

**Board of Directors  
Workshop Notes  
Math & Science Academy  
8430 Woodbury Crossing, Woodbury, MN 55125  
Monday, October 17, 2016, 5:00pm**

**Call to Order** by Tim Tydlacka (Chair) at 5:00 pm

**Members Present:**

Tim Tydlacka, Chair & Teacher Representative  
Deb Ledvina, Vice Chair & Parent Representative  
Mona Hayashi, Treasurer & Parent Representative  
Noelle Haland, Secretary & Parent Representative  
Jeana Albers, Teacher Representative  
Jessie Heydt, Teacher Representative  
Cheri Howe, Teacher Representative  
Peter Irvine, Community Representative  
Ken Thielman, Community Representative  
Judith Darling BKDA, Contracted Financial Manager (ex officio)  
John Gawarecki, Director (ex officio)

**Members Absent:** Tori Szondy, Student Representative

**Guest Speakers:**

James Martin, attorney from Booth Law Group  
Eugene Piccolo, Executive Director of the Minnesota Association of Charter Schools

**DISCUSSION TOPICS: MN Statute 124E.07 Board of Directors, board membership eligibility and board governance**

**James Martin shared his interpretation of MN Statute 124E.07, sharing it with the Board of Directors and highlighting Subdivision 3, regarding board membership criteria:**

“Subd. 3.Membership criteria.

(a) The ongoing charter school board of directors shall have at least five nonrelated members and include: (1) at least one licensed teacher who is employed as a teacher at the school or provides instruction under contract between the charter school and a cooperative; (2) at least one parent or legal guardian of a student enrolled in the charter school who is not an employee of the charter school; and (3) at least one interested community member who resides in Minnesota, is not employed by the charter school, and does not have a child enrolled in the school. The board structure may include a majority of teachers under this paragraph or parents or community members, or it may have no clear majority. The chief financial officer and the chief administrator may only serve as ex-officio nonvoting board members. No charter school employees shall serve on the board other than teachers under clause (1). Contractors providing facilities, goods, or services to a charter school shall not serve on the board of directors of the charter school.

(b) An individual is prohibited from serving as a member of the charter school board of directors if: (1) the individual, an immediate family member, or the individual's partner is a full or part owner or principal with a for-profit or nonprofit entity or independent contractor with whom the charter school contracts,

directly or indirectly, for professional services, goods, or facilities; or (2) an immediate family member is an employee of the school. An individual may serve as a member of the board of directors if no conflict of interest exists under this paragraph, consistent with this section.

(c) A violation of paragraph (b) renders a contract voidable at the option of the commissioner or the charter school board of directors. A member of a charter school board of directors who violates paragraph (b) is individually liable to the charter school for any damage caused by the violation.

(d) Any employee, agent, or board member of the authorizer who participates in initially reviewing, approving, overseeing, evaluating, renewing, or not renewing the charter school is ineligible to serve on the board of directors of a school chartered by that authorizer.”

Mr. Martin explained why it is crucial for all board members to be in compliance with the law regarding member eligibility: a board member can be held personally liable if the board member is not an eligible board member. Under MN Law, the school has a duty to indemnify a board member or employee. If a sitting board member votes on a contract and is found to not be an eligible board member, that person is no longer indemnified and can be personally liable for the cost of the contract amount.

#### **On the issue of substitute teachers serving as board members:**

Mr. Martin stated that the statute bars an MSA employee from being elected as a parent or community member. There was some discussion on the definition of “employee,” ie. does a casual, part-time substitute teacher count as an “employee?” Mr. Martin explained that an employee is defined per the IRS code for employment which goes through a 20-factor test such as income tax and social security withholding. If the person were to be terminated, they would be eligible for unemployment benefit. An employer is in control of their work, equipment, and training. The person has no say in when they provide the services. A contractor can take care of the work when they want to, but an employee has to provide the work when the employer wants them to do it. The point that substitutes are not eligible for unemployment and can say no to work was raised, but Mr. Martin said that substitutes are covered by workers compensation and W2 and are still considered “employees.”

