

MINUTES

Of the Board of Directors of Grimmway Schools

(A California Non-Profit Public Benefit Corporation)

I. PRELIMINARY

1. CALL TO ORDER

The Board of Directors of this corporation, held their meeting at the time, on the day, and at the place set forth as follows:

Time: 4:02 p.m.

Date: November 27, 2017

Place: 901 Nectarine Court Arvin, CA 93203

2. DIRECTORS PRESENT

The following directors, constituting a quorum of the Board, were present at the meeting:

Present: Tom Mestmaker, Ernie Unruh, Manuel Pantoja, Matt Look

Absent: Sean McNally

Grimm Family Education Foundation Staff Present: Rick Phillips, Fiscal Manager

Grimmway Schools Staff Present: Paul Escala, Executive Director; Casey Yeazel, Chief Academic Officer; Michelle Lumis, Executive Assistant; Greg West, Director of School Support Services; Mike Romero, Director of Human Resources

Grimmway Academy Staff Present: Cole Sampson, Principal; Joanna Kendrick, Principal; Sarah Peterson, STEM Teacher at Grimmway Academy Arvin; Eric Tolley,

Others Present: Kristin Dietz, Back Office Provider with EdTec; Rocio Munoz, Assistant Superintendent, Richland School District

3. FLAG SALUTE

4. BOARD APPOINTMENT

The board accepted the appointment of Matt Look, as the Star Parents of Grimmway Academy (SPGA) representative on the Grimmway School Board of Directors.

5. APPROVAL OF MINUTES

A motion was made by Manuel Pantoja, seconded by, Matt Look and passed, to approve the minutes of the Board meeting dated November 27, 2017.

Resolved further, that the Secretary of the Corporation is authorized and directed to insert a copy of these certified minutes into the book of minutes of this Corporation and to see that a certified copy of these minutes is kept at the principal’s office for the transaction of business of this Corporation.

Board Member	Yay	Nay	Absent
Tom Mestmaker	X		
Sean McNally			X
Manuel Pantoja	X		
Ernie Unruh	X		
Matt Look	X		

II. COMMUNICATIONS

ORAL COMMUNICATIONS: NA

LEADERSHIP REPORT

Executive Director, Paul Escala was excited to shared that the Charter Management Office (CMO) moved into their new location at 5080 California Ave. Suite 100. Ernie Unruh shared that he stopped by the new office for a visit. Paul encouraged everyone to stop by to see the CMO’s new space.

Grimmway Schools continues to enjoy a surge in visibility in the broader community. In the month of November we hosted a number of visitors, including the Richland School District, Valley Children’s Health, Turner Construction, Kern County Board of Supervisors, California Charter Schools Association and Bakersfield Christian High School. Paul shared the importance of building our relationships with our authorizers and becoming an ambassador in charter school relations with the Richland School District.

November marked our first year of annual compliance reporting with Standard & Poors, Wilmington Trust, NewSchools Venture Fund and the Walton Family Foundation. Our ability to demonstrate measurable outcomes to our investors is crucial to maintaining their investment in our scholars.

Paul shared the Shafter campus project with Colombo Construction is officially closed out. As a result of strong project management and a fiscally conservative approach to our project scope, schedule and budget, not only did we complete the project on-time and on-budget, we netted a budget surplus. This surplus, which will likely range between \$450,000 to \$550,000, will be used to make necessary improvements to our Arvin campus.

The Schwab Foundation awarded Grimmway Schools a \$200,000 grant to support the advancement of our mission and programs for the next two years. Grimmway Schools has also been informed that we are finalists for a six-month strategic growth planning exercise with the Bellwether Institute, a non-profit organization who works with charter schools from across the county on strategic planning and growth plans. If selected, we will partner to develop a 3-5 year growth plan. The value of this activity is \$50,000, of which \$42,000 is funded by Charter Schools Growth Fund; Grimmway Schools would fund the balance.

PRINCIPAL'S REPORT-Grimmway Academy Arvin

Principal, Cole Sampson shared the fun festivities that occurred on Halloween at GA Arvin. A Farmers Market was held on November 2nd with ten different vendors. The event was open to the Arvin community and was well attended.

