



Board of Directors Meeting

Time: January 26, 2023 @ 4:30 PM Eastern Time (US and Canada)

Location: Join on Zoom: Meeting ID: 824 1322 8559 Passcode: 098438

Roll Call by Secretary: Eric Bentson (present), Ashley Goverman (present,) Rosemary Herold (not present,) George Hynd (present,) Bob McFerran (present,) Stephanie Sams (present), Sedric Webber (not present,) Trey Zimmerman (not present)

Admin: Jean Castelli, Lindajeanne Schwartz

Other attendees: Bill Roach (CIE,) Jane Walsh, Tes Boyette, Chris Allen, Parent, iPhone, Cindy O'Sullivan, Liz McNulty, Brittany Hendrickson, Jillian, Dr. Laura Standridge, Pixel 7 Pro, Christina Lagace, Marleen Ott

MISSION STATEMENT:

To provide an exceptional, evidence-based, multi-sensory education for students with dyslexia to open the gates to their academic potential in an environment that empowers students to develop a positive and socially conscious self-image.

1. Call to Order at 4:34pm
2. Mission Statement & Roll Call
3. Adoption of Agenda for January 26, 2023 by SS; 2nd Bob McFerran; All in favor.
4. Swearing in of New Board Member
 - a. Chris Ott; parent elected board member. "Raise right hand and repeat after me I do solemnly swear that I am duly qualified according to the constitution of this state to exercise the duties of the office to which I have been elected and that I will to the best of my ability discharge the duties thereof and preserve, protect, and defend the constitution of this state and the United States, so help me God."
5. Motion to adopt minutes by SS; 2nd by George; No discussion. All in favor
6. Public Comments (2 minutes per speaker; please state your name and address)*

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- a. Jane Walsh
 - i. Stated it is a comment/question that is HR related.
 - ii. I want to take a moment to publicly acknowledge the talent crisis in we are all facing as employers. As an HR executive, my team faces the battle for talent daily, and we are constantly getting creative (and honestly, often times need to increase compensation packages) with candidates to engage the best talent. Knowing that CCSD is having a Spring Hiring Fair with vast resources to support their recruiting efforts (as I am sure neighboring districts are doing the same), I am interested in knowing what support Erskine provides to aid Gates to recruit top talent in this highly competitive landscape and how they are championing for additional resources if need be. Thank you for all you are doing every day for our students and our school.
- b. Liz McNulty
 - i. I am here to listen and learn to see what is the future. It's been a struggle this year and the future with the whole school. Feel like the 5th and 6th graders need to figure out how to find the future.
 - ii. Heartfelt thank you to the admin and thank you to J and LJ along with teachers. Everyone is at their wits end and the teachers are continuing to show up without resources, without financial support, without guidance and they are showing up every single day. Shout out to Rachle & Janice and everyone showing up for the kids
- c. Chris Allen
 - i. A lot of parents if there is a succession plan for Ashley Brooks.
 - ii. Additionally talk with financial strain and things the parents are wondering what they can do to help out. There is a lot of human capital to get active and if there are things in the hopper to get parents involved. Additionally shout out to the SPED team and constraints. Along with resource and talent pool. I hope there is a plan in place to stave off the high inflation. Hope CIE is on board to help with that.

7. Principal's Report / SPED Update

- a. January is Board of Directors Recognition Month. Thankful for the time and effort put into the success of the school.
- b. Wish everyone a happy and healthy 2023.
- c. 100th day of school on Monday. Creative way to display 100 or dress as a 100 year old.
- d. Participating in a read-a-thon for 2 weeks in February. The first email has gone home already, and more info to come. Goal is to encourage reading. And hopefully we will raise a little money.
- e. Dr. Schwartz SPED update:
 - i. Thank you for the supportive words from the public comments.
 - ii. SPED team is working together to meet the needs of our students
 - iii. Services are being implemented and minutes being served

