

**Dugsi Academy Charter School
Board of Directors
September 19, 2019 Minutes
4:00 PM**

Board Members: Shukri Hassan (Chair), Jeremy Plaisance (Secretary), Warsame Warsame (Treasurer), Patricia McKee, Annette Gardner, Amina Abdullahi

1. Call to Order

The meeting is called to order by Shukri at 4:15PM.

2. Approval of September Agenda

The motion to approve the agenda is moved by Annette and seconded by Patricia. The motion carries.

3. Approval of August Minutes

Item 4: The BOD was not given a contract for True North.

Item 11: It is stated to add Mr. Bruce's community comment on QCOMP. Mr. Yusuf also made a comment.

The motion to approve the minutes with the corrections was moved by Shukri and seconded by Annette. The motion carries.

4. PUC-OPCS Introductory Comments

Operations -

At Board Meetings the conversations are just for the Board Members. People in the audience do not participate until "Community Comments" unless called upon.

Financial State -

From an academic standpoint, PUC feels confident in the academic growth of the school. PUC has been concerned regarding the financial state of the school. The current financial state of the school is less than PUC had hoped. PUC pointed out there are many groups involved in running the school, including the Board, True North, and Designs for Learning. PUC says more urgency needs to be felt regarding the financial situation to avoid ending the fiscal year in SOD. PUC has issued specific actions to both True North and the Board on what they need them to complete. Should these actions not be completed, further intervention would be triggered.

Elections -

PUC has met with the Governance Committee regarding Board elections. PUC's interpretation of the bylaws determine elections cannot take place at this time. Antonio expresses the bylaws are not clear and could use updating for clarification. During further Board development PUC suggests bylaws become a focus.

5. Financial Update

Shukri opened by stating the school is in SOD and looking to climb out quickly. True North has agreed to forgive substantial money to prevent the school from heading into SOD. Shukri expressed gratitude toward Mary for agreeing to this. Shukri would like Mary to write a statement via e-mail to Ann Yang that True North forgives \$372,000 owed to True North by Dugsi Academy. Shukri also expressed concern the money owed to True North for 2020 could also be problematic for the future fund balance.

Mary responded she absolutely agrees to what both parties are trying to accomplish. True North's intent is to do what is necessary to avoid SOD. Mary does want to defer to the accountants regarding the next steps.

Ann discussed various vendors who have verbally agreed to forgive or postpone certain debts for services provided in FY19. Ann is asking for these vendors to provide written and signed statements regarding the money they are willing to forgive for FY19. These written statements would be enough for the auditor.

Mary asked Ann to explain the fund balance at the end of FY19 as it relates to FY20. Ann says if True North and other vendors forgive the money they verbally committed to (\$399,238), the school will still have a deficit but avoid SOD. The saving would carry over into FY20, where the goal is to replenish savings so the school is sustainable going forward.

Annette asked for clarification on which financial year QCOMP payouts are counted on. Ann says the bonuses would be charged toward FY19. Mary says this needs to be checked because it would impact the fund balance toward saving the school from SOD.

Patricia asked Shukri to clarify what she needs from vendors to be written for debt forgiveness. Shukri clarified a simple clear sentence from vendors regarding what they will forgive will suffice. Annette suggested the vendors refer to the guidelines set by Ann. Shukri emphasized time is of essence.

A document from a previous meeting(s) was referenced by Shukri, Antonio, and Mary. This document discusses payments and payment schedules to True North. Mary suggested accountants need to be involved for this. Shukri asked for more clarification on how this money owed will be documented in Dugsi's financial records. Ann displayed a visual of the school's finances on the white board clarifying what counts toward FY19 and what counts toward FY20.

To close the conversation, Shukri reminded everyone that the school avoiding SOD in 2019 does not mean the school is in the clear for 2020.

The motion to approve the Binding Letter Agreement pending the review by audit professionals moved by Shukri and seconded by Patricia. Warsame votes nay and Annette abstains. The motion carries.

1. Vendor Agreements

The contract for the School Leadership Project (TSLP) was presented to the Board. Katie Barrett Kramer stated there is a fee in the contract, however, that is only to be paid when the finances are available for the school.

Annette states the need for assistance if the Board is to be successful fulfilling their duties. She believes some items could be accomplished by the Board through hard work to reduce the cost of TSLP's contract. Examples Annette provided were TSLP's proposed assistance regarding elections and agendas.

Shukri expressed the Board's need for assistance has never been greater than it is right now. Shukri desires procedures to be put into place so if the current Board Members left, the procedures would continue. Larry echoed this statement.

Warsame asked for clarification on the timeline of the contract and where it would fit with the budget. Katie re-emphasized TSLP's willingness to delay payment until the school is ready in hopes of establishing a long-term partnership.

The motion to approve the contract for TSLP pending the review of the timeline was moved by Patrica and seconded by Jeremy. The motion carries.

2. Revised Reimbursement Policy

The policy will be given to Board Members and will be up for a vote in October.

Financial Update -

Ann reminded everyone financial statements are being sent to the board ahead of time and presented to the Finance Committee before every Board Meeting.

A revised or working budget will be presented to the Board at the October meeting.

True North will continue to advocate for philanthropy for the school.

The motion to approve the August Financial Statement was moved by Warsame and seconded by Annette. The motion carries.

