



SIUE East St. Louis Charter High School
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SIUE Charter School
Board of Directors Meeting
Monday, October 26, 2020
12:00 – 2:00 PM
Approved Minutes

Members present: Susan Breck, Anne DeToye, Kim Durr, Jessica Harris, Robin Hughes, Gina Jeffries, Alison Reeves, Maracus Scott, Willis Young
Guests: Denise Cobb, Caroly Kribs, Kim McClellen, Stephanie Newton, Pamela Saffore

- I. Meeting was called to order at 12:01 PM by President Willis Young
- II. Minutes September 8th meeting were approved as written.
- III. Announcements
 - A. Mr. Young reminded the Board of the Angle Tree Campaign and encouraged Board members to participate and distribute information to others.
 - B. Dr. Breck asked that Board members return signed Conflict of Interest forms as soon as possible.
 - C. Dr. Reeves moved that the CHS Leadership Team be appointed to negotiate renewal of the Charter for FY 22 with district 189. Dr. Harris seconded the motion. A roll call vote was taken and motion passed unanimously.
- IV. Old Business
 - A. Lease Agreement – We are waiting General Council for SIU to review document before we can move forward. There are questions about whether SIUE can lease the space as the building belongs to Lewis and Clark Community College Board. Rich Walker was following up until his retirement and now Morris Taylor will be working on it. February is the soonest it will be ready.
 - B. Facilities Update – Dr. Jeffries expressed concern with the delays in the Charter High School being included in pandemic preparedness work. While such things as signage were handled for main campus, she was required to create hand-made signs for the school. She also expressed, as a high school principal, she was not prepared to know what to ask for in regard to necessary items of protection. She felt the East St. Louis Campus should be considered a part of SIUE and whatever was done for main campus, should also happen on the East St. Louis Campus. Dr. Hughes met with Morris Taylor within the last few days to discuss communication with East Saint Louis.
- V. New Business – Ms. Anne Detoye
 - A. FY20 audit is complete. SIUE Charter School was issued an unqualified opinion with no material misstatements or findings. Ended the year with:
 1. Surplus of \$393,933.
 2. Cash balance of \$394,892. We have purposefully been building up a surplus and cash balance to provide cash flow stability when District 189 is late making their quarterly

payments and for annual prepayments like insurance and audit expenses, and to build a reserve for emergencies.

3. Change in Operational Net Position of \$100,700.
4. Overall change in net position was \$126,616 – this is after a \$25,916 capital asset contribution from the STEM donation held by the SIUE Foundation. This increase to our net surplus will be written off over time through depreciation expense entries.
5. Our auditors recommended that we change the way we account for salaries paid by the foundation from the STEM gift for the Instructional Coach, half of our STEM teacher’s salary, and the IT position. They recommended that we include the expense for these positions in the Salary line on the income statement and report income from the Foundation in the same amount. This transaction does not affect our bottom line, but it does show that STEM gift paid \$108,020 in salaries for CHS employees. Eventually, we will need to build this expense into our operating budget to keep these positions at CHS.
6. Budget to Actual comparison on page 19 of audit report.
7. Auditor’s Communication to Board:
 - a. Page 6 – Schedule of Suggested Adjustments – Our auditors would like us to classify the revenue from SIUE to offset the fringe benefit expense and occupancy expense as Non-Operating Revenue instead of Operating Revenue. We chose not to make this adjustment for the following reasons:
 - i. Consistency with the other UROs. SIUEF, Alumni Assn, UP all record this type of revenue as operating revenue.
 - ii. Consistency with the expense side of the entry – Occupancy and Fringe Benefits are both operating expenses.
 - iii. Research by Sikich found that reporting of this type of revenue varies based on the company and we are just one of many that record this revenue as operating.
 - iv. On page 6, the auditors point out that they became aware of deficiencies in internal control.
 - v. At June 30, our cash balance was in excess of the \$250,000 balance covered by FDIC and that additional collateral was not obtained to cover the remaining balance.
 - vi. Since the completion of the audit, I worked with Busey Bank to convert our account to a “public business checking account” and issue collateral for any balance in the account in excess of the limit covered by FDIC.
 - b. The second issue is that we do not have a formal investment policy.
 - i. Sikich listed topics that should be included in the policy.
 - ii. I reached out to INCS to get sample investment policies of other Illinois Charters.
 - iii. I also reached out to Sikich to either provide an example policy or write one for us.
 - iv. My goal is to have a formal investment policy ready to vote on at the February 2021 meeting.