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8. Board Chair's Report

- a. Recognize Gates teachers, admin and staff for hard work
- b. In accordance with our January 2, 2023 special meeting, the administration budget was reduced as discussed and those changes took place 1/25/23, which is in conjunction with January's payroll date.
- c. Board elections coming up (PCSASC running election again)
 - i. Call for candidates going on now through 2/3. Link on website and FB. Voting 2/15-17. Those elected will take office at the 2/23 meeting.
 - ii. Need community members
 - iii. Would like to thank the outgoing board members—these are volunteers that have put their hearts into making appropriate learning opportunities for dyslexic thinkers
- d. Institute's motion to dismiss the DJ action (originally filed on 5/5/22 in which Gates is asking a judge to clarify who is the statutory sponsor) came before a judge on 1/9. Both sides were heard. Judge requested each party to submit a proposed order which was done on 1/20. Waiting for judge's ruling.
- e. Institute's BOD meeting last week—Laura Merrick stated that they were working to file necessary paperwork to close the state related CAP that was imposed last January.
 - i. Important to note that the SCDE CAP was embedded into CAP that the Institute imposed in October 2021. Contrary to a narrative being told, Gates has 1 CAP—since the SCDE CAP was embedded into the CIE CAP (not 6).
 - ii. Gates recognized the CAP as being completed on June 6, 2022. Yet the CAP was not submitted to SCDE by CIE until January 2023.
 - iii. However, the goal posts for the CAP keep being moved back. Gates has been told that completing certain tasks will allow the enrollment freeze to be lifted. Those tasks get completed and then more tasks are added.
 - iv. Both the school and board have requested a concrete, numbered checklist of items on the CAP. Have not received. Instead directed to a rolling spreadsheet.
- f. Under enrollment freeze for 12 out of 15 months
- g. Under threat of revocation for 10 out of 18 months.
- h. Our 1/17 special board meeting was to approve another communication to the Institute Board & Erskine College Board of Trustees requesting:
 - i. a good faith mediation to resolve all issues and to lift the pending revocation to allow Gates School a realistic chance of success in educating dyslexic learners.
 - ii. Also shared a report by our SPED consultant discussing short & long-term plans of school
 - iii. Requested to have the opportunity to share compliance efforts and stories of success with the boards.
 - iv. Received correspondence from the Institute Director yesterday acknowledging receipt of this communication and informing Gates that mediation was not appropriate at this time.
- i.

9. Treasurer's Report

- a. Attached below along with December financial statements for December month end.

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10. Executive Session ; Stephanie makes a motion to move in Executive session at 5:05pm; 2nd by Eric Bentson; All in favor.

- a. Discussion of negotiations related to proposed contract pursuant to S.C. Code §30-4-70(a)(2)
- b. Going back to the regular session at 5:47pm.
- c. Returned to open session at 5:48pm. No votes taken.

12. Possible Action Items Related to Executive Session; We authorize the chair, to sign and send, on behalf of the board, the correspondence, in substantial form, as reviewed in executive session. Bob McFerran motioned. 2nd; Eric Bentson. No discussion. All in favor.

13. Adjourn by SS at 5:50pm; Bob McFerran 2nd. All in favor.

Minutes submitted by Ashley Goverman.

Gates School

Financial Summary

January 26, 2023

Good afternoon, here is this month's Financial Report:

- Available cash in the bank is \$215k as of end of December
- Cash in reserve totals \$241k – this is not able to be accessed.
- The Planning and Implementation Phase 2 funding from the state arrived early December
- Long term accounts payable total approximately 150k and this is in addition to the bond payment which is 32k per month
- By way of background information, the way funding works for Charter Schools, is a set amount of revenue is received for each student enrolled in the school. The ongoing enrollment freeze imposed by The Charter Institute at Erskine is significantly negatively impacting the school's finances and its viability
- The school is running lean on expenses where possible but a notable exception is in expenditures for student special education. Gates has spent \$199k this school year so far (July to December) on special needs services and support versus a budget approved total of 140k for the whole school year. As a point of reference, Gates receives revenue from the State for each student enrolled and an additional \$6,000 approximately if the student has an IEP plan. To put this amount into perspective, Gates School is spending more money on its special education program than the total debt payment for the building.
- We are very thankful for and working closely with our team at Veris regarding the school's cash flow projections and potential revenue increase if the students currently on the waiting list are allowed to enroll (by Erskine)
- Attached are financial statements for December month end

