

**River Grove Elementary
Board of Directors Meeting
Tuesday, October 20, 2020
6:00 PM - 7:30 PM
MINUTES**

1.0 Chair Miller called the meeting to order at 6:06pm

1.1 Roll Call: Present – Annie Beck, Jessica Hansen, Lisa Dochniak, Bre DeCorsey, Dan Miller, Marcy Ost. Also in attendance Director Drew Goodson and Ele Anderson.

2.0 Approve Agenda. Motion by DeCorsey. Second by Hansen. All members vote yes. Agenda approved.

3.0 Board Election Results

3.1 Welcome and congratulations to newly elected board member Annie Beck

3.2 Congratulations to re-elected board member Lisa Dochniak

3.3 Thank you to outgoing board member Jackie Henschen

3.4 Board Member Oath of Office Renewals. Chair Miller asked all members to sign / resign an oath of office, affirming our role as board members and dedication to the school.

4.0 Approve Minutes September 2020. Motion by Dochniak. Second by Hansen. All members vote yes. Minutes approved.

5.0 Community Comment. None.

5.1 River Grove Community Updates

5.1.1 Board Member Driven Initiatives.

5.2 Citizen Comments

6.0 Authorizer Comments – not in attendance

7.0 Reports and Discussion

7.1 Financial Report. Kyle Knudson reviewed the school's financial report for October 2020. Our cash flow is strong, despite operating with 200 students instead of 205. We are operating with a good cash balance and fund balance. Moving from a new school to a fully operational charter school, we are well-positioned.

State of Minnesota still owes Grove \$129k. We have a 13% fund balance, which is above the 10% fund balance the board has identified as a requirement. Salary and benefits are always a little behind because teachers don't begin until September.

We've spent Federal funds but the revenue won't show up until we make a claim at the end of the month. Summer food service program has been extended until next year.

We will potentially be over budget by \$5000 on a \$3 million budget, which isn't necessarily a cause for concern, given the situation this year. We have until Sept. 20 of 2022 to spend CARES money.

We will not need to use a line of credit from Securities State Bank of Marine unless something changes. We do need to ensure cash flow in case the state holds back additional funds next year.

7.1.1 Audit Update. The Anton Group (TAG) helped Grove to complete its audit. All went smoothly. We will have one finding. In Minnesota public entities are required to have all funds in the bank insured but the FDIC will only insure funds up to \$250k. Anything above that is uninsured. Two options are to collateralize the funds or distribute the funds to multiple accounts in banks across the country to ensure none are above \$250k. Grove was above \$250k in December and after PPE funds were delivered and is still above \$250k currently. Our authorizer might have questions about this.

Usually the bank provides collateral, but this does expose us to risk if the bank were to fail.

Director Goodson suggested that the board should consider reevaluating our relationship with Securities State Bank of Marine. Not only did the bank not notify and advise Grove about the risk of carrying an account balance above \$250k, but also this week's paychecks were delivered to staff late.

Marcy Ost and Drew Goodson clarified that TAG was not responsible for the payroll delay; the problem happened at the bank.

Chair Miller said that he wants to see the issue of uninsured funds resolved by Friday of this week (10-23-20).

7.1.2 September 2020 Approvals. Katherine Hardie asked if Grove has an inventory of its assets. Goodson – no. Dochniak moves to approve financial reports. Second by Ost. All members vote yes. Financial reports approved.

7.1.3 Finance training. Conducted by Kyle Knudson of TAG. Minnesota charter rules require all board members to attend three trainings within their first year on the board – finance, board roles and responsibilities (governance), and employment. See ppt notes below in following pages.

CARES Act of 2020 vs Coronavirus Relief Funds

CARES Act (ESSER 90%, ESSER 9.5%, GEER)

- Applications due 4/30/2021
- Expenses can date back to 3/13/20
- Funds cover multiple years and must be spent by 9/30/2022
- Supplanting is permitted

Coronavirus Relief Funds (Back to School)

- Applications were due 10/1
- Expenses can date back to 7/1/20
- Funds must be spent by 12/30/2020
- Supplanting is restricted

CARES Act of 2020 Funding Opportunities

(Most restrictive to least restrictive)

GEER (Governor's Emergency Education Relief – Finance Code 153)

- Funds must be used first for student technology OR
- Summer school/enrichment
 - Funds must be used to reduce class sizes to maximum of 6:1 student to teacher ratio
 - Funds can be used to “catch up” for lost learning during distance learning periods
 - If district certifies that both categories above are being addressed with other funding the district may spend these funds to address other concerns provided by COVID-19 realities

CARES Act of 2020 Funding Opportunities

(Most restrictive to least restrictive)

- ESSER 9.5% (Elementary and Secondary School Emergency Relief Fund – Finance 152
 - Same as GEER but:
 - Also allows for funds to be used to address mental health issues that have or may arise as a result of pandemic and not physically being in school.
 - If district certifies that all 3 categories are being addressed with other funding the district may spend these funds to address other concerns provided by COVID-19 realities

Grove doesn't receive 90% ESSER funds because our "free and reduced lunch" population is so low.

