



Frederick Classical Charter School, Inc.

Board of Trustees Meeting Minutes

February 06, 2023

*Meeting held by video conference
Minutes submitted by Lei Sun*

Present: Nkechi Ileka-Adeoye - Chair
Debbie Nnameka
John Funderburk
Lei Sun
Tom Olivero
Debbie Shoffner

Other Participants: Laura Taylor
Christine Samuels
Jen Schneider

At 7:07pm, Ms. Karen Hoffman, the President of KL Hoffman and Company, presented the results of the audit for fiscal 2022.

At 7:22pm, Mr. Stephen Fraser from The Marketing Management Group Inc. provided an overview of his fundraising and grant writing proposal services.

Called to order and Welcome at 8:02pm.

1. Agenda

Dr. Sun motioned to amend the agenda by adding 1) Student Activity Funds meeting debrief with FCPS and 2) audit follow-up response to the closed session. The motion passed unanimously. Amended agenda was approved.

2. Public Comments

- Ms. Ionie Martin submitted a public comment via email in advance but decided not to read it during the meeting.

“Members of the Board -

Below you will find the message I sent previously (Town Meeting held on 1.25.23).

Tonight, I want to again raise the question of why the PE uniform for middle school is necessary. Understanding of course that this request requires duty process, I further ask that updates be made to the Student Handbook (the current version was last updated August 2021). In its current version, there is no mention of wearing full dress uniform for the health term (although this is common knowledge within the community).

Health and PE should not be viewed as separate courses. When calculating the GPA for a current middle school student, the weighted grade for the health term is no less than any of the three PE terms. In reviewing the course description from FCPS (<https://www.fcps.org/academics/physical-education-and-health1>) and FCPS's Essential Curriculum site (<https://edu.fcps.org/essentialcurriculum/health-pe>), one will find the courses to be complementary, and therefore should be viewed as a single course.

As FCCS does not currently have a locker room area in the building, there is no reason to mandate a separate dress code for the health term. For much of a scholar's educational journey at FCC (the five years spent in grades K-4), there is no PE uniform requirement beyond footwear.

I am asking the Board to consider this request, thereby eliminating the PE uniform requirement for middle school and updating the Student Handbook accordingly.

Thank you,
Ionie”

3. President's Report

Ms. Ileka-Adeoye presented a report including the followings:

- On 01/17/23, two Frederick County Board of Education (BOE) members visited FCCS, and they were impressed by the history of our school. We anticipate more BOE members will visit FCCS before the school year ends.
- On 02/03/23, Ms. Ileka-Adeoye met with Ms. Melissa Rollison at FCPS to discuss Student Activity Funds (SAF). Ms. Schneider and Mr. Tim Summers were also present at the meeting.
- Ms. Ileka-Adeoye thanked Ms. Allison Rizzo for attending the Maryland Public Charter Schools' Advocacy Day (02/01/23) in person, and voicing her support for public charter schools.

- The BOT has received parents' emails about our PE uniforms. The BOT will consult with all stakeholders to include admin, teachers and the entire community, before any changes are made. This will not be a one-way decision.

4. Accounting Report

Ms. Jen Shneider presented the below report on financials and investments through 12/31/2022.

“Financial Report as of 12/31/2022:

For the six months ending December 31, 2022, Frederick Classical had a net surplus from operations of \$186,154. The period ended with Working Capital of \$2.06M and Net Assets of \$2.17M. Working Capital measures the amount of funds available for expenditure that is not invested in an asset such as facilities. Net Assets is a running total of all surpluses (deficits) since inception where the value is not necessarily liquid.

The result for the first half of the year is consistent with normal operations; however, surplus is expected to be greater than originally budgeted by the end of the school year. This is largely due to the use of long-term substitutes for two part-time positions, the delay in filling the IA position and the ongoing vacancy for a Math Specialist. The forecast for the year now anticipates a surplus of \$139,417, or roughly \$60,000 more than originally budgeted. Line items with material changes to budget include:

Revenue

- \$8,635 Loss of revenue from temporary fundraising suspension
- \$11,536 Added revenue from Per Pupil Allocation as compared to budget (375 v 374)
- \$13,915 Added revenue from CD interest of investment portfolio

Expense

- \$84,507 Added expense from revised accounting estimates for depreciation and treatment of leases
- \$167,188 Expense savings from reduced staffing as compared to budget
- \$18,836 Added expense from increased corporation/legal fees
- \$23,689 Added expense from increased utility charges (pricing increase, not consumption)

Fiscal Year 2024 Budget:

The budget process for the 2023-24 school year will begin in February. Staff will be asked to complete a budget request form in conjunction with review by Administration. Accounting will also

be working with the school to support the inventory management process. April, 2023 is the target date for a preliminary budget to be available noting that the majority of inputs (PPA increases, staffing changes, salaries, and FCPS buybacks) will not be known at that time.

Audit Update:
No changes from last report.

Account Changes:
No changes from last report.

Investment Report as of 12/31/2022:

FCCS, Inc. currently maintains an investment portfolio valued at \$1.75M. Its purpose is to support capital expenditures associated with the existing facility as well as the pursuit of a non-leased facility.