Third, MSA was set up as a non-majority board which has more parents and community members than teachers. It was voted on a few years ago to be a non-majority teacher board. Board members recalled that a teacher board member was taken off and replaced with a community board member. Changing the board structure to be a teacher-majority board would require a majority vote of the board and approval by the authorizer.

Board discussed Subdivision 4:

“Subd. 4. Board structure.

Board bylaws shall outline the process and procedures for changing the board's governance structure, consistent with chapter 317A. A board may change its governance structure only:

(1) by a majority vote of the board of directors and a majority vote of the licensed teachers employed by the school as teachers, including licensed teachers providing instruction under a contract between the school and a cooperative; and

(2) with the authorizer's approval.

Any change in board governance structure must conform with the board composition established under this section.”

Board discussed MSA's bylaw on membership:

“III. MEMBERSHIP Membership on the Board shall be in accord with Minnesota law and consist of three parents (or legal guardians) of enrolled students, four licensed teachers who are employed by MSA at .5 FTE or above, two community members who are not employed by the school and do not have a child enrolled in the school, and one student who must be enrolled in grades 9-12 at MSA. The student representative is a nonvoting member. The Director and the Contracted Financial Officer shall sit on the Board as ex-officio, nonvoting members. No Board member may vote on any matter that could result in personal financial gain or loss, and all voting Board members must be unrelated. The Board member election procedure is to include: 1) presentation of information concerning the Board and the duties of membership, 2) the solicitation and recruitment of candidates, 3) providing information about candidates, and 4) electing the representatives. Parent members and community members must pass a criminal background check before assuming a Board position. Current board members, any staff members who are employed at the school, including teachers providing instruction, and all parents of children enrolled in the school may vote in the election.”

Ms. Haland noted that the bylaws say that the teacher representative members are .5 FTE teachers and a casual sub is not .5 FTE. Mr. Martin clarified that the state defines “teacher” in this matter as someone whose position requires a license (such as a sub), regardless of the person’s employment appointment (be it .1, .5 or 1.0 FTE, etc). Ms. Heydt said that substitutes have no benefits and are not considered teachers. Mr. Martin said that substitute teachers require a license and so the substitute is considered a teacher by law, no matter the time appointment.

Mr. Gawarecki stated that because a sub (Ms. Haland) serves on the board (even as a “parent” representative), this makes the board a teacher majority because the sub holds a license, which is contrary to the bylaws.

Mr. Martin stated that if the law is contrary to the bylaws, then the law controls. He noted that the bylaws will need to be amended to delete the .5 FTE definition because this is not in compliance with the law.

Ms. Haland has served on the board for 1 year and 4 months. Mr. Gawarecki sought the opinion of Laura Booth (also of Booth Law Group) in April 2016 on the question of Ms. Haland’s eligibility. Ms. Haland read from an email from Ms. Booth dated April 14, 2016 (which is part of the April 18, 2016, approved board minutes):

“You asked if a substitute teacher who is paid directly by MSA and who is also paid as an advisor to MSA’s robotics team can continue as a Board member. The person is currently on the Board as a parent representative. The short answer is that the substitute may be a Board member and continue working as a substitute teacher. It is less clear that this individual can provide “services” in the form of coaching or advising the robotics team. That is because she would be paid for services provided to the charter school which is prohibited except for teachers. The risk is quite low because it could be argued that the advisor/coaching position is a “teaching” position.

Our advice is that this individual remain on the Board and keep the compensation earned for her past work but in the future if she stays on the Board or runs again, it would be safest for her to volunteer for the coaching/advising position. I have reviewed the law below in case your Board wants to see the applicable provisions.”

Ms. Haland reminded the board that she did not accept the stipend for her role as FLL coordinator after receiving Ms. Booth’s opinion.

