

AppleTree Early Learning Public Charter School Board of Trustees Meeting Minutes
Tuesday, January 13, 2009, 6:00 pm
Riverside Campus – 680 I Street SW, Washington, DC 20024

Trustees present: Matt Downs, Bridget Bradley Gray, Melinda Gray, Elizabeth Keys, Celia Martin, Jack McCarthy, Sara Mead, Vince Morris, and Paula Young Shelton.
Management present: Kelly Cannon, Mary Anne Lesiak, Russ Williams, and Anne Zummo.

Call to order. After establishing that a quorum was present, Mr. McCarthy called the meeting to order at 6:21 pm.

Consent calendar. Ms. B. Gray moved to approve the minutes from the November meeting and Mr. Downs seconded the motion. The motion passed unanimously.

Board Development Committee's report. After phone and in-person interviews with interested candidates, the committee selected Melinda Gray as its nomination for parent Trustee. Ms. Shelton presented the motion, which Mr. Downs seconded. The motion passed unanimously.

Principals' reports. Ms. Zummo reported that the Columbia Heights campus has received approximately 35-40 applications for the 2009/2010 school year, well before the lottery, scheduled for April 6. The campuses are hosting kindergarten transition programs to help families select the best fit for their students. Copies of the principals' reports follow these minutes.

Executive Director's report. Mr. Williams reported that he has been monitoring actively the city's budget so that the school can anticipate and react accordingly to any changes. Mr. Williams and Ms. B. Gray, chair of the Finance Committee, requested from Wachovia an increase of the school's line of credit (LOC) commensurate with the increase in the school's size. Wachovia approved the request and the LOC has been increased to \$150,000 from \$30,000. The school has not used the LOC this year and does not expect to; the LOC is still viewed as a short-term tool only and would be paid down immediately if used.

Finance Committee's report. The school's fiscal outlook continues to be positive, with revenues slightly over budget and expenses slightly under budget. The rollout of the Walton grant has been slower than expected, but will be accelerated in early 2009. Mr. Williams reported that a new Individualized Education Program (IEP) for a student required a one-on-one aide. There is some excess built into the budget that will cover some of the expense; the school will also file the necessary report to receive reimbursement (expected in late spring or summer). The Trustees discussed using accrual and cash formats on the cash flow and balance sheet and ensuring methods are consistent so the financials are easy for all to read and understand. The Finance Committee continues to work to formalize internal controls as suggested in the audit and focus on the new IRS Form 990 Return for Tax Exempt Organizations, including updating the Board calendar to reflect all 990 updates and policies. In accordance with the Board calendar and Sarbanes-Oxley requirements, the Trustees reviewed the lease for real property between AELPCS and AppleTree Institute, entered into in 2006. Over time and at the appropriate time, the lease may be edited to reflect the triple-net nature of the arrangement. (A

triple net lease is one in which the lessee pays rent to the lessor, and also pays taxes, insurance, and maintenance expenses related to the property.) Copies of the most recent financial statements follow these minutes.

New business. The Board discussed the proposed whistleblower and document retention and destruction policies. The Trustees agreed to adjust the document retention and destruction policies to make specific to an educational institution. Mr. Williams will seek guidance from the Office of the State Superintendent of Education (OSSE) to ensure that the school's policies are consistent with OSSE requirements. Ms. Shelton moved to accept the whistleblower policy as proposed. Ms. Mead seconded the motion, which passed unanimously. The newly adopted whistleblower policy follows these minutes.

Board member orientation. Orientation for new Trustees, and for current Trustees seeking additional information, will be held at 5:30 pm on Tuesday, February 17, before the regularly scheduled meeting.

Adjournment. The meeting adjourned at 8:09 pm.

Elizabeth Keys
Secretary

The next meeting of the AELPCS Board of Trustees is Tuesday, February 17, 2009, at Riverside Baptist Church.