Chair in Attendance: Christopher Brooks

Board Guest in Attendance: Nichole Schmidt (BKDA)

Public in Attendance: Justin Straub

I. CALL TO ORDER

Ms. Shadowens called the meeting to order at 6:04 p.m.

II. APPROVALS

a. 11/12/12 Agenda

Ms. Shadowens added VI. Operations e. Fundraising and revised VII. Academics a. to "Academic Work Progress."

The MOTION by Mr. Jax to approve the agenda as amended was seconded and passed.

b. 10/08/12 Minutes

Ms. Lu made an edit to III. Public Comment. Mr. Jax made an edit to IV. Operations d. Facilities.

The MOTION by Mr. Grubish to approve the minutes as amended was seconded and passed.

c. 2012/13 Professional Development Plan – Executive Director

Ms. Shadowens presented Mrs. Berg's Professional Development Plan. Questions and discussion followed. Ms. Shadowens indicated that prioritization of certain activities would occur relative to the budget.

The MOTION by Mr. Grubish to approve the 2012/13 Executive Director Professional Development Plan with priorities based on budget was seconded and passed.

d. 2012/13 Professional Development Plan – Academic Director

Ms. Shadowens presented Dr. Lien's Professional Development Plan and noted a similar approach with respect to prioritization of activities and budget. Questions and discussion followed. Ms. Schmidt will review past expenditures with respect to professional development to allow for better planning.

The MOTION by Mr. Jax to approve the 2012/13 Academic Director Professional Development Plan with priorities based on budget was seconded and passed.

III. PUBLIC COMMENT

None.

IV. POLICIES

a. Cash Investment Policy – First Reading

Mr. Grubish presented the Cash Investment Policy and clarified that, although Yinghua is currently not investing cash, the potential applicability of this policy will need to be evaluated each year (see Board Packet for details). Ms. Schmidt noted that auditors typically suggest all schools add this policy. Questions and discussion followed.

b. Collections Policy – First Reading

Mr. Grubish presented the Collections Policy (see Board Packet for details). Questions and discussion followed. KDV indicated to Mr. Grubish that the amount of moneys owed Yinghua is low in comparison to other public schools.

V. EXECUTIVE DIRECTOR'S REPORT

Ms. Shadowens presented the Executive Director's Report on behalf of Mrs. Berg (see Board Packet for details). Dr. Lien highlighted the recent meeting with St. Paul Public Schools to discuss the articulation of a Chinese immersion program in high school. Dr. Lien noted that all of the new students recently added currently receive additional Chinese instruction and are doing very well. Mr. Hanuman also noted that the transition with respect to behavior has been very smooth.

VI. OPERATIONS

a. Enrollment

See Board Packet for details.

b. Finances

Mr. Grubish presented the October financials (see Board Packet for details). Mrs. Berg, Mr. Grubish, and Ms. Vanyo met with BKDA on October 22 to review and work on the current budget in detail. As a result, there is a projected surplus of \$85,000 in comparison with the

\$8,000 previously stated. Ms. Schmidt also noted that the projected enrollment reflected in the budget is lower than current actual enrollment. Questions and discussion followed. Mr. Grubish conservatively estimated that there is currently a funding gap of \$215,000. Mr. Grubish also clarified that there will be no revised audit of last year's financials since it has been determined that there are no additional funds to be found due to the possible adjustment to ADM or reallocation of FLAP funding as previously anticipated.

Mr. Grubish summarized the October 24 Finance Committee meeting with BKDA. Mr. Beltz reviewed BKDA's revised long-range budget model in which a fund balance of 20% can be achieved by 2017, provided the model is closely followed. Mr. Beltz also noted that the number one expense in the budget is salaries and recommended that Yinghua monitor this amount carefully. Questions and discussion followed.

Ms. Shadowens noted that Yinghua will not meet Friends' 20% fund balance by FY 2015 as required in the contract. Further discussion ensued regarding potential budget reductions. Ms. Shadowens also noted that final budget decisions will be made by the Executive Director with macro-level guidance from the board. Ms. Schmidt indicated that work with Mrs. Berg has already begun on the 2013/14 budget with respect to salaries. Dr. Lawrence emphasized the need for having a protocol with respect to salaries and raises, since low turnover and high performance result in higher costs. Questions and discussion followed.

Ms. Shadowens pointed out that Yinghua will not be able end the current fiscal year with a fund balance of 11.7% as previously committed to at the September board meeting without drastic, disruptive cuts. However, strategies to accelerate the fund balance growth in future years include implementing tuition for full-time kindergarten or allowing lateral entry to the middle school. Mrs. Berg is supportive of lateral entry to the middle school for a number of reasons beneficial to students and the school.