In April, Ms. Haland’s eligibility was approved and the board thought the decision was determined at that time. She asked why another legal opinion was sought at this time and asked if it was an attempt to find a contrasting opinion from Ms. Booth’s. Mr. Gawarecki explained that there was no attempt to find a

contrasting opinion and that the issue of the number of teachers serving on MSA's board was raised in meetings with Eugene Piccolo and a professional development group of new and experienced charter school directors facilitated by MACS. The question of whether MSA is a teacher-majority or non-majority board was raised. Because of the two licensed subs serving on the board, that made 6 "teachers" which tilted the teacher majority -- was MSA violating the law? Mr. Gawarecki then engaged Mr. Martin at Booth Law Firm for further clarification since the question of a teacher majority or not was never addressed in April with Ms. Booth.

Mr. Thielman interpreted the law to say that if you get paid by the school, then you can't be on board. He has taken his name off the MSA substitute list.

Ms. Haland stated that she would not be resigning her board position tonight for several reasons. First, while she appreciated Mr. Martin's interpretation of the law, she wondered why she should act based on his interpretation versus that of Ms. Booth. (Mr. Martin stated that his opinion is not in fact different from Ms. Booth's since she did not consider the issue of a teacher majority or non-majority and only responded that Ms. Haland could serve because of the teacher-employee exemption.) Second, Ms. Haland stated that she was elected by the community and if she resigns, yet another position will be appointed and not elected; this is a serious change to the election process. Third, she asked that Mr. Martin and Ms. Booth confer to do a full formal review of all the issues and issue an official, written opinion. A more thorough review and legal opinion should be in place not only to address Ms. Haland's particular situation but also to clarify the process for the board going forward so the board does not repeat these mistakes in recruiting and seating ineligible members.

#### **On the issue of member eligibility and Ms. Heydt's eligibility to serve:**

Ms. Heydt has been on the board for 2.5 years as a teacher representative and has a sibling who is also an MSA teacher. Mr. Martin stated that this is a violation of the law because a sibling is an "immediate family member." Various members discussed the definition of "family member member." Ms. Haland noted that is not clear in the charter school law whether this applies 'horizontally' as well as 'vertically' as in some MN statutes, the definition does not include siblings. Mr. Martin maintained that the charter law does define a sibling as an "immediate family member."

Ms. Ledvina brought up the question of Mr. Irvine's membership eligibility, since he is an employee of a contractor that provides services to MSA. Mr. Irvine replied that he does not do work for MSA in his role with JR Computer Associates.

Ms. Albers asked if Ms. Heydt and Ms. Haland could serve but abstain in votes; could MSA decide this as a community? Mr. Martin stated that MSA cannot waive any parts of the charter law.

Mr. Tydlacka reminded everyone that the board naturally attracts those with a vested interest in serving MSA and that sometimes those people serve many roles in our community. The board has felt like a revolving door at times. There is no orientation for new board members and it often takes too long to get up to speed. We are doing our best to understand and comply with the law.

An official legal opinion will be conducted by Booth Law Group and provided to MSA within the next couple of weeks.

Mr. Martin left the workshop and Mr. Piccolo presented.

#### **Mr. Piccolo discussed governance:**

Mr. Piccolo reminded the board that MSA is trying to do the right thing but no organization is perfect; the board is doing its best and learning. The board has sought guidance from its authorizer, as well as its legal counsel and MACS. Mr. Piccolo reminded the board that authorizers don't know everything; half of the authorizers have never worked in a charter school.

Mr. Piccolo shared some charter school history: Charter school boards were seen as incestuous, with too many people related to run the schools. The legislature said charter schools are not a family business and therefore there needed to be community representatives. Parents and teachers are primary stakeholders; community members were added because the legislature wanted boards to have neutral third parties. Originally, the legislature wanted local school districts to appoint charter school board members and MACS fought against it.

