



West Virginia Academy, Ltd.

## Governing Board Annual Meeting Agenda

November 2, 2022 | 7:00pm (EST)

Attending: Sirisha Dodda (S.Dodda, Board Member), Marie Fuhriman (M.Fuhriman, Board Member), Susan Dull (S.Dull, Board Member, Officer/Treasurer), Frank Fidler (F.Fidler, Board Member), John Treu (J.Treu, Board Chair), Curt Hassler (C.Hassler, Board Member), Becky Valentine (B.Valentine, Officer/Secretary)

### **I - Board Chair Updates & Approve Board Minutes from Prior Meeting**

J.Treu discussion of updated enrollment numbers. Our total enrollment with preschool and Pre-K to 9<sup>th</sup> grade is 320 students. Formal count is set at 304 students, excluding preschool, which is down from the 394 student number as of May 15, 2022, which was in the mid 400s including preschool. A number of factors contributed to the reduction in the count at the different levels. Preschool enrollment was dramatically impacted by DHHR intervention where DHHR representatives attempted to classify our programs as daycare instead of preschools by a public school. While we believed and continue to believe that intervention is inconsistent with the law, our ability to offer a broad program was significantly inhibited by that intervention. With respect to the Pre-K to 9<sup>th</sup> grade enrollment, the most pertinent issues impacting our enrollments appear to have been the lack of transportation and lack of knowledge about the significance of enrollment. Enrolling in a charter school is optional, but, once enrolled, attendance is mandatory, but there were many families that enrolled but simply never attended and then eventually enrolled in other schools. This accounted for the majority of the declines in enrollments.

J.Treu – Our first item of business is the approval of the board minutes that I circulated prior to this meeting.

**MOTION:** C.Hassler moves to approve board meeting minutes from board meetings on 6/30/22, 7/14/22, and 9/15/22, respectively. Seconded by F.Fidler and S.Dodda.

**DISCUSSION:** none.

**OUTCOME:** Motion is unanimously approved.

### **II - Ratify Extension of Lease Agreement(s);**

J.Treu – WVA has two lease agreements that we are extending, the first is the lease on the building we are renting at 763 Chestnut Ridge Road, which would become a four year lease with a fifth year option, and the second lease is the land lease-purchase option at the Falling Water Property, which would extend for six months. Our initial plan was to lease the current facility for two years and begin construction this fall on the new facility that we would enter by the Fall of 2024. However, in order to have sufficient excess working capital to fund that construction we need to operate in the mid 400

student range (including preschool) as opposed to being in the mid to low 300 student range. The extension of our current facility lease extends the time that the rent that repays the leasehold improvements to the landlord are recovered from 18 months to 48 months, which very significant decreases in our monthly rent.

B.Valentine confirms that the reduction is from approximately \$53K to \$37K in monthly expenses, which helps with cash flow.

J.Treu So these extensions are necessary given our reduced enrollments and accompanying reduction in revenues and gives the organization time to build enrollments and fund the build in the future. The lease extension was also required in order to preserve cash flows.

C.Hassler – Does this step commit our school to being in the current facility for four years?

J.Treu – Essentially yes, we are committing to being in this building for four years by signing a four year lease.

**MOTION:** S.Dull moves to ratify facility and property lease agreement extensions, seconded by M.Fuhriman.

**DISCUSSION:** none.

**OUTCOME:** Motion is unanimously approved.

### **III - Possible Expansion Seats on Governing Board and Filling Vacancies;**

S.Dodda – I have some family obligations that make it difficult for me to continue serving on the board.

J.Treu – We have been analyzing our board membership in order to identify membership that can assist in our objectives as an organization. Need to have legal, finance, and curriculum members. Also, officers are permitted to vote for board members, but are not on the expansion of board seats. Frank Oliverio has expressed a willingness to sit on the board and he fills two roles, both as an attorney and a parent. Sarah Stewart is a parent with expertise in PR that has indicated she would be willing to serve. Anthony Romeo, a parent with development expertise, has expressed an interest in serving on the board. There are other parents who could meaningfully contribute, but I'd like to discuss this group first as they fill specific needs.

S.Dull – I have known Frank Oliverio and his wife Amy for many years and they have asked what they can do to step up and help and they are phenomenal.

J.Treu – I have had similar experience with the Oliverios. I also should note that Frank Oliverio has a conflict in relation to the lease agreement because he represented the landlord on the lease so he would not be able to vote on matters relating to the lease.

F.Fidler – I also know the Oliverios and highly recommend them.

J.Treu – We do have other parents who have submitted their information for consideration for the board and I am highlighting only individuals who fill specific needs for current consideration, but this discussion suggests the board is supportive of Frank Oliverio being added. A benefit of adding Frank

Oliverio would be beneficial as we move to 7 members and an odd number is helpful in avoiding deadlocks.