Mr. Grubish presented an update on line of credit opportunities. Jeff Carter at Drake Bank does not anticipate any problems with renewing Yinghua's line of credit for \$350,000 in January. In addition, BKDA will submit an application to The Nonprofit Assistance Fund for the remaining amount required. Ms. Schmidt indicated that Mark Beltz felt confident with this plan and that it is common for charter schools to have two lines of credit in order to manage the holdback. Mr. Grubish will follow up with both sources.

Ms. Shadowens presented the revised profitability-by-grade analysis and noted that Mrs. Berg is committed to managing unpredictable changes to enrollment and class sizes (see Board Packet for details). Questions and discussion followed.

Ms. Hansen questioned the expenditure of professional development moneys during the current period of fiscal tightness. Ms. Schmidt indicated that there are some grant funds remaining. Ms. Schmidt will confirm that the Han Ban teacher is added to the budget. Mr. Jax asked for clarification that all budget items were vetted on October 22. Discussion followed regarding the classification and best use of funds raised by YACA.

The MOTION by Mr. Jax to approve the revised budget, with the understanding that professional development costs and the Han Ban salary are not finalized, was seconded and passed.

c. Facilities

Ms. Shadowens reported that the LOI, with successful negotiations for representation by Mr. Vang, has been finalized. Mr. Jax presented a facilities update to the board. Mr. Jax highlighted the Land Use Application reviewed by the Facilities Committee and formally submitted to the city on October 26. Mr. Jax also reported that a lengthy discussion regarding the project schedule led to the interviewing of multiple architects on October 29 and November 2, and final architect selection at the November 3 Special Board Meeting.

A joint Yinghua Academy and Minneapolis Park and Recreation Board community meeting was held on November 8 to communicate the mutual decision to build separate facilities. Ms. Shadowens addressed complaints and apologized for past incidents. Park Board Commissioner, Liz Wielinski noted that conflicts are common to schools located adjacent to a public park. Ms. Shadowens reiterated Yinghua's desire to be a good neighbor and member of the Northeast Park neighborhood community. The Planning Commission hearing for review of Yinghua's variances and conditional use permits will be held on December 3. See Board Packet for Facilities Committee meeting minutes.

d. Open Board Seat

Mr. O'Malley reported that there are two good candidates for the board. Interviews are being arranged by the Nominating Committee. A final candidate will be presented at the December board meeting.

e. Fundraising

Ms. Shadowens addressed the impending Give to the Max campaign in which YACA Chair Mr. Brooks has orchestrated different messages from a number of prominent Yinghua community members. With the deficit and upcoming expansion, Ms. Shadowens noted that it is a good year to increase the call for donations from the community, particularly given a recent decline in funds raised. Ms. Shadowens proposed a matching gift from the school board. Discussion followed. The board agreed to focus on participation rather than a dollar amount, with all members committed to making a financial contribution on Give to the Max Day.

VII. ACADEMICS

a. Academic Work Progress

Dr. Lawrence provided an update of Academic Committee work and outlined information to be shared with the board via the Academic Dashboard on a monthly basis. Dr. Lien presented the 3rd Grade Curriculum Map and noted that the document has been written to support DDI. In addition, Dr. Lien noted that there are frequent peer meetings to encourage communication, share experiences, and provide additional feedback. Ms. Hansen also added that the DDI process is evolving. Discussion followed regarding the appropriate amount of time spent on testing. Dr. Lawrence indicated that there are alternative methods of making "formative assessments."

Mr. Jax inquired about Lexia, the new on-line program for learning English. Ms. Hansen explained that the program is one approach to bridge the discrepancy found among 2nd grade students' English backgrounds.

b. Committee Minutes

See Board Packet for details.

VIII. CULTURE & COMMUNITY

a. End of Term One Summary to Staff and Parents

Ms. Shadowens and Ms. Bender will draft a letter to the community. The board generally agreed that a board update at the end of each term is appropriate.

b. YACA Meeting Minutes

See Board Packet for details.

c. YACA Liaison Discussion

Mr. Brooks advised that the YACA Board prefers the current rotation of board member attendance rather than a singular appointed liaison. Board members are advised to let Ms. Bender know their schedule preference for the upcoming year.

IX. ADJOURN

The MOTION made by Ms. Hansen to adjourn at 9:21 p.m. was seconded and passed.

Minutes drafted by Karen Lu, Secretary.

Approved by vote of Board on: December 10th, 2012