Mr. Piccolo reminded the board that all board members are elected by the entire MSA community, not only the sub-group from which each member comes. Therefore, all board members serve all members of the community. Members are not here as the voice of one particular "constituency", be it teacher, parent or community member. He recommended that board name tags should not say "teacher representative," "parent representative" or "community representative." It is crucial to keep the big picture and a common vision, not an individual vision.

Some board members were confused at this explanation. Many stated that they agreed that the board as a whole serves the entire community, but some members also see their role as representing the interests of the particular groups from which they were elected, ie. teacher or parent. Since our inception, members have been called "representatives." It is a paradigm shift. Mr. Piccolo reiterated that members are elected by all.

Mr. Piccolo stated that governance is the biggest challenge in charter schools. When you find out that something is not correct, then you correct it. MSA bylaws should be reviewed and amended over time because the law changes. Law takes precedent over bylaws. Federal law is over state law, state law is over bylaws, bylaws are over policies, policies are over procedures. If anything above in this hierarchy changes, then you have to change everything below.

Mr. Piccolo recommended that MSA add a board governance committee which would be charged with ensuring the overall good performance of the board. This committee would review bylaws annually to keep MSA in compliance with changes in law. Other issues in the bylaws which might be addressed could include member elections vs. appointments, special elections and the issue of teacher-majority vs. teacher-non-majority.

Mr. Piccolo provided some examples of board actions. For example, members are presumed to have agreed to an action unless the member votes against the action or raises issues and concerns during discussions. Does the Chair ask if no one spoke in voting? If a member does not speak during a vote, then his or her vote is counted as a yes.

Mr. Piccolo distributed a handout describing fiduciary duties of noncharitable organizations and laying out the duties of a board: care, loyalty, and obedience. He also distributed a self assessment tool for individual board members to complete and then share as a board. He reminded the board that the MACS website has other tools to help the board ensure the highest quality of performance.

**Submitted:**

Ia Xiong, Board Recorder

**Approved:**

Noelle Haland, Secretary

**Board of Directors  
Meeting Minutes  
Math & Science Academy  
Monday, October 17, 2016**

8430 Woodbury Crossing, Woodbury, MN 55125

1. **Call to Order** by Tim Tydlacka (Chair) at 6:15 pm

2. **Roll Call of Members**

**Present:**

Tim Tydlacka, Chair & Teacher Representative  
Deb Ledvina, Vice Chair & Parent Representative  
Mona Hayashi, Treasurer & Parent Representative  
Noelle Haland, Secretary & Parent Representative  
Jeana Albers, Teacher Representative  
Jessie Heydt, Teacher Representative  
Cheri Howe, Teacher Representative  
Peter Irvine, Community Representative  
Ken Thielman, Community Representative  
Tori Szondy, Student Representative  
Judith Darling BKDA, Contracted Financial Manager (ex officio)  
John Gawarecki, Director (ex officio)

**Absent:**

None

3. **Approval of Agenda**

Moved by: Deb Ledvina      Second: Cheri Howe

Add or change the following:

- Add to Items for Discussion and Decision, "c": Approve Special Board Minutes from September 26 and October 3
- Add to Items for Discussion and Decision, "o": Schedule for Reviewing MSA Policy.

Vote: 7-yes 0-no Jessie Heydt & Noelle Haland -abstain

The vote carries.

4. **Open Forum**

**Lisa Anderson**

Commented on administrative surveys, teacher compensation for the additional 10 minutes of student supervision at the end of the day, and had questions she distributed to the board on strategic planning.

**Romelle Pornschloegl & Merrily Karel**

Talked about a spring fundraiser the Annual Fund Committee would like to hold.

**Joelle Pundsack**

Expressed concerns about Board membership elections

**Romelle Pornschloegl**

Objected to having survey information included in the board packets.