C.Hassler – If Siri leaves the board and Frank joins then we would still have 6, correct.

J.Treu – Yes. So Siri would open a new spot that we can fill in a future meeting.

S.Dodda – I'm happy to submit my resignation next week to facilitate adding new board members, just let me know how I can be the most helpful.

S.Dull – Discussion of the PR committee and communications. Will PR Committee be a board-level committee or an ACF level committee?

J.Treu – The PR committee could be either a board level committee or an ACF committee, so we would decide if we want it to be board level. The committee can be created now or in a subsequent meeting. We need to have an informed discussion of all parents who have volunteered for the board, but our approach today is based on filling a specific need.

C.Hassler – So the areas of need are finance, law, and curriculum? Do we need all of those now?

J.Treu – To clarify, we do already have two people on the board for finance/accounting with both Susan Dull and I, but we still have a need for a second person for curriculum. Please consider people who may be an option for that role.

M.Fuhriman – My husband Alex has a doctorate in education and could fill that role as both a curriculum expert and parent.

J.Treu – Thank you for that recommendation. Any other discussion? Hearing none, can I entertain a motion to expand the board?

**MOTION:** C.Hassler moves to expand board to 7 with a term ending 2025, Siri seconds.

**DISCUSSION:** none.

**OUTCOME:** Motion is unanimously approved.

J.Treu – Can I entertain a motion to appoint Frank Oliverio as the 7<sup>th</sup> member?

**MOTION:** F.Fidler moves to add Frank Oliverio as 7<sup>th</sup> member, seconded by D.Dull.

**DISCUSSION:** none.

**OUTCOME:** Motion is unanimously approved by board AND B.Valentine (Corporate Secretary).

#### **IV - Possible Update of Officer Appointments;**

J.Treu – We have had to have several discussions with our director, Rebecca Bobincheck, and intervene because she attempted to change the schedule in a way that violates our charter. We have also had a decline in enrollments that necessitated the elimination of some administrative positions. The specific approach that was adopted was to remove the director positions at the three levels (primary,

secondary, nursery) and consolidate those into a single director position. Becky Valentine, our HR Director, is here and she can confirm this or correct anything she feels needs additional clarification.

During the process of adjusting our personnel framework, Rebecca expressed that the director position is very taxing on her personally and she requested that we accelerate the transition to a different person to fill the role of executive director and President prior to the end of the school year. Also, Heidi Treu has recovered and indicated that she can resume her role as student services manager assisting families with IEPs and special needs, which has been an area of need at the school. Heidi provides an opportunity where she can assist and fill the role of director on a full-time basis so that Rebecca will no longer serve as director. Heidi understands our charter, our charter application, etc., and so she is able to help the school move forward in a way that Rebecca cannot, simply by virtue of a lack of institutional knowledge. So Rebecca will transition to a teaching role and Heidi will work as director.

We typically have the President and Director serve the same role, so with Heidi moving to the director position, to stay in conformance with past practice and our Bylaws, we would also change the office of President to Heidi Treu. Also, B.Valentine is serving in the role of Secretary, but may be more appropriate in the role of Treasurer. SuJi Kwon is our accountant and she can fill the role of Secretary.

S.Dull – I am happy to continue the role of Treasurer or pass that on to someone who is full time. I think in the short term it might make sense for me to retain that role at least until the other changes are in place.

J.Treu – Thank you for that input. We do have other officer positions that have not been filled. Specifically, we can appoint Vice Presidents to the board and it probably makes sense to appoint directors as VPs. Officers have the ability to vote on new board members and getting additional voices and assistance would be preferable.

F.Fidler – You say there is going to be a transition, is there a director that is going to be hired?

J.Treu – Yes, a position will be posted for an associate director with the idea that they would come in as the associate director during the remainder of this school year and then that person, assuming they fulfill the associate position effectively, would be promoted to the director for the following year. For stability, we do not want a third person to take over as director during this academic year and so we prefer that only Heidi or Rebecca fill that role if possible.

C.Hassler – Do we have sufficient funds for an associate director position?

J.Treu – With Rebecca Bobincheck in transition to a teaching role with a teacher salary pay level, we have funding freed up to hire an associate director. Heidi is only taking a part time salary and volunteering the rest of her time while serving as director. Increased funding in the second year will more than cover the cost of a pay raise as that person transitions from associate director to director or another person is hired in the even the associate director is not promoted. This approach does cost slightly more than our current salary load, but it's not equivalent to a full salary with benefits.

