



The monthly meeting of the Board of Directors was held on Monday, December 8, 2008 at 7:00 p.m.

CALL TO ORDER: 7:07 P.M.

UNSCHEDULED VISITORS

None

REVIEW OF AGENDA

Old business- add Expense Reimbursement Policy

New business- add Document Retention and Destruction Policy

CONFLICT OF INTEREST DISCLOSURE

No disclosures were made.

REPORTS

Secretary's report – Secretary Rodríguez

Minutes from November 10, 2008 meeting. Vice chair Donnay made motion to approve minutes as presented. Treasurer Lundgren seconded. All voted aye, motion carried.

Treasurer's Report – Treasurer Lundgren

Final disbursement for construction fund was paid by the building company for the 2006 construction project. In the overview report prepared by SBS, they refer to the 2006 construction project as the "Rice Creek Watershed Project". This will be corrected for next month's reports. Reports accepted as filed.

December 4, 2008 FLSB Meeting – Treasurer Lundgren

Student achievement- group from ECSE gave a report on their program. Lino Lakes was the highlighted school and they spoke about ESL program and demographics. Superintendent's report mentioned predicted state budget shortfall. School portion of new playground was \$57,000. Donations included \$60,000 from PTO for smart boards.

Also at the December 4th meeting, District 831 audited financial reports were presented by their auditor. Their general fund totals \$66 million. The district saw higher than expected expenses due to rising electric and fuel costs. Forest Lake Area Schools had 155 fewer students than the previous year and had to dip into unreserved fund balance. They received a clean audit with no findings.

November 11 PTO Meeting - Gail Wilkey-Diez

Will report next month

Non-Profits Assistance Fund financial management training – Richie Kucinski

APPROVED: 1/5/09

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Member Kucinski attended finance training in November. Training included how to read budget reports. Discussed planning for in-kind donations. Member Kucinski felt the training increased his knowledge and recommended it for others on the board as worthwhile.

Finance Committee Report

Met once since last board meeting. Used Skype for off-site participation for one committee member and this worked well. The committee reviewed a draft of the proposed document retention and destruction policy and a draft of the revised expense reimbursement policy.

FY08 Audit: Treasurer Lundgren presented the FY08 audited financial reports, as prepared by Larson Allen. We had a clean audit, with one finding having to do with proper accounting of prepaid expenses, namely an insurance premium that was counted fully in FY08 even though its coverage went into FY09. School administration has put a corrective action plan into place to avoid future issues of the same nature. The school's audited fund balance at the end of FY08 was at 23.2%, which is above our goal of 20%. The school's net assets at the end of FY08 totaled \$829,952. Treasurer Lundgren discussed budget variance percentages reported. Revenues were 4.1% higher than budgeted while expenditures were 0.3% higher than budgeted. She explained that school administration and the board have typically made budgets based on conservative estimates of revenue, because of the nature of charter school funding and grant income. Treasurer Lundgren touched on the Building Company Debt Covenant Compliance. She reminded board members that administration cc's them on all required reporting so that they may be assured that the school is in compliance. Also of note, the report shows that 70% of unrestricted resources are spent on instruction. Treasurer Lundgren made a motion to accept the audited reports, Member Peterson seconded. A roll call vote was taken:

Bloomberg - Aye

Wilkey-Diez - Aye

Rodriguez - Aye

Peterson - Aye

Donnay - Aye

Martyr-Wagner - Aye

Hedlund - Aye

Kucinski - Aye

Thorp - Aye

Lundgren - Aye

Director's Report – LILA Director Hedlund

Facilities: In the area leased to the ambulance service (about 3000 square feet), we have had trouble with the rooftop unit that serves that area. Their lease ran out at the end of November 2008. In order to proceed with a new lease, they have asked for us to fix this unit. It will be replaced over winter break and stained ceiling tile will be replaced and rooms painted.

The current plan is to ask one of the evening custodians to oversee remodeling of the old media center into three classrooms, according to plans provided by architect at KKE.

Enrollment: Have enrollment of 504, one lost due to a family moving.

Staff: We had visitors from the IBO come for two days for our PYP authorization visit. They met with each grade level and different groups in the school. They said many wonderful things about our school. The authorization process should be complete around late March and we will know if we become an official PYP International school.

Budget considerations: FLAP grant will continue one more year. We have more staffing this year that we might be able to have in future years. With the end of FLAP and possible state funding cuts, we might need to cut back in some areas in coming years.

OLD BUSINESS

March general election: Advertise at parent conferences. Up for election are three teacher and two parent positions. All five are eligible to run for a second 2-year term.

Amigos Employee Handbook: Tabled for future meeting

Expense reimbursement policy. At last meeting, board had asked for more detail. The normal area of operation was defined as seven-county metro area. Consideration should be given to car rental when it is an affordable option and carpooling is encouraged. Treasurer Lundgren made a motion to accept Policy as revised. Member Donnay seconded. Discussion. All voted Aye and motion carried.

NEW BUSINESS

New School Sponsor- Member Peterson

By law, charter schools must have a sponsor. The MN Department of Education (MDE) is our current sponsor. There are 10 schools that are sponsored by MDE. MDE has decided they will no longer sponsor charter schools and begin phasing out immediately. At the end of each charter schools' current contract, MDE will not renew. LILA's contract expires June 30, 2010. Finding a sponsor was one of the most challenging pieces to starting the school. Options are a college or university, a school district, or a non-profit with a \$2 million fund balance. The founding board made presentations to over 50 organizations. Many were only interested in serving at-risk populations or wanted to dictate curriculum. In addition, MDE has not charged a sponsorship fee, which is typical for most sponsors to request. It is also typical for a sponsor to visit the school once or twice a year, and to oversee finances. The school typically also sets goals with the sponsor. Member Peterson asked for the formation of a committee. Discussion led to the board calling for a task force. Member Peterson volunteered to be chair of the task force. A message will go out in the school newsletter, *El Noticiero*, asking for participants.

Policy 506, Community Use of School Facilities –Member Peterson

Member Peterson presented a revised facilities use policy. An important change is that school groups (such as LILA sports teams) can use the facilities for free up until 7:15 p.m. Also, groups must have a specific person in charge of supervising students in halls in addition to coaches or other adult in charge. Member Bloomberg made a motion to accept the revised policy. Member Wilkey-Diez seconded. All members voted aye and the motion carried.

Fiber Optic Connections –TIES Contract -Tabled

Review of Harassment and Violence Policy 312-Tabled

Review of Internet Policy #314 -Tabled

Document Retention and Destruction Policy: Member Bloomberg

Discussion and a few small changes recommended. Secretary Rodriguez made a motion to accept the policy with changes. Member Kucinski seconded. All voted aye and the motion carried.

Review of Bylaws: Treasurer Lundgren led a short discussion regarding issues we will need to discuss in the future. 1) Number of terms is limited to two. 2) Recommended by watchdog groups that director does not have voting rights. 3) Review definition of present when voting.

OTHER BUSINESS

No other business was discussed.

ANNOUNCEMENTS

December 9th PTO – Kaari Rodriguez

January 4th FLSB – Richie Kucinski

Donations – Thorp made a motion to accept donations, Lundgren seconded. All voted aye and motion carried.

ADJOURN 9:29 p.m.

Attachments:

October Financial reports:

- Overview

- Balance Statement

- Summary Income and Expense Statement

- Detailed Income and Expense Statement

- Check Disbursements Summary

- Cash Flow

FY08 Audited Financial Statements and Executive Summary Report

Policy 130 Document Retention and Destruction

Policy 506 Community Use of School Facilities

Policy 224 Expense Reimbursement

Donations