## 5. Chair's Report by Tim Tydlacka

There was an executive meeting with the officers last week. The officers reviewed the Director's goals which are included in this packet and also reviewed Jim Martin's contract. Some officers also met with Eugene Piccolo. Mr. Tydlacka expressed sadness at accepting Ms. Heydt's resignation from the Board and commended her on her long service to MSA and on the Board. The Chair also asked Ms. Haland and Ms. Heydt about their plans to vote on any issues tonight; they both replied that they would both abstain in all votes tonight because of the ongoing questions about eligibility.

## 6. Director's Report by John Gawarecki

### 1. Student Achievement

- a. We have three students who qualified as Semifinalists for the National Merit Scholarship (Seryozha Mzenga, Eleanor Haland, and Grace Nixon). We also had another three students make the Commended Student list.
- b. Two volleyball players were named as all-conference players (Keagan Eng and Charlotta Prestine).
- c. Tierney Wolfgram (Cross Country) was named the Star Tribune Prep Athlete of the Week. She was also featured in the Woodbury Bulletin (<http://www.woodburybulletin.com/sports/high-school/4129893-cross-country-math-and-science-academy-wolfgram-strives-be-states-best>).

### 2. Instructional Leadership

- a. Child Study meeting was held on October 6th to identify students of concern.
- b. Parent/Teacher conferences with group meetings are being set. (Conferences are Oct 19 (5-8pm) and Oct 20 (8am-noon).
- c. 23 formal SPED parent meetings have been held since the start of the school year. We have 41 active students and 3 evaluations ongoing in SPED.
- d. There have been 23 different 504 meetings to date. We have 27 current students on 504 plans.
- e. There have been over 10 college visits since school started. More than 40 juniors and seniors attended the National College Fair on October 4th.

### 3. Human Resources

- a. Christine Morrison is now our Administrative Assistant in Building A. Carrie Cardinal has returned to her paraprofessional position.
- b. Joell Pundsack's position will be reclassified as a Salaried Non-Exempt position due to a change in Federal Law effective December 1.
- c. Teacher concern with 10 minutes of additional supervision at the end of the day is being addressed with the BOD.
- d. 3 Students have withdrawn from school since opening day. (6, 7, & 10)

### 4. Professional and Ethical Relationship

- a. Survey results for Assistant Director and Activities Director are attached in a separate document.
- b. Eugene Piccolo (MACS) receive a tour of our school and discussed MSA's future needs/concerns.
- c. Completed Annual Report and Submitted to SAM prior to Oct 1.

### 5. Resource Management

- a. Working with BKDA to revise our current budget and long range budget.
- b. Met with Mr. Engstrom concerning storage space rental possibilities.

### 6. Administrative Performance

- a. Met with 19 other MACs charter school directors and 6 mentor directors at a MACS Director's Cohort on September 20.
- b. Attended the MACS Annual Meeting on September 29th. (Updates on School Discipline, TRA Proposals, Teacher Licensure, Charter School issues, Desegregation/Integration Lawsuit, and ESSA)
- c. Attended three MDE webinars on School Discipline.
- d. Attended a Webinar from Charter School Capital on Growth Strategies for Charter Schools: Start-up, Expansion and Maturity.

Discussion:

Mr. Gawarecki stated that the surveys were not used in any disciplinary action.

Eugene Piccolo, Executive Director of the Minnesota Association of Charter Schools explained that the evaluation of an Assistant Director is done by the Director and should only be seen by the Director. Employee evaluations should not go to the Board. That evaluation is closed to the public unless that employee wants it to be public. The tool used for the evaluation can be public, but not the results.

Board discussed how to undo the attachment in the Board packet. Mr. Piccolo recommended that the survey result pages be taken out from all printed packets in the room and to delete any electronic versions of the information shared in the electronic Board packets.

