

**Minutes of the Meeting of the
Board of Trustees of Salem Academy Charter School
Wednesday, October 27, 2021**

Members present:

Edward Aroko (remotely), Sasha Durand, William Henning, Rick Jones, Susan Low, David Pabich (remotely), Mekka Smith, Mikki Wilson, Rick Winter, Christine Wynne

Members absent:

Alison Palmer, Shelby Morrison, Paula Pitcher

Staff present:

Stephanie Callahan, Diego Fellows (remotely)

Guests present:

Fawaz Abusharkh

Recorder present: Shelby Hypes

I. Call to Order

Vice Chair Rick Jones called the monthly meeting of the Salem Academy Charter School Board of Trustees to order at 5:17 PM on October 27, 2021.

II. Minutes of the Meeting of September 22, 2021

Bill Henning moved to accept the minutes as submitted, seconded by Christine Wynne. The motion passed unanimously via roll call vote.

III. Public Comment

Fawaz Abusharkh expressed the continued concern of some parents about the vaccination rate of both students and faculty/staff; he asked if we need to be promoting vaccination more through the SFC, especially with the appearance of the Delta+ variant. In response to Dan McCaughey 's question regarding breakthrough cases at SACS, Stephanie Callahan indicated we have had only one adult case. While our staff vaccination rate is close to 95 percent, the rate among students is between 65 and 70 percent overall, reflecting ineligibility of younger students; it is probably close to 80 percent among seniors.

Stephanie indicated we continue to ask for verification of vaccination status. Additional steps going forward may include the SFC asking if people need assistance, e.g., babysitting, and holding another clinic, although that will depend on vendors.

IV. Charter Amendment Request

Stephanie Callahan presented the proposed request letter to expand enrollment to 510 students and explained that the specific guidelines for required information and

level of detail dictated the length and content. The current cap of 480 students, expanded from 372, was approved in 2014 and based on both anticipated growth and attrition rates at that time. Since then, the school has added a significant number of extracurricular activities and sports, which has increased student retention. Our attrition rate from 10th to 11th grade, has dropped from about 20 percent in 2014 to five percent.

We quickly reached 480 students and now have 495 students; we cannot receive tuition reimbursement for the additional 15 students. At the current reimbursement rate, this amounts to almost \$250,000 annually. Our goal at this point is not to attract more students, but to be receive funding for those we already serve. Without the additional tuition, we may need to cut back on programming and the number of students. We can expect expenses to rise, e.g., our rent will go up next year with the new lease agreement. The additional funds will allow us to sustain our current program. Christine Wynne suggested that the high parent satisfaction rate we enjoy be mentioned in the request as well.

Stephanie and Dave Pabich met with Mayor Driscoll who is concerned about the impact on the SPS budget but understands our request and laments that this is how educational funding works in Massachusetts.

This charter amendment request addresses our current needs, not long-term expectations that will come out of our strategic planning process. Bill Henning moved to have Stephanie submit the charter expansion request. The motion was seconded by Rick Jones and passed unanimously via roll call vote.

V. Financial Statement and Auditor's Report

Rick Winter presented the financial report, pointing out a strong start to our financial year, thanks to stable expenses and Covid funds. Our cash on hand is good and in line with accepted accounting practices. Our debt is minimal and well under our line of credit.

Rick also presented the auditor's final report, which found that we are financially sound and actually stronger than the prior year. On all of the seven measurements considered, we are in the low risk category. These include current ratio, unrestricted days cash, percentage of program paid by tuition, percentage of program paid by tuition and Federal grants, percentage of total revenue expended on facilities, change in net position percentage, and debt-to-asset ratio.

Two loans have covenants that were waived, which is not a concern as there are no other risk factors, and we have good cash flow. Rick did point out that we benefited from lower expenses due to remote learning during the pandemic and higher than projected revenues. We are continuing to project revenues very conservatively and are planning already for the end of Covid funding in 2024. It was noted that future leases will go on the books as a liability.

Mikki Wilson moved to accept the auditor's report, seconded by Mekka Smith. The motion passed unanimously by roll call vote; Bill Henning abstained because of his position with our bank.

VI. Board of Trustees meetings and strategic planning

Mekka Smith provided an outline of the initial strategic planning retreat, previously scheduled for this meeting. There are two parts to this: team building through learning more about each other and discussing how we can work together more effectively, both as a board and in our committee work. Both require some thoughtful pre-meeting work on everyone's part, plus adequate time for meeting in person.

We also need to consider our work with Onward. They will be doing an initial, 50- to 90-minute virtual presentation (originally planned for our November meeting) and two follow-up presentations early next year. To date, they have interviewed/surveyed only eight Board members, so they will be back in touch with others in order to have a more informed presentation for January and February.

We also need to allow time for ongoing reports on the status of the school and our committee work. Accordingly, it was decided that the November meeting will begin at 5:30 pm and include a regular Board meeting and the strategic retreat exercises originally planned for today. Our December meeting will be a one-hour Onward presentation, followed by holiday socializing.

VII. Move to adjourn

Bill Henning moved to adjourn, seconded by Mikki Wilson. The motion passed Unanimously via roll call vote, and the meeting ended at 6:43 pm.