For some context to those who are new board members and might not be apprised of the history, we had an executive director hired for the beginning of the school year that declined the position a couple of days before the start of school for health reasons. This is why Heidi stepped into the role of director as she had been hired to be the student services manager working with SPED and IEPs. When Heidi had

to step away for health reasons, Rebecca Bobincheck assumed the role of director, which was anticipated would be for only one year. As noted, Rebecca had asked to accelerate that transition. This move gives Rebecca what she had requested by removing her from the director role and putting her in her in a teaching role. This puts us on a path to having an experienced director filling the role on a more permanent basis.

We will need to transition the President role to Heidi Treu and that can be done in this meeting or in our following meeting on November 17<sup>th</sup> when we are already planning to add additional officers. It's clear the President position should be held by the director, but that can be done today or in two weeks.

C.Hassler – So Heidi will resume the director role immediately and Rebecca would no longer serve as director and would become a teacher?

J.Treu – Yes, but since there are a lot of roles and responsibilities of director the transition takes some time to transition. Rebecca would be continuing in some of her director roles, but most would be offloaded to Heidi as Rebecca is teaching more. By the beginning of the second semester Rebecca is exclusively teaching.

C.Hassler – Is it important to have Heidi appointed immediately?

J.Treu – It helps because the transition should happen soon and formal documents may need to be signed. I'm agnostic about the change either way as it could be done today or next meeting.

M.Fuhrman – I think we should make the change now and not wait.

B.Valentine – I know the change is going to happen, but because I'm in the thick of it every single day and I know what Rebecca is doing with a lot of responsibilities and what Heidi has on her plate with IEPs scheduled and special ed solidified, it probably makes sense to transition after Heidi has caught up the documents. For my own personal sanity, I'd prefer not to let go of Rebecca's responsibilities right away.

J.Treu – Just to note, that this transition in title doesn't remove Rebecca as Director, that is done when Heidi finishes the IEPs. Rebecca Bobincheck can continue to sign checks and act as director until her title is changed when Heidi takes over as director after IEPs are caught up. The employment side of transitioning Rebecca from director and Heidi to director is done on the HR side. Rebecca will be ramping that up to teaching more hours as responsibilities are offloaded to Heidi and starting in the next semester she will be a full-time teacher.

C.Hassler – Would it make sense to make the president change after the director transition occurs?

J.Treu – We can go either way. The change to president can happen now before the director position officially switches or in two weeks on November 17<sup>th</sup> after that switch. I would not recommend a change prior to that time. Rebecca Bobincheck has indicated that she's flexible on when it happens. She was invited to this meeting and is not in attendance, so I don't think this is an important issue for her.

S.Dull – I think it's important to define roles for the new officers and get some definitive processes in place. So we can say we are going to vote on the 17<sup>th</sup> of November so she knows the timing on it.

J.Treu – I don't disagree that it might make sense to vote in the next meeting so that all officer positions transition at the same time. Is everyone comfortable with that?

General agreement is expressed with voting in the next meeting.

## **V - Updates on Financing & Operations;**

J.Treu – We need to refinance our loan because our cash position will become critical if we have to repay a full \$600K loan in one year. This may be in the form of a refinance or, alternatively, a loan modification on our current loan. This issue arises because the state and department of education provide cash in smaller amounts in the beginning of the school year and that amount increases over time. Another solution to our cash problem may arise through donors and grants. I am going to work on getting donations, but I shouldn't be the only board members moving on that front. Financially, there is no reason we shouldn't be successful over time, but there is a cash crunch arising from our funding system. Donations are the best way to address it because loans have to be repaid, but we should explore all options. We've contacted 4-5 banks, one has indicated it will not lend to us, another has already lent to us, so we're moving on those options.

## **VI – New/Other Business**

J.Treu – The current presidential administration is not fond of charter schools and recent regulations make it very hard for charter schools to access funding that has already been appropriated. The PCSB, our authorizer, has joined a lawsuit to oppose these regulations. They have asked whether we are planning to seek federal grants and I confirmed that we are, but the PCSB requested that we formalize that intent through board action. So I'd like to entertain a motion to confirm our organization's intent to seek federal grants for charter schools.

**MOTION:** S.Dull moves to direct the directors and officers to seek federal grants for charter schools, seconded by J.Treu.

**DISCUSSION:** none.

**OUTCOME:** Motion is unanimously approved.

S.Dull – I'd like to note that we had a short tax year last year (year ending 6/30), so I would need to extend the tax return filing date.

J.Treu – We might want to extend because I think there are a couple of small items in relation to the fundraiser that need to be recorded, so I'd propose we extend it.

S.Dull – I will file for the automatic extension tomorrow and we can clear those lingering items afterward.

**MOTION:** F.Fidler moves to adjourn meeting, seconded by S.Dull.

**DISCUSSION:** none.

**OUTCOME:** Motion is unanimously approved.

**[Above minutes approved in regular board meeting on 11/28/2022]**