Anne Detoye moved that we accept the auditor's report. Maracus Scott seconded the motion. A roll call vote was taken and motion passed unanimously.

B. IRS Form 990 – Informational Tax Return

1. Sikich also prepares our 990 with significant input from me. Due 11/15/20. At this time, all information has been provided to Sikich to prepare the return, but I have not received a draft filing yet.
2. Our policy is for the leadership team to review the return and provide any corrections, feedback, or comments to the preparer before filing.
3. I will email a final copy of the return to the board before the return is filed. Feel free to review the return, but you do not need to provide comment before it is filed.

C. Check Signing Policy - Sikich recommended that we adopt a policy that requires two signatures on checks over a certain limit.

1. This requirement adds an additional layer of security of our assets and transparency of operations.
2. The policy before you for a vote requires two signatures on checks \$2500 or greater.
3. Both signatories will have access to all supporting documentation before signing the check.

Anne Detoye moved the Board accept the two-signature policy. Jessica Harris seconded the motion. A roll call vote was taken and motion passed unanimously.

D. Signatory resolution - This signatory resolution removes Robin Hughes and adds Alison Reeves as signatory for our checking account at Busey Bank.

1. Jenell Wright signs all checks after they are issued by Foundation personnel.
2. Alison Reeves will serve as the second signature on checks \$2500 or greater. Treasurer would only sign in emergency situations.

Anne Detoye moved we accept the Signatory Resolution. Jessica Harris seconded the motion. A roll call vote was taken and motion passed unanimously.

E. Investment Policy- no policy ready to discuss

VI. Treasurer Report – Anne Detoye

A. Operations

1. Revenue - It is not mathematically possible for the FY21 PCTC revenue to be greater than the FY20 PCTC revenue.
 - a. While the PCTC rate for the district increased this year, our enrollment has decreased causing overall revenue to be less for the year.
 - b. Using actual enrollment for 1st and 2nd quarters and the maximum allowable enrollment for 3rd and 4th quarters, total PCTC revenue will be \$1,361,160. FY20 PCTC revenue was \$1,371,536.
 - c. Even if we reach our maximum allowable enrollment in the last two quarters, we still will not have increased revenue over FY20.

- d. This means that we will not open the faculty associate salary schedule for negotiations in FY21.
2. We received the 1st quarter payment from District 189 based on terms in charter (97% for 112 students @ PCTC of \$12,045.13). 2nd quarter payment has not yet been received – billed for 114 students.
3. We have not received the \$9000 annual special education personnel reimbursement payment from District 189.
4. Salaries – the 3.5% FY20 salary increase was implemented in September 2020. Faculty associates have received all retro pay.
5. Advertising – we have placed several ads in the BND, and the ESL Monitor to encourage open enrollment.
6. Security Services – While we will be on remote learning through the fall semester, we continue to have Officer Hall provide security for the building. He acts as a deterrent to theft in unoccupied spaces. Also serves as security for parents/students. Security also supports overall traffic in the charter high school space: families, staff, students, parents, deliveries, etc.^[SEP]
7. Other Professional Services - \$5000 to Penguin Random House to have Nic Stone, author of Dear Martin, speak to the school, \$1000 to Tanjanika Foster for faculty PD, and \$2500 to Principal Kafele for presentation to staff and parents.
8. Driver's education expenses for the first semester have been paid.
9. Change in Net Position through 10/13/2020 = \$26,303.50
10. Cash Balance at 10/13/2020 = \$367,764.32

B. CARES Act Funding

1. Total Allocation = \$94,400
2. Two bills totaling \$22,261.52 so far
3. Currently, amassing additional expenses to bill including the hotspot usage charges.

C. Title I and Title IV

1. The purpose of Title I funding is “to ensure that all children have a fair, equal, and significant opportunity to obtain a high quality **education** and reach, at minimum, proficiency on challenging state academic achievement standards and state academic assessments.”
2. Title I budget is \$65,797 and is mainly being used to pay for a math teacher.
3. Title IV funding must only be used to provide additional services, staff, programs, or materials that are not provided with State or local resources absent federal funds; federal funds cannot pay for resources that would otherwise be purchased with State and/or local funds.
4. Title IV budget is \$8,265 and is being used for well-rounded education, safe and healthy programming, and effective use of technology.

