

Board of Directors of Wayside Schools
Meeting Minutes
November 20, 2019

John Troy called the meeting to order at 6:01 PM.

Board members present: John Troy, David Shelly, Noah Wittman, David Dunn, Stacy Erb, Lillian Diaz-Gray

Staff present: Matt Abbott, Susan Pommerening, Deroald Hopkins, Marcia Molinar, Francisco Garcia, Bardo Montelongo

Guests present: Yeidy Montelongo, Mariester Flores and Marlon Williams of McConnell & Jones LLP (Auditor)

Public Comments:

Yeidy Montelongo - Stated she is a Kindergarten teacher at REAL, but here as a parent. She wants to bring to board some concerns about STMS specifically vacancies in the middle school. She reports that she is familiar with vacancies, but at the MS it is more pervasive. Sophia (her daughter) has had several teachers leave during the middle of the year. She is now looking for other options for her children for the future of their education. What are we doing about this? How do we stop it from happening? She shared this is a concern for other peers and co-workers as well.

John Troy thanked her for her comments and participation and shared that staff retention is a priority.

Mariester Flores - Spoke about about the New Teacher Academy (NTA). She thought the first meeting was great, new mentorship, culture building, and etc. It is relevant and helpful. Can Wayside better differentiate this support in the future - to tailor the learning for the site specific learning and growing?

Meeting Minutes

September 26, 2019 board meeting minutes were presented for review and approval. Lillian Diaz-Gray made the motion to approve the minutes. David Shelly seconded the motion. The motion passed unanimously.

Consent Agenda

John Troy presented the consent agenda:

- a. Discussion and possible action on the submission of the annual Governance Report to TEA via CSTS (Actionable)
- b. Discussion and possible action on Bilingual Exceptions and ESL TEA Waivers (Actionable)
- c. Discussion and possible action on TEA Waiver for CSPF operational item concerning 50% in Tested grades (Actionable)
 - John Troy asked Matt Abbott to provide additional context on this item. Matt Abbott shared that Wayside needs a waiver to 'waive' the 50% rule for the Charter School

Performance Framework as Wayside schools does not currently have 50% of its students taking a STAAR test because of our large Prek Program.

David Dunn made a motion to approve the consent agenda items as presented, therefore authorizing Wayside staff to submit the Annual Governance Report, Submit all needed Bilingual Waivers, and submit a resolution to request a Waiver to the 50% rule in the CSPF. Lillian Diaz-Gray seconded the motion. The motion passed unanimously.

Chief Executive Officer Report

Matt Abbott presented the board dashboard and the board discussed, attention was brought to the recent progress made on fundraising. Matt Abbott then provided the board with an update on fundraising to date. The first lunch tour had 3 attendees. One of three attendees is already committed to donating to Wayside. The lunch tour was 1.5 hours and attendees left impressed.

Matt Abbott then provided an update on current 2019-20 enrollment. Wayside's current enrollment is at 2008 scholars. Matt Abbott shared that historically enrollment decreases over the course of the spring semester. Last year we stayed relatively flat in enrollment which was better than in the past. The enrollment team is focusing on the development of a scholar persistence plan and will be rolling it out this spring across the network.

Discussion and possible action on the superintendent's evaluation was tabled until executive session.

Chief Academic Officer Report

Susan Pommerening provided an Academic Report on Student Performance. She shared that we are in the middle of benchmarking and middle of the year (MOY) testing and that she would provide more information at the January board meeting. Susan also wanted to give a shout out to Marcia Molinar for all of her working making for MOY tests that are being administered.

Susan then shared the positive things happening in our network, she noted:

- All campuses are implementing the tools and strategies after Internal School Reviews (ISRs)
- Data meetings are being held with exit tickets with fidelity.
- Bilingual curriculum will be purchased for 20-21. Curriculum fairs are going on now for new adoption of ESLAR materials.

Susan then presented to the board for discussion and possible action on TEA Targeted Improvement Plans for:

- Wayside: Altamira Academy
- Wayside: REAL Learning Academy
- Wayside: Sci-Tech Middle and High School

Susan shared the plans and noted that they all are incorporating live coaching, planning and Common Assessments. The only thing different is that STMS is adding more math and reading time to the school day, totalling an additional 100 minutes a day. Stacy Erb shared on behalf of the academic committee that she felt that plans were good and focused on our areas of need.