**Motion to state that the Board apologizes to Romelle Pornschloegl and Shannon Froberg.**

Moved by: Cheri Howe

Second: Jeana Albers

Vote: 7-yes 0-no Noelle Haland and Jessie Heydt-abstain

The vote carries.

**7. Reports from Board Committees, Activities Director and Task Forces (as applicable)**

**Board Committees:**

Academics (Ms. Howe): Report submitted with no discussion.

Finance (Ms. Hayashi): Report submitted with no discussion.

Annual Fund (Mrs. Pornschloegl): Report submitted with no discussion.

Activities Director's Report (Ms. Froberg): Report submitted with no discussion.

**8. Items for Discussion and Decision**

**a. Acceptance of Letter of Resignation**

**Motion to accept letter of resignation from Jessie Heydt.**

Moved by: Peter Irvine

Second: Mona Hayashi

Discussion:

Ms. Heydt read her resignation letter aloud. Her resignation is due to her ineligibility to serve on the board because she has a family member employed by MSA.

Vote: 7-yes 0-no Noelle Haland-abstain

The vote carries.

**b. Appointment of New Board Member (Tom Johnston)**

**Motion to approve Tom Johnston as teacher representative.**

Moved by: Peter Irvine

Second: Deb Ledvina

Vote: 7-yes 0-no Noelle Haland-abstain

The vote carries.

Mr. Tydlacka administered the oath of office and Mr. Johnston was seated at 7:00pm. Mr. Johnston made a brief statement to the Board stating that while he is very happy to be a Board member, he is sad to have it happen in this way.

**c. Approval of Board of Director Meeting Minutes on September 19, 2016 and Special Board of Director's Meeting Minutes on September 26, 2016 and October 3, 2016.**

**Motion to approve Board of Director Meeting Minutes on September 19, 2016 and Special Board of Director's Meeting Minutes on September 26, 2016 and October 3, 2016.**

Moved by: Mona Hayashi

Second: Ken Thielman

Discussion:

Add to the September 19 minutes under "Approval of Rain Garden" that the Board had asked Cheri Howe and Jody Miller to go to the Building Company for approval.

Vote: 8-yes 0-no Noelle Haland-abstain

The vote carries.

**d. Approval of September 2016 Financial Statements**

**Motion to approve September 2016 Financial Statements.**

Moved by: Mona Hayashi

Second: Tim Tydlacka

Discussion:

Ms. Darling gave an overview of the statement that was provided in the Board packet. Changes reflected the additional PTO for teachers to compensate for the additional 10 minutes of work time per day. Salaries went up 9% and benefits increased 13%. Benefits numbers may be high because benefits are being finalized now and costs may go down from this estimate. She is not asking for Board to adopt this budget yet and is waiting another month until all numbers are finalized. Positions were added. Budgeted for \$100,000 for annual fund campaign and expenses.

Ms. Darling also explained that the state does not require a fund balance, but MSA Board adopted a requirement of 20% minimum. MSA's fund balance is currently above this.

Student activity fund should be balanced out next month.

Ms. Howe stated that Amanda Stout, MSA's new finance clerk, is doing an amazing job. Ms. Darling agreed, saying that Ms. Stout and members of her firm have been working together very well.

Vote: 8-yes 0-no Noelle Haland-abstain

The vote carries.

**e. Appointment of Board Clerk**

**Motion to appoint Board Clerk.**

Moved by: Deb Ledvina

Second: Tim Tydlacka

Discussion:

What is a Board Clerk and what are the duties? Mr. Gawarecki explained that he would like a Board Clerk appointed because the Board Clerk has signature authority. Currently, there are times when documents require an authorized signature from either a Board Secretary or a Board Clerk. Getting the Secretary's signature requires advance time. He prefers to have someone onsite who can fill this duty when the need arises. The Board Clerk also makes sure all required notices are in the newspaper of record. Ms. Howe volunteered to be the Board Clerk.