D. STEM Gift

1. Balance as of 10/13/20 in spendable portion of the STEM donation was \$1,540,016.

2. So far, paid expenses have included laptops/ipad for the 1-1 initiative, other computer equipment for lab spaces, Metro bus passes for students, professional development travel and education, salaries for instructional coordinator and IT personnel, STEM based field trips, STEM and robotics supplies, STEM curriculum, and STEM lab renovation costs, renovation of the multipurpose room.
3. The \$700,000 endowment has earnings of \$35,056.

E. Foundation Account

1. Foundation Balance \$13,598.57 on 9/30/20.
2. Angel Tree Giving Campaign
 - a. Kicked off the 2020 campaign on 10/2/2020.
 - b. Appeal in e-today on a regular basis through 12/21/2020.
 - c. Goal to buy every student a Holiday Swag Box which includes:
 - i. CHS logo gear – sweatshirt, throw blanket, beanie, and gloves
 - ii. Coupon for a turkey
 - iii. \$100 gift card to Schnucks
 - iv. Flash drive
 - v. Headset
 - vi. Assorted school supplies
 - vii. Clorox wipes and PPE
 - d. Targeted appeals to previous donors of CHS, board members, announce-lists, and friends and family. Please consider passing along the appeal to your friends and family. Online giving option as well as cash and checks.
 - e. As of 9/30/2020, \$600 had been raised which is awesome considering nothing was sent until 10/2/2020.
 - f. Commitment from two banks for a total of \$6000

VII. CEO's Report – Dr. Robin Hughes- Dr. Hughes reminded the Board that while we are dealing with the day to day managing of the Charter School, we need to also be aware that the black students attending the school are dealing with both a racial and health pandemic. As a Board, we need to be mindful of the burden our black students are dealing with every day and be mindful of how we do our work for the school. This mindfulness needs to permeate all aspects of our work for not only our Charter School students, but also be part of our everyday lives to support everyone who is dealing with racial inequality on a daily basis.

VIII. Director's Report – Dr. Gina Jeffries

- A. The pandemic continues to worsen in the Metro East Area
- B. One way to have more contact with our students (a 30 second window of opportunity) is through our drive up. As a school with 100% free/reduced lunch we there are basic social/emotional needs that must be addressed as much as academic needs. With the help of volunteers, we are able to distribute food, toiletries, pizza etc. We have been able to reach out not only to our own families, but others in the community who need extra support.
- C. Other Social/Emotional/Health Needs we are supporting include:

1. Immunization compliance-our students are recorded with District 189 and about 50% of those students are in compliance now.
2. There is a lack of health facilities in East Saint Louis and families are being sent to St. Clair County, which can cause transportation issues for some. A question was raised about SIUE stepping in to help CHS families with immunizations. Kim Durr agreed to look into that possibility. Gina indicated that the SIUE clinic director for ESL campus informed her there was a shortage of immunizations and that they were referring people to St. Clair County.
3. Another concern is the lack of reliable technology in the East St. Louis area. Out of 113 students, 35 students have hot spots. Parent surveys indicated face to face video seemed to be the most effective strategies for their students.
4. Gina will distribute an article concerning learning loss for low income, black, and Hispanic students.
5. Even with the difficulties with remote learning, CHS is continuing with quality instructional practices including Google Classroom training, unit and weekly planning through Google classroom, and practice exams for ACT/SAT. They are also holding FINAO parent meetings for Tier 3 RtI students.
6. Still hopeful and committed and still believe.
7. Shout out to Dr. Nat Williams, who has been at every drive-up preparation.

Anne Detoye asked that the Board discuss what actions we could take to help with the internet issue. Kim Durr said the Leadership Council of Southwestern Illinois has a movement for broadband access right now and is on people's radar. She will forward more information to allow Board to advocate for this. There are three SIUE people on the group looking into this. Alison Reeves asked if money was an issue for more hot spots. The issue with hot spots is they are not always reliable.

IX. Public Comments

- A. Kim McClellan, President of Professional Staff Association. Mentioned her daughter's Chromebook from 189 is both cellular as well as web based. Maracus Scott provided information on issues with that type of technology. Maracus will meet with the CHS ITS personnel about potential solutions.
- B. Kim McClellan urged everyone to connect to young black men who are experiencing anger and frustration with current events.

- X. Adjournment Anne Detoye moved that the Board adjourn. Jessica Harris seconded the motion. Roll call vote was taken and motion passed unanimously. Meeting adjourned at 1:46 PM