Gates School
Balance Sheet
As of December 31, 2022

	<u>Dec 31, 22</u>	<u>Nov 30, 22</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
101 · South State 2662	109,910	228,017	(118,107)
104 · PayPal	18,529	18,211	318
117 · US Bank			
117.01 · US Bank - Debt Service	241,491	242,376	(885)
117.04 · US Bank - Capitalized interest	47,696	172,995	(125,299)
117.05 · US Bank - Cost Of Issuance	0	0	0
117.06 · US Bank - Revenue Fund	110	31,913	(31,803)
117.07 · US Bank - Expense Fund	1,878	1,250	628
Total 117 · US Bank	<u>291,175</u>	<u>448,534</u>	<u>(157,359)</u>
Total Checking/Savings	<u>419,614</u>	<u>694,762</u>	<u>(275,148)</u>
Other Current Assets			
135 · Due from State	0	6,608	(6,608)
137 · Due from District/ Institute	0	1,374	(1,374)
140 · Prepays	121,342	35,349	85,993
145 · Deposits	3,663	3,663	0
Total Other Current Assets	<u>125,005</u>	<u>46,994</u>	<u>78,011</u>
Total Current Assets	<u>544,619</u>	<u>741,756</u>	<u>(197,137)</u>
Fixed Assets			
220 · Building	2,183,654	2,183,654	0
225 · Building Improvements	74,644	74,644	0
230 · Furniture and Equipment	108,029	108,029	0
232 · Technology	120,671	120,671	0
240 · Land	2,050,000	2,050,000	0
250 · Accumulated Depreciation	(84,222)	(84,222)	0
Total Fixed Assets	<u>4,452,776</u>	<u>4,452,776</u>	<u>0</u>
TOTAL ASSETS	<u>4,997,395</u>	<u>5,194,532</u>	<u>(197,137)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
410 · Accounts Payable	41,912	34,839	7,073
Total Accounts Payable	<u>41,912</u>	<u>34,839</u>	<u>7,073</u>
Other Current Liabilities			
415 · Due to SC Loan Fund	144,215	144,215	0
443 · Accrued Interest	0	159,060	(159,060)
450 · Accrued Payroll & Payroll Taxes	161,771	161,771	0
455 · Payroll Liab - Health Benefits	0	1,034	(1,034)
490 · Other Current Liabilities	32,588	32,588	0
Total Other Current Liabilities	<u>338,574</u>	<u>498,668</u>	<u>(160,094)</u>
Total Current Liabilities	<u>380,486</u>	<u>533,507</u>	<u>(153,021)</u>

Gates School
Balance Sheet
As of December 31, 2022

	<u>Dec 31, 22</u>	<u>Nov 30, 22</u>	<u>\$ Change</u>
Long Term Liabilities			
610 · Bond Payable	5,305,000	5,305,000	0
Total Long Term Liabilities	<u>5,305,000</u>	<u>5,305,000</u>	<u>0</u>
Total Liabilities	5,685,486	5,838,507	(153,021)
Equity			
760 · Unrestricted Net Assets	(497,801)	(497,801)	0
Net Income	<u>(190,285)</u>	<u>(146,174)</u>	<u>(44,115)</u>
Total Equity	<u>(688,091)</u>	<u>(643,975)</u>	<u>(44,115)</u>
TOTAL LIABILITIES & EQUITY	<u><u>4,997,395</u></u>	<u><u>5,194,532</u></u>	<u><u>(197,137)</u></u>

Gates School
Statement of Revenue and Expenditures
For the Month and Year to Date Ended

	Dec 22
Ordinary Income/Expense	
Income	
1000 · Local Funding	
1510 · Interest Income	1,076
1740 · Student Fees	0
1790 · Other Pupil Activities	0
1920 · Contributions and Donations	
1920.01 · Unrestricted Contributions	3,360
1920 · Contributions and Donations - Other	0
Total 1920 · Contributions and Donations	3,360
1999 · Other Income	0
Total 1000 · Local Funding	4,436
3000 · Base Funding	129,626
3001 · State Funding	5,509
4000 · Federal Funding	0
Total Income	139,571
Gross Profit	139,571
Expense	
100-000 · Personnel	
100-100 · Personnel-Instructional	
100-001 · Salary	48,264
100-002 · Health Benefits	4,813
100-003 · Taxes	3,748
Total 100-100 · Personnel-Instructional	56,825
200-100 · Personnel-Support	
200-001 · Salary	25,615
200-002 · Health Benefits	2,513
200-003 · Taxes	2,016
Total 200-100 · Personnel-Support	30,144
Total 100-000 · Personnel	86,969
300-000 · Contracted Services	
300-001 · Instructional Services	3,470
300-002 · Special Needs Services	18,521
300-003 · Support Services	12,686
300-004 · Prof Development & Travel	2,500
Total 300-000 · Contracted Services	37,177
400-000 · Supplies	
400-001 · Instructional Supplies	498
400-003 · Support Supplies	157
Total 400-000 · Supplies	655

Gates School
Statement of Revenue and Expenditures
For the Month and Year to Date Ended

	Dec 22
500-000 · Facilities	
253-525 · Buildings	0
253-545 · Technology, Equip and Software	17,084
254-321 · Operations-Water&Sewer Srvc	0
254-322 · Operations-Cleaning Srvc	1,433
254-323 · Operations - Repairs & Maint.	83
254-329 · Operations-Trash Srvc	162
254-340 · Operations-Telephone	90
254-410 · Operations-Supplies	151
254-470 · Operations- Electric, Gas, Oil	989
258-329 · Security - Bldg Security System	0
258-395 · Security - Contracted Services	155
Total 500-000 · Facilities	20,147
600-000 · Other Expenses	1,928
700-100 · Pupil Act	3,854
Total Expense	150,730
Net Ordinary Income	(11,159)
Other Income/Expense	
Other Expense	
500-100 · Debt Services	32,956
Total Other Expense	32,956
Net Other Income	(32,956)
Net Income	(44,115)