

## **MINUTES from 04/11/2017 CHSC BOARD MEETING**

### **In Attendance:**

Board Members: Joel Green, Mary Helen Sandoval, Greg Mestas, and Nick Bucy (via telephone).

Staff: Clark Callahan, Sarah Gutierrez, and Kaleen Barnett.

Guests: Carl Johnson, Adam Frank, and Lori Deacon

### **Call to Order: 4:05 PM**

- **Review Minutes from March meeting.**
- Correction made by MHS that Promise will not be dissolved, but oversight will be taken up by CHSC BOD.
- Correction made by NB that under bullet #11 Clark is given the authority to made adjustments up to \$5K, the building committee up to \$50K, and any higher amount must be approved by entire BOD.
- GM made motion to approved minutes.
- JG seconded motion.
- Motioned passed unanimously.
  
- **Guest Speaker- Lori Deacon.**
- Guest introduced herself to BOD, and explained that she was a co-founder of CHSC (in 1994), and she currently works as a financial consultant to schools. Guest was asked to share about her experiences with school expansion, and discuss possible risks.
- Guest talked about one recent project where an organization opened 2 schools successfully, but then opened 3 more, and now are in “turn around” status.
- Facility cost is most commonly the factor that causes problems when schools replicate.
- Speaker advised that schools engage in market awareness, and know exactly who competitors are.
- Speaker pointed out that facilities are greatest burden. Some schools have 8-10% interest. Schools should have short/long term facilities plans. Facilities costs should never exceed 20% of budget.
- Going from 2 to 3+ schools (network) is significant step and should be considered carefully.
- Discussed models at DSST, Strive, and Rocky Mt Prep.

- Speaker recommended that attention be paid to sustainability of funding, and that the school finance formula is keeping pace with cost of living in the state.
- **Business Manager Report (Sarah Gutierrez):**
- Business manager recommended the use of flexible spending accounts for employees' child care and health care costs.
- This accounts would be administered by a 3<sup>rd</sup> party, and would be "use it or lose it" monies. Left over funds would go back to the school.
- The maximum cost if all employees participate would be \$5,300 per year. This saves the school on Para and taxes.
- GM requested that the business manager email information to BOD regarding current benefit package.
- Flexible spending accounts will be voted on at next meeting.
- Time spent reviewing the various financing options for purchasing the GES campus space. BOD discussed pros and cons of each presented option.
- GM asked about the possible involvement of CHAFA, and the business manager agreed to look into this.
- CHSC could potentially pay off both properties in 5-7 years. Therefore, pre-payment penalties are not attractive.
- Must submit loan application and documentation in near future.
- MHS made a motion to proceed with Public Service Credit Union (unless it is revealed that CHAFA had superior option).
- JG seconded the motion.
- Motion passed unanimously.
- Discussion occurred regarding readiness to go under contract for identified GES space.
- JG made motion to authorize principal to sign contract for GES space/building.
- GM seconded the motion.
- Motion passed unanimously.
- Budget reviewed and discussed.
- High level assumptions included: Osage count, 215, GES count, 135= Total of 350 students.
- Currently, there are 131 students enrolled at GES.
- Capital expense down. 20% plus roof, inspection, and appraisal.
- Reserves expected at end of year are 1.4 months of operating expenses. Will rise again to 3.2 months next year.

- PPR will be slightly less.
- All of CHS Promise is rolled into budget.
- **GES Campus Report (Kaleen Barnett):**
- Today 14 students engaging in SAT testing.
- Both campuses are prepping for this test in block 5.
- Following HB 16-1289 which could make funds available for career services pilot project.
- Graduation will be May 28<sup>th</sup>. GES will be at 1230pm, and Osage will be at 5pm at The King Center on Auraria Campus.
- **Other Business.**
- GM made motion to have Carl Johnson join the BOD.
- JG seconded the motion.
- Motion passed unanimously.
- GM made motion to have Adam Frank join the BOD.
- JG seconded the motion.
- Motion passed unanimously.

**-Meeting adjourned at 6:05pm.**

-Minutes recorded and prepared by Joel Green.

**MINUTES from 04/27/2017**  
**Interim Telephonic CHSC Board Meeting.**

**In Attendance:**

Board Members: Cyndi Bush Luna, Joel Green, Greg Mestas, and Nick Bucy, and Adam Frank.

**GM called meeting to order at 11:05am.**

JG made motion to enter executive session.

CBL seconded the motion.

Motion passed unanimously.

Discussion occurred in executive session regarding possible conflict of interest in the, conditions preventing a possible conflict of interest, and CHSC policy related to conflict of interest moving forward.

NB made motion to exit executive session.

AF seconded the motion.

Motion passed unanimously.

NB made motion to request that board member donate real estate commission to school.

JG seconded the motion.

Motion did not pass. 2 votes for and 3 against.

**GM adjourned meeting at 12:03pm.**

Minutes recorded and prepared by JG.