

**Orenda Charter Schools
Board of Directors
Meeting Minutes
Monday, June 29, 2015 at 5:30 PM
Gateway Prep Campus Cafetorium
3360 Westinghouse Road
Georgetown, TX 78626**

Board Members in Attendance: Andrew Cottrill, President
Mick Swope, Member
Lesley Jensen, Secretary
Herman Matthews, PhD, Member

Administrative Attendees: Richard Rickey, Chief Executive Officer
Carla Silber, Chief Operating Officer
Margina Escobar, Director of Financial Services
Tommy Turner, Director of Community Relations
Julie Walton, Executive Assistant

- I. Welcome.
Andrew Cottrill called the meeting to order at 5:30 PM.
- II. Hearing of Citizens Who Desire to Come Before the Board
- III. **Action** on April 13, 2015 Board Meeting Minutes (Tab # 1)

Lesley Jensen made a motion to accept the April 13, 2015 Board Minutes. Herman Matthews seconded the motion, and it passed unanimously.

- IV. Financial Reports (Tab # 1)
 - A. **Action** on OCS YTD Ending May 31, 2015 Financial Report
 - B. **Action** on OCS Cash & Investment Summary Report for YTD ending May 31, 2015
 - C. **Action** on OCS 2014-15 OCS Budget Amendments
 - D. Donations & Fund Raising Report for YTD ending May 31, 2015

Herman Matthews made a motion to accept the OCS YTD ending May 31, 2015 Financial Report, the OCS Cash & Investment Summary Report for YTD ending May 31, 2015, and the OCS 2014-15 OCS Budget Amendments. Andrew Cottrill seconded the motion, and it passed unanimously.

- V. Academic and Instruction Reports (Tab # 2)
 - A. **Action** on Education Department General Administrative Regulations (EDGAR) policies
 - B. Update on SB 149
 - C. Update and **Possible Action** on Proposed New College Board AP History Curriculum and Exam

Herman Matthews made a motion to accept the Education Department General Administrative Regulations (EDGAR) policies. Andrew Cottrill seconded the motion, and it passed unanimously.

- VI. Old Business
 - A. Update on Charter Contract Renewal & Charter Amendment
 - B. Update on Phase 3 Construction at Gateway Prep
 - C. Update on Refinancing of Current Debt Under the PSF Program
- VII. New Business (Tab # 3)
 - A. Update on Residential Facility Campuses
 - B. **Action** on Charter Contract Renewal & Assurances
 - C. **Action** on Charter Expansion Amendment & Board Resolution

Mr. Rickey provided an update on the residential facility campuses.

Discussion followed on the TEA charter renewal contract letter dated May 14, 2015. Herman Matthews expressed that item #2 in the May 14, 2015 letter was vague and that the stated conditions and assurances required may not be supported by certified public accountants. Discussion followed on the negative financial ramifications of not signing the Charter Renewal Contract letter due to these concerns. Mr. Rickey reminded the board that the charter amendment request would require a signed charter renewal contract. Mr. Rickey went over the negative financial impact of any delays in not receiving a charter amendment approval for the 2015-16 school year.

Mr. Rickey also gave an overview of the school assets collateralized, procured and funded by private means and not from state or federal funding. Mr. Rickey stated his belief that school assets procured and funded with private means, and not with state or federal funds, should continue to be accounted for as "local" Orenda Education ownership interest in the financial statements. Andrew Cottrill expressed his concern, that while he agreed with proposed statement, "1. The school will procure the services of a certified public accountant to ascertain and to correctly classify the true and correct ownership interest of the School in its public (state) property, and to provide the necessary evidence and independent attestation to demonstrate and declare that such public property is held by the charter holder in trust for the benefit of students", he was fearful such a statement may not be accepted by TEA and cause a denial of our charter amendment, and thus, irreparable financial harm to Orenda. Discussion followed on the possibility of a legal challenge in the future if TEA does not grant the amendment request, or accept our future Annual Financial Statements due to this

accounting disagreement. Dr. Matthews made a motion authorizing the board president to sign the May 14, 2015 letter, amend the presented Resolution Concerning Charter Renewal by deleting item #1 wording, approve the presented Resolution Concerning Request for General Waiver, and Resolution Concerning Charter Amendment Request. Andrew Cottrill seconded the motion, and it passed unanimously 4-0.

The meeting adjourned at 6: 55 PM.

Board Secretary

NEXT MEETING August 10, 2015 @ 5:30 PM