The investment plan developed jointly with Wells Fargo Bank and in accordance with the investment policy of the state of Maryland supports utilizing brokered CDs for the preservation of capital and maintenance of FDIC insurance. The deposits are structured so that a minimum of \$250,000 will always be available for use on a rolling quarterly basis. Twelve-month yields are currently between 3.2 and just over 4%. Two of the CDs that came due in January were reinvested at rates of 4.4 and 4.6% reflecting the strengthening of yields in line with increases to the federal funds rate.

The distribution of funds at December 31, 2022 is as follows:

<u>Issuer</u>	<u>Purchase Date</u>	<u>Due Date</u>	<u>Term</u>	<u>YTM</u>	<u>Principal</u>	<u>Interest at Maturity</u>
American Commercial Bank & Trust	10/12/22	4/12/23	6 mo.	3.850%	250,000.00	4,812.50
Discover Bank	10/11/22	1/10/23	3 mo.	3.350%	250,000.00	2,093.75
First Republic Bank	10/6/22	1/6/23	3 mo.	3.200%	250,000.00	2,000.00
JP Morgan Chase Bank N.A.	10/11/22	1/11/23	3 mo. Call	4.000%	250,000.00	2,500.00
Ally Bank	10/6/22	10/6/23	12 mo.	4.000%	250,000.00	10,000.00
Wells Fargo Bank N.A.	10/11/22	4/11/23	6 mo.	3.850%	250,000.00	4,812.50
Morgan Stanley Bank N.A.	10/13/22	10/13/23	12 mo.	4.050%	250,000.00	10,125.00
Positions at 12/31/22					\$1,750,000.00	\$36,343.75

Contracts:

The contract with Clubhouse Kids will expire on June 30, 2023 if renewal terms are not reached by February 28, 2023. The school is currently working with the owners to secure a renewal to coincide with the school's facility lease renewal, 5 years incepting July 1, 2023 through June 30, 2028."

5. Head of School's Report

Dr. Samuels presented the HOS report including the following details:

- Dr. Samuels gave a brief overview of the upcoming events, including Staff Meeting, NJHS induction, Prospective Parent Information session, International Day event, 2 hour early dismissal on 2/15, SGA Valentines' Dance, and Leadership Meeting.
- The prospective parents' night took place on 01/10/23. Nine families attended in person.
- Ms. Caldwell has been preparing 8th grade students for high school registrations. She is also planning a social skills group for grades 1-4.

- The PTC's monthly agenda has been created. Dr. Samuels thanked Ms. Olivero and Ms. Summers for their efforts.
- As of 02/02, 497 students are on the lottery list.
- Dr. Samuels shared an overview of the iReady data (both reading and math) gathered at the Beginning of the Year (BOY) and the Middle of the Year (MOY).

6. Vote on consent agenda

Dr. Sun motioned to approve the consent agenda, which includes approval of 01/09/2023 BOT public meeting minutes and closed session minutes, and 01/26/2023 special meeting minutes and closed session minutes. The motion passed unanimously. Consent agenda was approved.

7. Discussions and Vote

- Dr. Sun motioned to appoint Ms. Salimeh Khaleeli as a Trustee with a one-year term ending on 02/29/2024. The officers unanimously approved it.
- Dr. Sun motioned to appoint Mr. Robert Wells as a Trustee with a two-year term ending on 02/28/2025. The officers unanimously approved it.
- Dr. Sun motioned to approve the budget forecast presented by Ms. Schneider with an amount of \$139,417. The motion passed unanimously.
- Dr. Sun motioned to approve the purchase of Latin textbooks for Grade 5 in the amount of \$925. The motion passed unanimously.
- Dr. Sun motioned to approve \$200 for the Talent show and \$400 for the International Day. The motion passed unanimously.
- The Board has received bids from three fundraising consultants, all of which would provide fundraising and grant writing services. Mr. Olivero motioned to table the fundraising vote to allow the two new board members to review the quotes, and plan to make a decision in the March meeting. The motion passed 3-1. Ms. Nnameka abstained. Mr. Funderburk voted nay.
- The Board is finalizing the job description for the FCCS Executive Director position. Ms. Shoffner motioned to table the topic and put the Executive Director job description on the agenda for the March meeting. The motion passed 4-0. Ms. Nnameka abstained.

8. Discussions

- The BOT Treasurer position has been hard to fill historically. The bylaws were amended to allow any community member with an accountant, CPA or similar experience to become the Treasurer. Anybody who is interested in the Treasurer position can reach out to the BOT. It is an officer position, and would be elected during the membership meeting in May 2023. Ms. Schneider is happy to assist the Treasurer and answer any questions.
- The Board has received inquiries regarding the PE uniform from parents. The Board had an initial discussion about the PE uniforms and will consult with all stakeholders to include admin, teachers and the entire community, to determine what the next step is.
- Dr. Sun motioned to adjourn the public meeting and go to a closed session to discuss personnel, use of technology, use of intellectual property, attorney-client privileged information, Student Activity Funds meeting debrief with FCPS and audit follow-up response to the closed session. The motion passed unanimously.

Public meeting was adjourned at 8:51pm.