Coronavirus Relief Funds – Finance code 154

(Most restrictive to least restrictive)

- Funding can be used in any way that encourages a path to get all students back to school
- Funds must be spent by 12/30/2020
- On November 14, MDE will be contacting any schools who have not spent 75% of their award.
- Any district that cannot demonstrate a plan or ensure that they will spend full award amount by 12/30 as of 11/15 may have funds swept from their award and distributed to other districts

Miller – Washington County is giving CARES money to schools. Can we apply for that?
Knudson – yes. Miller – let's apply for it then.

Roles and Responsibilities

- **School Board**

- Strategic Vision and Mission of the School
- Budget management and development
 - Staffing Parameters – for example Minimum and Max Class Sizes
 - Capital Investments & Repairs
 - Budget Review & Approval

- **Finance Committee**

- Audit Review
- Financial Policies
- Monthly Financial Statements



- Detailed Budget Development

- **School Leadership**

- Instructional and building leader
- Recordkeeping for student, family and financial data
- Legal compliance
- Safety
- Budget management and development
 - Staffing
 - Supplies and Curriculum
 - Materials and Equipment
 - Capital Repairs

- **Business Manager – TAG Manager**
 - Leadership and strategy support to Staff, Board and Superintendent/Director
 - Short-term and long-term projections
 - Debt, levy, referendum and capital project management
- **Business Office – School & TAG**
 - Credit/Debit Reconciliation
 - Payroll Changes
 - Accounting functions of paying bills and making deposits
 - Budget reporting and monitoring
 - Purchasing and vendor management

Budget Cycle Dates

- February – Finance Committee detailed review of preliminary budget
- March – First review of preliminary budget by Board
- April – Second detailed review by Finance Committee and Board
- May – Approval of budget
- September – Review of current year budget for enrollment accuracy
- October – Prior Year numbers finalized
- November – Review updated forecast of budget (if necessary)
- January – Formally adopt revised budget (if necessary)
- February – Start all over again...

Budget Importance (continued)

- Guideline for purchases throughout the year
- Staffing for the year- General Ed, Special Ed, Programmatic
- Includes estimates that must be monitored/understood
- Spending contingency/Fund Balance
 - Statute Requires $> -2.5\%$ - otherwise Statutory Operating Debt (BAD!)
 - Authorizer $> 20-25\%$, some suggesting more due to MDE unknowns
 - Board must consider future growth, future reductions, capital needs, and even buying its own building

Final Tips

- You don't need to be a budget wizard, ask questions, seek clarification and respect deadlines
- Think about your school as well as the District, cluster or region within
- Know the finance and HR processes for leave, retirements, hiring or change of assignments
- Give HR and Finance a heads-up of material changes
- Budgets can contain personal and difficult decisions understanding "why" may help in the communication to staff
- Seek input as necessary or customary within your school or District, but remember you are the decision maker



- Anything the school spends money on must serve a public purpose and benefit the school community



▪ EMPLOYEES

- Public employers can compensate employees for services but cannot provide a benefit without consideration (gift or bonus).
- Minnesota Attorney General has consistently held that employees may not be compensated with in-kind gifts.
- Precludes meals, use of school property for personal use as compensation to school employees.
- Authority exists for "employee recognition programs" for districts which states that the district "may expend funds as necessary to achieve the objectives of the program" but does not specifically authorize any in-kind benefit, and it in fact prohibits any "monetary awards".

▪ Vendors

- Generally districts cannot provide gifts to third parties. This includes gift baskets, gift cards, etc.
- No general authority to donate surplus equipment to vendors or staff, however, Minnesota statute 123B.52 permits district to convey surplus computers and equipment to "the family of a student residing in the district whose total family income meets the federal definition of poverty."



▪ Students

- Districts can spend money for co-curricular & extracurricular activities. This is defined as the "direct and personal services for pupils for their enjoyment that are managed and operated under the guidance of an adult or staff member."
- If the district "takes charge and controls" the activity may expend revenue for this activity.



Crowd Funding Questions & Concerns



- How does the funding request present the district publicly?
- Does the district have any responsibility with regards to collection, custody and expenditure of funds?
- Student and family privacy
- Is the teacher acting as an agent of the school district?
- Does personal property purchased with crowd funding donations belong to the district or teacher?

