



Governing Board Meeting Agenda May 4, 2015 5:00 PM

**Notice posted at Eagle Arts Academy on April 30th
and on the website on May 1st**

- I. Roll Call and Establishment of Quorum: Patch present via conference call;
Tim present in person
- II. March and April minutes approved; Motion made by Patch seconded by Tim Quinn.
Motion carried unanimously.
- III. New Business
 - A. Budget Submission and Vote: Patch makes a motion to add the differed start-up loan repayment for Sound Tree Entertainment, pre-development costs to establish charter school, in the amount of approximately \$38,000, to the budget; seconded by Tim Quinn. These costs were incurred by Sound Tree before Eagle Arts opened and are reflected in receipts that Greg Blount provided to iSchools in April 2015. Richard Moreno, of Building Hope is the subcontractor to iSchools who prepared the budget for Eagle Arts. He states that terms of the pre-development costs loan will need to be established, verification of whether the costs were claimed on prior tax returns, and the costs entered into Eagle Arts' books before they can be reflected as an expense and included in the budget. Motion to approve the submitted budgets by Patch; seconded by Tim Quinn. Motion carried unanimously.
 - B. Election of Board members and Resignation of Board Chair

Patch nominates Greg Blount as a board member. Tim seconds that motion. When he applied to be a Board Member, he stated he would end that contract if elected. Greg indicated at the meeting that all work under the Artademics agreement has been completed for this year. Greg also stated that work on Artademix Digital is ongoing. Greg said that he would be donating his services and not charging Eagle Arts.



Patch stated that Greg's nomination to the Board and potential conflicts of interest have been discussed with Debbie Hanley, prior counsel to the Board, and have been cleared. Debbie Hanley has stepped down leaving the board without legal counsel at this time.

Motion for Greg to become Board Chair; Tim Quinn seconds the motion. Motion carried unanimously.

At this point, Patch tendered his resignation from the Board and exited the meeting.

Greg took his position as Board Chair. He submitted a letter to Melissa Gross-Arnold indicating that Artademics was terminating its agreement for curriculum services with iSchools. He said that there would still be payment due, as he has completed his work for the remaining part of the year.

He said that he had delivered all that was supposed to be delivered to Eagle Arts this year under the agreement, and that any further services he provided to Eagle Arts would be voluntary and at no charge. Jeannette confirmed that Artademics had been delivered to Eagle Arts and had done all that remained to be done under the agreement for this year.

Greg makes a motion to bring Maria Ironstone on as a board member; Tim Quinn seconds. Motion carried unanimously.

Greg makes a motion to have Maria Ironstone act as parent liaison while Brooke is out; seconded by Tim Quinn. Motion carried unanimously.

Greg motions to bring Ellen Jacoby to the board; Tim Quinn seconds the motion. Motion carried unanimously.

Greg makes a motion to bring Michelle Morley, Chantal Segurola, Lisa Murray, and Shana Bedard onto the board. Tim Quinn seconds the motion. Motion carried unanimously.

Board training and background screening was then discussed. It was decided that Kathleen Schoenberg would be contracted for an in-person session because of the number of board members who will need training. Heather will coordinate that as well as



the background screening for board members and creation of e-mail addresses for each new board member.

A summary of the nominees and actions taken on each is as follows:

Nominees are:

Claudio Jaffe – not elected
Patricia Asseff – not elected
Michael Fehribach – not elected
Maria Ironstone – elected – parent liaison
Lisa Murray - elected
Michelle Morley - elected
Shana Bedard - elected
Ellen Jacoby - elected
Chantal Segurola - elected
Gregory Blount – elected - Chair

C. There was continued discussion of the budget and changes that would need to be made to it. Greg asks Richard Moreno, Building Hope, about the 620 count that the budget is based on. Richard stated that the number comes from the average of the October 2014 and February 2015 FTE counts. This is what Eagle Arts will be paid on beginning in July unless it can obtain a higher number of completed enrollment packets by June 1. Eagle Arts has intents to re-enroll from greater than 620 students and is working to get the completed enrollment packets. Greg noted that the lease minimum is 850 students. Rent should be \$892,500 for next year's budget unless there is a lease amendment.

Budget will also be changed to remove Artademics fee and Brand Licensing fee from budget because Greg ended the Artademics agreement. Also, he stated that the brand licensing fee would be a donation to Eagle Arts. Before this approved budget is submitted to the School District, Richard will update budget with these changes, as well as the pre-development cost loan from Sound Tree.



Richard Moreno suggests that the Board start looking at realistic enrollment numbers for the next budget, which will reflect staff and other needs for the actual number of students anticipated to enroll. The current budget is based on 620 at the request of the School District and to be conservative, but Eagle Arts expects a higher enrollment. He discussed the differences between cash flow and anticipated revenues for budgets. Once updated enrollment numbers are available, the budget will be amended with Board approval, in the future.

There was also a discussion of payment due to TCE for goods and services associated with the start-up of Eagle Arts. A payment arrangement was being negotiated with TCE with idea of entering a service agreement. Greg stated that there were no Board approved final agreements between TCE and the school.

Russ Borden of TCE provided a list of costs incurred by TCE throughout the school year, including server, phones, eBolts, security system, switches, lighting, etc. Greg asked Mr. Borden for backup copies and work orders associated to his one-page invoice. TCE previously agreed to finance the amount owed by Eagle Arts through a service agreement with Eagle Arts but that offer had been withdrawn during negotiations.

D: Other Matters

Greg brought up list of concerns provided to iSchools on 4/24/15 by the Steering Committee through Debby Hanley. Melissa Gross-Arnold responded that the management company was given 10 business days; and iSchools response to those alleged violations were not due until Friday 5/8/15.

Greg asked if Ms. Simone received an offer letter. Heather responded that salary and start date needed to be finalized. Greg confirmed start-date of July 1, Heather to finalize offer letter. Salary to be included in budget.

Greg makes a motion to open RFPs for an attorney; Tim Quinn seconds the motion. Motion carried unanimously.

RFPs for auditor continues. Greg asked about whether King & Walter submitted proposal. Walter said that they had received the RFP but had not responded. Greg said that he



would contact Bob Walter because he wanted them to be able to conduct the audit. Richard Moreno noted the importance of following the process for auditor selection and the specific findings required by law.

IV. Public Comment

Thais Gonzalez – alleges the school is out of compliance with the district and the budget. Where will the school get the money to repay outstanding debt (TCE)? Richard Moreno addresses her concern. First year schools incur a lot of expense. The school is moving in the right direction. School will begin building reserves. Arts based school requires more money even though it doesn't get more money. The school will plan for ways to generate revenue. Budgets can be readjusted with changes like Artademics. Thais is concerned with lack of supplies for teachers. Mr. McNeece and Ms. Clark ensure that teachers have all the supplies they need.

Jennifer Ross – what happens to Artademics? Greg will continue the Artademics Company but will not be paid. Greg will donate Artademics to the school. The management agreement with iSchools will need to be amended. What does the future curriculum look like? Greg says Artademics Digital is being developed. Timeline is not finalized. Will the school be able to handle the digital aspect of Artademics Digital? Yes.

Shana Bedard – When can I see the budget? Heather will set up email accounts and provide budget to new board members. She then asked Melissa March from iSchools about the management fees and Ms. March stated that iSchools would be deferring their management fees for May and June.

V. Board Comment

Greg asks about the change of the management agreement to be reflect, now that the Artademics agreement is terminated.

VI. Adjournment - Tim makes a motion to adjourn at 6:10 PM; Greg seconds the motion.