**Ms. Ledvina amends the motion to approve the appointment of Cheri Howe as Board Clerk.**

Second: Tim Tydlacka  
Vote: 7-yes 0-no Noelle Haland & Cheri Howe-abstain  
The vote carries.

**f. Rain Garden update**

Discussion:  
There is no update because the Building Company meeting was cancelled.

**g. Appointment of Building Company Representative**

**Motion to approve Appointment of Building Company Representative.**

Moved by: Deb Ledvina Second: Tim Tydlacka

Discussion:  
Bylaws say one member has to be a Board member. Ms. Hayashi's term had expired on June 30, 2016. The Building Company meets quarterly and makes expenditure decisions. Ms. Albers volunteered to be the Building Company Representative.

**Ms. Ledvina amends the motion to approve the appointment of Jeana Albers as the Building Company Representative.**

Second: Tim Tydlacka

Vote: 8-yes 0-no Noelle Haland-abstain  
The vote carries.

**h. Review of Policy 401.1 Whistleblower (first reading)**

Discussion:  
Ms. Hayashi presented the policy. Item #2 was changed.

**i. Approval of Policy 529 Open Lunch Campus Policy (second reading)**

**Motion to approve Policy 529 Open Lunch Campus Policy.**

Moved by: Deb Ledvina Second: Peter Irvine

Discussion:  
Ms. Ledvina presented the policy. The policy in the Board packet is not the most up-to-date version due to clerical error. Item 4b has been deleted.

**Ms. Ledvina amends the motion to approve Policy 529 as amended.**

Second: Peter Irvine

Vote: 8-yes 0-no Noelle Haland-abstain  
The vote carries.

**j. Approval of Policy 611.1 Shared Time Students (second reading)**

**Motion to approve Policy 611.1 Shared Time Students.**

Moved by: Jeana Albers Second: Mona Hayashi

Discussion:  
Changes from last Board meeting were made. Board members reviewed the purpose of the new policy. Ms. Howe had brought this topic to the board about reserving the right not to enroll students who are less than full time status. Ms. Ledvina had drafted the policy based on the topic as discussed during the first reading and restated the statutes in the policy. PSEO is not subject to the law.

Charter schools have the right to choose to take in shared time students but are not mandated to do so. Ms Ledvina stated that a policy is not needed if it's already allowed by law.

Chair recognized Mr. Piccolo, who confirmed that charter schools do not have to accept non-public shared time pupils per MN statute 126C.19 (Shared Time Aid). The MN charter school statute 124E.11 (Admission Requirements and Enrollment) applies. Charter schools are exempt from all school-related laws and rules except for the MN charter school law Chapter 124E or unless charter schools are specifically referred to within another law. Members of the Board asked questions of Mr. Piccolo to be sure they understood this to be the case since some were told otherwise in Board trainings conducted by the Minnesota School Board's Association.

**Ms. Ledvina withdrew her motion.**

**k. Policy 705 Investments (first reading)**

Ms. Hayashi presented the policy. Only one word was changed. Otherwise, it is the same policy from 2011. Board member asked who is the investment officer? It is the Board Treasurer, Director, or someone they delegate.

**l. Policy 705.1 Fund Balance (first reading)**

This policy was reviewed in 2011. Finance Committee reviewed 2-3 meetings ago. There are no changes in wording. MSA has at least a 20% balance which is the goal as set in the policy. In answer to questions, Ms. Darling clarified that "assigning" is most fluid and is our "intention" which may be changed. "Committing" is more secure and requires Board approval.

**m. Approval of Policy 721 Uniform Grant Guidance (second reading)**

**Motion to approve Policy 721 Uniform Grant Guidance**

Moved by: Deb Ledvina                      Second: Cheri Howe

Discussion:

Ms. Ledvina presented the policy. It is a mandatory policy. No changes were made except "school district" has been changed to "MSA."