7.2 Director's Report. Presented by Drew Goodson.



October 2020 Board of Directors Meeting: Director's Report

Enrollment 20-21: Budget-205

Current Enrollment: 200
Kindergarten: 31
1st Grade: 33
2nd Grade: 37
3rd Grade: 36
4th Grade: 21
5th Grade: 25
6th Grade: 23

Distance Students: 25% (50)
Hybrid Students: 75% (150)

Facilities/Operations:

Lunch Program- Summer/NSLP
Trail Clean Up-PTO

Learning Program:

SCRA Partnership
Universal Screeners/Data-DIBELS
NWEA

BARR
Team Building

COVID Response:

No confirmed cases
55 students have entered precautionary quarantine

Update: Current Number- MDH "Official" 23.84 (10/3), est. 41.22 (10/19)

55082-16.8 55047-11.4 7 Day Counts

Special Meeting to be called if number is:

at 10 or lower for 2 consecutive weeks
at or lower than 12 for 4 consecutive weeks
at or lower than 15 for 6 consecutive weeks
at 46 or greater for 2 consecutive weeks

- We had a few families decide to homeschool but have one new family hoping to join.
- One family requested to transition from fully distant to hybrid or vice versa at the fall break. The accommodation has been approved.
- Grove is now enrolled in the Federal free lunch program
- St. Croix River Association will host some of its virtual field trips at Grove and will lead them from the Grove property
- Screening happening with students before and after MEA break. Due to COVID, some students are thriving and others are really struggling. Want to provide individualized support for students that need it.
- Annie Beck has been leading team building activities for staff.
- No positive COVID cases at Grove yet. However, the county COVID case numbers just jumped from 23.84 to 41.22 in the past two weeks. This is close to the trigger set for consideration of fully-distant learning (46 or greater for 2 consecutive weeks). Director Goodson has talked with MDH – the decision would ultimately be up to our school board. We are not required to immediately go to fully distant learning just because the positive case numbers go above 50. Goodson recommends that we consider moving our next school board meeting to Nov. 10 to consider COVID trends in advance of the Thanksgiving break.

Miller – Forest Lake is still currently fully in-person for elementary even though they are above the threshold base on county case numbers. They've worked with MDH to get approval for using regional numbers instead of county numbers. Currently, the high numbers in Washington County are primarily driven by Woodbury. Prison data from Stillwater and OPH are also included in the count.

Goodson – One parent has suggested moving to fully distant learning but no teachers have.

Dochniak – St. Paul has considered going back to school in-person/hybrid but has not yet decided to.

Miller – it would be nice to make it to winter break before transitioning to fully distant learning if we need to.

Hong – it would seem weird to transition to fully distant learning now when we haven't had any positive COVID cases. Agree that it would be good to make it to winter break without changing.

Hansen – Have we seen more student illnesses this year than other years? (No)

Goodson – There is not currently a desire to move to fully distant learning; however, it would be good to consider at the Nov. 10 board meeting, especially if COVID numbers go up sharply.

Hansen – is Stillwater considering a change? (No other board members know.) Chisago is moving to fully distant but had an outbreak at their schools.

7.2.1 Equity and Inclusion Committee Follow-Up - None

7.2.2 PTO Report

7.2.2.1 Board/PTO Tandem Fundraising GTM20.

Update from Katherine Hardie and new co-chair Breena Slivic. Kate Sietz will stay on as the secretary; Jill as the treasurer. Alexa Cole will also continue to serve on the PTO.

Fall fundraiser: PTO is moving away from the idea of a virtual silent auction due to concerns with volunteer recruitment and ability to get donations. Instead, the PTO will leverage "Give to the Max" day this fall and use it as a fundraiser for the school music program. Security Bank of Marine and TAG will each be donating \$500.

Chair Miller reminded board that it is also responsible for fundraising to support the school.

PTO will also be creating a merchandise store for Grove. There will be a period of time for placing orders and then a pick-up day/week at school.

Trail clearing planned for this weekend. Probably the last event of this year due to snow. Katie Bruns would like to use the trails for skiing this winter.

Playground equipment still needs to be given away.

7.3 Board Member Reports

7.3.1 Operations & Facilities Report. Miller. Kou Vang sent a rough draft for CUP application. Miller will send to the rest of the board to review.

7.3.2 Emergency Response Committee (COVID-19 planning) No updates.

8.0 Old Business

9.0 New Business

9.1 Proposed calendar adjustment for teacher training. Director Goodson introduced a request to change the calendar school year to allow for more conference time for teachers. Proposal to change Oct. 30 and Nov 6 from at-home distant learning days to no-school, conference days.

Nov 25 would transition from early-release day to at-home distance learning day. This would cut into our number of snow days available.

Motion to approve by DeCorsey. Second by Beck. All members vote yes. Motion passed.

9.2 2020-2021 Board Trainings

9.3 November Board Planning and Workshop Goals. Should revisit conversations from last August – curriculum, strategic planning, marketing, etc.

9.3.1 Board Seat Elections (Chair, Vice Chair, Secretary, Treasurer) – Miller requested board members let him know if they are interested in one of these roles.

10.0 Next Board of Directors Meeting: Scheduled for Thursday, November 12, 2020 to accommodate board members' schedules.

11.0 Chair Miller adjourned the meeting at 8:15pm