Stacy Erb made a motion to approve the Targeted Improvement Plans as presented. Lillian Diaz-Gray seconded the motion. The motion passed unanimously.

Discussion and possible action on Special Education Services concerning specific student(s) was tabled until executive session.

Chief Operations Officer Report

Deroald Hopkins presented for board review, discussion and possible action the FY19 Wayside Schools Final Budget Amendment.

After review, David Dunn shared that he wanted to state that the budget presented by Deroald will be in the following audit report to be presented by auditor Marlon Williams, of McConell & Jones LLP. Deroald Hopkins then explained that the current Wayside practice of a June final budget amendment being approved by the board does not provide enough time to ensure the amendment is materially accurate. Going forward, he will be bringing a policy for consideration that the board may choose to adopt an end of August final budget amendment for the prior fiscal year to address this issue.

David Dunn on behalf of the finance committee shared that he was in support of this updated timeline going forward for the final budget amendment. David also shared that because there is reason to believe that the last FY19 budget amendment made in June may have inaccuracies, that approving an updated final FY19 budget amendment tonight is necessary. He also shared that it is not the intention of the finance committee to bring an additional final amendment again this close to the audit in the future.

David Dunn made a motion to approve the FY19 Wayside Schools Final Budget Amendment as presented. David Shelly seconded the motion. The motion passed unanimously.

Marlon Williams, Senior Auditor at McConnell and Jones LLP, presented to the board for discussion and possible action the FY19 Wayside Schools Annual Financial Audit. Marlon shared that the audit was presented in detail to the finance committee prior to this meeting. John Troy shared that as a reminder, this was Wayside Schools first year working with McConnell and Jones LLP. Marlon then reviewed all parts of the audit, associated schedules and management letter.

Marlon shared that the FY19 Audit shows an Unmodified or "Clean Opinion" and is free of Material Weakness. Marlon then shared that he wanted to bring forward to the board what was identified as a Significant Deficiency noted on page 31. He reviewed the concern and shared that management has a plan for additional internal controls to ensure that this is not an issue going forward. He then reiterated that the Significant Deficiency is not a Material Weakness and does not impact the "Clean Opinion".

Marlon then shared that concerning the single audit of Federal Programs that the audit also showed a clean opinion and that Wayside continues to be Low Risk Grantee. David Dunn then asked Marlon to confirm if Wayside Schools had met our bond covenants, Marlon confirmed that Wayside had met its bond covenants. Marlon also noted for the board that Wayside had operated at a deficit in FY19 and provided details for this point. Marlon then shared that while we operated at a deficit in FY19 we are still considered financially strong as an organization. Marlon then shared that if Wayside needs to operate in a deficit for FY20, that he would advise the board to limit it to the best degree possible.

After the conclusion of the presentation of the FY19 Audit, David Dunn made a motion to approve the FY19 Wayside Schools Audit (AFR) as presented by Marlon Williams of MJ LLP, authorize it being signed by John

Troy as President and Lillian Diaz-Gray as Secretary; and submit it to TEA by the filing deadline. Stacy Erb seconded the motion. The motion passed unanimously.

Discussion and possible action on Wayside Schools Financial Liquidity Policy was tabled until a future board meeting.

Deroald Hopkins then presented the Statement of Activities as of 10/31/2019 to the board for review. Deroald also as part of his presentation stated that Wayside will conduct its required Charter FIRST public hearing in December and will report back to the board about its completion at the January Board Meeting.

Discussion and possible action concerning specific personnel issues was tabled until executive session.

At 7:47 PM, David Dunn made a motion to exit open session and enter into Executive Session to discuss all items allowable by law. Lillian seconded the motion. The motion passed unanimously.

At 8:50 PM, David Dunn motioned that the board exit Executive Session and enter open session. Stacy Erb seconded the motion. The motion passed unanimously.

No Action was taken as a result of deliberations in executive session.

At 8:51 PM, Lillian Diaz-Gray moved to adjourn the meeting. David Shelly seconded the motion. The motion passed unanimously.