Chair recognized Mr. Piccolo, who urged caution. He stated that cross-references must be consistent with MSA policy to ensure compliance with the law. If a law is referenced, then MSA's policy must adhere to that law. He recommends deleting all references to model policies.

**Ms. Ledvina amends the motion to reflect amending cross-references to apply specifically to MSA and deleting references to model policies.**

Second: Cheri Howe

Vote: 8-yes 0-no Noelle Haland-abstain

The vote carries.

**n. Policy 721.1 Employee Conflict of Interest (First Reading)**

Mr. Gawarecki stated that there was a citation last year from the MN State Department on the procurement procedures for Special Education. There needed to be a conflict of interest notice for employees in the procurement procedures. Ms. Ledvina clarified that this only applied to federal funds which is covered under Policy 721.

Mr. Gawarecki will review this issue with MSA's Special Education Director and then bring his recommendation to the Board if a policy is required.

**o. Schedule for Reviewing MSA Policies**

Ms. Ledvina provided a handout of the schedule for review and update of MSA policies. The Board discussed when a policy is mandatory, when changes do not require Board approval (ie. non-substantive changes) and the overall policy structure.

Chair recognized Mr. Piccolo, who stated that the numbering of MSA policies does not have to match MSBA policy numbers. He recommended we number the MSA policies with MSA's own numbering system. Ms. Ledvina will review.

**p. Teacher Compensation Time**

**Motion to approve 3 additional PTO days for teachers for the 2016-2017 school year to cover the additional 10 minutes at the end of the day due to the bus schedule change.**

Moved by: Jeana Albers                      Second: Tom Johnston

Discussion:

Mr. Gawarecki explained different options on how to address the requirement that teachers supervise students an additional 10 minutes at the end of the day due to the new bus schedule. Options ranged from "do nothing" since teachers are salaried and the handbook does not have an end time, to giving teachers a 2% retroactive raise. Staff voted for giving teachers an additional 3 days of PTO.

Board members expressed concern that MSA may need to continue to add additional time when and if changes occur in the future. Mr. Gawarecki confirmed that this would only be a one-time approval for the 2016-2017 school year..

Vote: 7-yes    Ken Thielman-no    Noelle Haland-abstain  
The vote carries.

**q. Director's Goals**

**Motion to approve 2016-2017 school year Director's Goals.**

Moved by: Deb Ledvina                      Second: Cheri Howe

Discussion:

Board discussed staff evaluation and professional development plan. Board wants to know that identified issues are addressed in a timely manner.

Chair recognized Mr. Piccolo, who noted that the professional development plan is public information, but specific issues or individual comments are not public information. Any identifying information should be redacted as necessary.

**Ms. Ledvina amends the motion to edit Director's Goal 3b to reflect that the Director will report when a survey is conducted and a plan is developed regarding administrative leadership job performance, sharing such a plan to address any identified issues in a timely manner.**

Second: Mona Hayashi

Vote: 8-yes    0-no    Noelle Haland-abstain  
The vote carries.

**r. Board of Director Goals**

Board has not developed goals. One suggested goal is to revise the bylaws which can be done at a workshop. Task forces will be set up at the November workshop, detailing dates, times and parameters for Board goal development. Each Board member is expected to come to the November Board workshop and meeting with at least one suggested goal for the Board.

**9. Dates and times of upcoming BOD workshops and meetings:**

Special BOD Meeting, Strategic Planning and Vision, on October 25, 2016 at 4:45 pm in Room 10.

BOD Workshop on Monday, November 21, 2016 at 5:00pm in Room 10A

BOD Meeting on Monday, November 21, 2016 at 6:15pm in Room 10A

**10. Motion to adjourn at 8:30pm**

Moved by: Mona Hayashi

Second: Tim Tydlacka

Vote: 8-yes 0-no Noelle Haland -abstain

The vote carries.

**Submitted:**

Ia Xiong, Board Recorder

**Approved:**

Noelle Haland, Secretary