



MINUTES

The monthly meeting of the Board of Directors was held on Tuesday, August 8, 2017
 at the Lakes International Language Academy's Main Campus Library,
 246 11th Ave SE, Forest Lake, MN

General Business:

Call to order: 6:03 pm

Roll Call:

Board Members/Director Present or Absent:

name	present/absent
Dwayne Green (Chair and Parent)	P
Cecilia Delbene (Vice- Chair and Teacher)	P
Randall Bergman (Treasurer and Parent)	P
John Bodine (Parent)	P
Anna Taddei (Teacher)	P
Yao Hsia (Teacher)	A
Jenni Riley (Community Member)	P
Maria Velasco-Ranz (Teacher)	P
Angie Ebben (Teacher)	P (Skype)
Cam Hedlund (Director, Ex Officio Member)	P
Julie Lundgren (CFO, Ex Officio Member)	P

Unscheduled Visitors: Exec. Director Hedlund asked to move Director Peterson's agenda item

forward to report on Headwaters campus and Action Item “Enrollment Cap Exception”. Put in after “A. General Business”.

name	position/role
Shannon Peterson	LILA Director

Conflict of Interest disclosures: None

Review of Agenda: Approved, with one change, noted above.

Scheduled Visitors: None

name	position/role
None	

Affirmations: Chair Green affirmed everyone who went to board member training today at MSBA.

Action Item: Nominate and elect 2017-18 board secretary

Explanation	Member Ebben was elected as secretary at the July meeting but declined the role. The chair opened the nominations for board secretary.
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Discussion	Member Taddei was nominated and accepts the nomination.
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Vote		Yea	7	Nay	0	Abstain	0
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Decision	Member Taddei elected Secretary.
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Action Item: Policy 108 *Fixed Assets*

Explanation	Finance committee presenting policy for approval; one change recommended) There is a schedule of thresholds for capitalization in the policy. The finance committee recommends that the threshold for machinery/equipment/vehicles/furniture increase to match the federal threshold of \$5,000, to reduce the school’s administrative burden.
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Motion	To approve Policy 108 with change to noted capitalization threshold from \$1000 to \$5000.
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Made by	Member Bodine	Seconded by	Member Riley
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Discussion	The committee recommends moving the threshold to \$5000 to match the federal threshold and reduce the administrative burden on the school.
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Vote		Yea	7	Nay	0	Abstain	0
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Decision	Motion carried
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Action Item: Policy 110 *Internal Controls*

Explanation	(finance committee) Revision of policy to match school practices and improvements in internal controls for the school.
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Motion	To Approve policy 110 as presented
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Made by	Vice Chair Delbene	Seconded by	Member Riley
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Discussion	CFO Lundgren: We make changes and improvements to the policy each year. The changes are highlighted on the policy in the folder. The policy is a critical component in our anti-fraud and risk management strategy.
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Vote		Yea	7	Nay	0	Abstain	0
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Decision	Motion carried.
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Action Item: Policy 114 *General Accounting Principles*

Explanation	(finance committee) Annual Review
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Motion	Motion to keep Policy 114 as it is.
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Made by	Chair Green	Seconded by	Treasurer Bergman
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Discussion	No changes recommended. It is on the policy review schedule for annual review.
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Vote		Yea	7	Nay	0	Abstain	0
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Decision	Motion carries.
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Action Item: Enrollment cap exception, grade 12, due to sibling preference

Explanation	Two student applicants with siblings already enrolled have requested enrollment in Upper School. One is PSEO full-time.
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Motion	Motion to make an exception to the enrollment cap for sibling preference at Upper School
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Made by	Vice Chair Delbene	Seconded by	Secretary Taddei
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Discussion	Capacity at Upper School was discussed as well as implications for future similar situations.
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Vote		Yea	7	Nay	0	Abstain	0
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Decision	Motion carried.
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Action Item: Approve the Treasurer's report, June 2017 Financials

Explanation	No comments. The school continues to tie out FY17. Net income looks to be better than anticipated.
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Motion	Motion to approve the Treasurer's report
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Made by	Member Bodine	Seconded by	Member Riley
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Discussion	None.
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Vote		Yea	7	Nay	0	Abstain	0
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Decision	Motion carried.
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Discussion/Dialog:

Subject	Upper School report by Director Peterson and background for agenda item A.7. Enrollment cap exception.
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Discussion	Director Peterson noted we have hired 11 new staff at Upper School. Schedules for students are almost done and will get them on Thursday at orientation. Headwaters faculty are going on a retreat next week for community building, reflection, and planning.
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	<p>Enrollment cap: two families with siblings already enrolled would like to enroll their older students. One student would be full-time PSEO, but LILA would receive 14% of the state per pupil funding and it would not impact site capacity. Another family has a senior who was a LILA student K-6 and would like to return to LILA. Capacity at grade 12 would support this student. The addition of these students would raise grade 12 enrollment to 6.</p> <p>Director Peterson also noted the successful housing of the YMCA day camp at Headwaters campus this summer. A member asked if there will be a sidewalk between the YMCA and LILA Headwaters Campus. Director Peterson noted that the school will confirm that a sidewalk is part of the City of Forest Lake's construction project plan. If it is not, Member Riley offered to help by contacting State Rep. Dettmer.</p>
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Subject	Assign Board Members to Committees
Discussion	Members described the different committees. Members assigned themselves to committees on the electronic committee roster in the board folder. CFO Lundgren would like to approach a non-board member who is a LILA parent to serve on the Audit committee for added expertise. All in favor of list as presented.

Subject	Determine date for strategic plan final draft
Discussion	Carried over from previous agenda. Exec. Director Hedlund recommends that the board schedule a separate meeting time to finish the strategic plan in late September or early October. October 5th from 6-9 pm was selected.

Reports:

Subject	Executive Director's Report
Discussion	<ol style="list-style-type: none"> 1. Facilities: Added rooms at Lower School have been set up for use. The school has contracted second shift cleaning of all three buildings to an outside company. This company waxed Lower School floors over the summer with great results. Contract cleaning will save money overall. Custodians will still work during school hours. The Marcott house remodel, through some volunteers and paid labor, is almost complete and boarders will be staying in it soon. 2. Staffing: Staffing is in place at Lower School; very little hiring of new staff.

Subject	Finance committee minutes
Discussion	They are noted as reviewed and filed, including the June 2017 financial statements.

Action Item: Consent Agenda - including Secretary's Report (July Minutes) and Donations

Motion	Hearing no deletions, items will be adopted as part of the consent agenda.
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Made by	Chair Green	Seconded by	Treasurer Bergman
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Vote		Yea	7	Nay	0	Abstain	0
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Decision	Motion carried.
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Announcements:

FLASB: The LILA board will no longer regularly attend the Forest Lake Area School Board meetings. If an item of interest comes up, board members can add it to the agenda.

PTO: First meeting will be in September

Board Training Updates:

1. CFO Lundgren attended an S&P Global Ratings webcast on July 12, 2017 that recapped 2016 S&P charter school ratings activity and provided a 2017 outlook. CFO Lundgren: As LILA approaches financing for our own facility needs and what impacts facility bonding, we will watch trends and risk factors.
2. CFO Lundgren attended an MDE webinar, *EDRS 102*, on 8/3/17 that covered common errors and how to fix them when using the Electronic Data Reporting System for Title and state and federal SpEd funding
3. Members Bergman, Velasco-Ranz, Riley, Taddei and Bodine attended new board member training at MSBA today, all three components completed.

Other Business:

Reflection on Board Performance: Fist of 5, 5 being an efficient meeting.

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Adjourn: 7:08 p.m.