6. Human Resources

1. Updated Staffing
2. Q Comp Proposal/Committee
 1. Next Thursday's meeting will discuss distribution protocols. This will include distributing money to employees who resigned if they met the goals.
3. Job Descriptions

7. Designation of IOwA for EDIAM

The motion to designate Mary Stafford as the Identified Official with Authority (IOwA) to authorize user access to State of Minnesota Education secure websites for your local education agency or organization was moved by Jeremy and seconded by Patricia. The motion carries. Mary Stafford's e-mail address is mary@truenorthed.com.

8. Approval of Employee and Parent/Student Handbooks

The motion to approve the new employee and parent/student handbooks was moved by Jeremy and seconded by Annette. The motion carries.

9. School Update

Mary updated the audience on the high level of student retention the school experienced heading into the new school year. Mary also highlighted the growth on the MCA scores. Mary credits a great staff.

10. Evaluation True North School Network

Warsame e-mailed the entire board a rubric to evaluate True North. By springtime he hopes changes will be made to the document. The rubric will be discussed at the next board meeting and will be a closed agenda item. Warsame also passed out documents pertaining to board development.

11. Governance Committee Update

The Governance Committee spent much time attempting to set up elections for October. As stated by PUC earlier in the meeting, PUC's interpretation of the school's bylaws will not allow for October elections. The key points highlighted involve the language regarding when annual meetings take place and new members being seating at the beginning of the financial year. Patricia apologized for the "false starts" on elections and stated she remains committed to holding elections as early as possible. There is one current vacancy the board will accept nominations for. This seat is voted on by current board members. The hope is to fill the seat with someone holding a meaningful financial background. The Governance Committee in collaboration with TSLP will look at updating the Board's bylaws.

Jeremy asked for clarification on when elections would take place considering the confusing language of the bylaws. Patricia and Antonio clarified a May 2020 election seems most likely.

12. New Business

No new business was presented.

13. Community Comments

Khalif - 1. What is the difference between elections now and May? 2. Who is responsible for Board Election arrangements? What is the role of our authorizer regarding Board Elections?

Ahmed - Adding to Khalif's statement, displays a letter distributed last Spring by the Board regarding the postponement of elections from May 2019 to October 2019. What is the reason for postponing elections?

Jen - Asked for clarification the Governance Committee is putting a priority in rewriting the bylaws. She says no Board can function with bylaws containing so many inconsistencies. Jen also stated she enjoys working for True North and its management. Said she felt safe and affirmed working for True North. She says she works at Dugsi despite opportunities to work

elsewhere for more money. She says True North is the reason teachers stay when they may otherwise go.

Jim - Completely endorsed Jen's statements. Called working for True North a professional, inspiring, and non-threatening experience. Says the school is clean, reflects the mission, background, culture, and tradition. The leadership is positive and affirming, completely non-threatening, and inspiring. Offers full support to True North and administration.

Adar - Mary told her she came to help the community. Referred to Mary as an angel to the school. Says Mary is a good person who loves the students. Says her and Mary are different skin, however, are the same.

John Sherman - Highlights steady, quantitative improvement in Dugsi's data. He said this is likely attributed to leadership. Says the issues are serious, but worth dealing with.

Antonio - PUC is looking for action on 4 items:

- Clearest Picture Possible on FY19 - He says he notices movement
- Plans to Avoid SOD - He says the conversations have gotten us closer
- Clear Plan on How School Plans to Stay Solvent - Significant challenges remain that will need to be figured out. Says we will need to stick to the budget and continue to revise it.
- Plans for the BOD to Hold True North and Themselves Accountable - Believes both praise and blame are deserved toward both True North and the BOD. Believes development with TSLP will move people in the right direction.

Fatuma - Worries people aren't speaking enough about the kids and instead are speaking more about money. She wants people to think about what is most important for the kids. She worries a tug-of-war is taking place and says the kids do not deserve this. She says whatever differences exist among results need to be resolved. Any conflict will be exploited by people on the outside to pull students away from this school. The kids deserve an education and some place safe. They deserve care, they deserve love. Please stop the tug-of-war.

Amina - She has the same feeling expressed by Fatuma. Dugsi is a community. We must all care for the kids, the school, and the reputation of the school. Our conflicts make the school vulnerable and cause hardship to our kids and parents. We need to come in with our common ground of caring about the kids. Put aside anything else, whether it is money or power, put it aside. She said the education has been very good and the marks show there has been progress. We don't want to get distracted from what our job is supposed to be. Her one concern she will express to Mary, the teachers who left were not all replaced. This could have a negative impact on this year's scores. Amina mentions the levels of the classroom have students mixed together. That really needs to be paid attention to for how these students are serviced.

Fatuma - She sees Mary try her best to provide quality education in a clean environment. She sees as a Somali community the need to come together.

Khalif - Thanks everyone who participated. He feels very happy. He appreciates everyone working hard for the sake of our children. He says please work together and put aside differences for what is best for the community. He says he supports the comments of Amina and Fatuma and appreciates them speaking.

Jim - Compares the current state of the school with what it was when he arrived in 2014.

Adar - Says the school reflects the Somali culture.

14. Adjourn

The motion to adjourn the meeting was moved by Annette and seconded by Warsame. The motion carries. The meeting is adjourned at 6:34.

Notice: A portion of this meeting may be closed to the public pursuant to Minnesota Statute Section 13D.03 or 12D.05