Sixth grade students attended CAMP KEEP the week of November 6th. Board member Ernie Unruh asked about the students who did not attend camp. Cole shared that students who did not attend CAMP KEEP stayed with a substitute teacher and worked on math and science activities.

PRINCIPAL'S REPORT-Grimmway Academy Shafter

Principal, Joanna Kendrick shared that enrollment is stabilizing and still above original projections. Students are gearing up for the Science Fair, NWEA exams and their Christmas concert. The parent club, Parents of Grimmway Academy (POGA) approved four fundraisers, including a father/daughter dance. The afterschool program will help with planning and building a float, along with parent volunteers for the Shafter parade on December 1st. Santa will be visiting the students on December 22nd.

Enrollment for the 2018-2019 school year will get underway in January 2018.

SPGA REPORT

President, Matt Look reported the SPGA currently has \$23,000 in their account, which is used to approved classroom supplies for teachers and purchase gift cards for fundraisers. Matt said there have been some challenges getting members to attend the SPGA meetings and due to lack of attendance by members. Paul stated the by-laws are being reviewed for a potential change. Principal, Cole Sampson mentioned the school is reaching out to parents via Facebook and phone calls to entice people to attend the meetings.

GS STAFF REPORT

Sarah Peterson, STEM Teacher at GA Arvin, shared the staff report. STEM Night was well received, with over 100 families in attendance. STEM Night offered families

multiple hands-on activities and test designs. Donations were secured from the community to help with the cost. Science Fair is coming up and the top two students from each grade will advance to the regional science fair.

Sarah shared that over 70 students attended CAMP KEEP. Students went on nature walks, went to Morro Bay, and observed otters in their natural environment.

LOCAL INDICATORS

Greg West, Director of School Support Services, discussed the new accountability dashboard and the four areas of self-reporting.

1. Basic Services
2. Implementation of State Standards
3. Progress Towards Parent Engagement
4. School Climate

Greg said surveys were used in the four categories and the outcome indicated all four standards were met. Ernie Unruh recommended the use of a “cheat sheet” for the Board of Directors to review the accountability dashboard online.

FISCAL REPORT

Kristin Dietz from EdTec (back-office provider) shared the November 2017 financial update. For GA Shafter, Kristin said the forecasted net income is currently \$-30,000, a \$30,000 decrease from the previous forecast. ADA is on track. Additional positions have increased the health and wellness costs. Utilities were also an increased expense. Paul gave some context as to why the utilities are high in Shafter. Demand charges for the first couple of months due to the hotter weather. Shafter cannot be compared to Arvin since we have a campus that is not fully enrolled and the layout is different. Costs will stabilize after the first of the year. Ernie asked how the City of Shafter charged GA Shafter for water and trash. Paul said by the square foot.

There have been some issues with internet service at GA Shafter. Ernie suggested contacting Roy Marchetti with KCSOS to help with the internet issues in Shafter.

Paul shared that school’s base rent schedules established under the tax-exempt bond financing structure approved by Board in June 2017 may need to be revised. Due to a new accounting rule, this revision would realign the rent schedule for both schools and could potentially create a temporary deferred rent liability. Staff is working with legal counsel, auditor, EdTec and the underwriter to identify an appropriate course of action.

Ernie asked what kind of encroachment are we adding to our special education costs? Kristin indicated we can add this into next month’s fiscal policy. Ernie asked what process do we have for kids who are high needs? Ernie recommended accessing the SELPA for help. Greg West said he is working with the SELPA for assistance. Joanna said Shafter uses the services of the county for occupational therapy and adaptive PE.

For GA Arvin, Kristin shared the forecasted net income is currently \$554,000, a \$13,000 decrease over the previous forecast. Enrollment looks good, ADA is currently at 783. Arvin's expenses are occurring as expected.

For the CMO, Kristin shared the forecasted net income is currently \$89,000, a \$229,000 decrease from the previous forecast. The CMO's expenses are occurring higher than expected due to salaries and benefits.

III. ACTION ITEMS

A. FISCAL

1. The Directors were presented with the Purchase Orders and Warrants for the month of November 2017 that were considered, and discussed. On a motion duly made by Ernie Unruh, seconded by, Manuel Pantoja and carried, the Board approved the November 2017 purchase orders and warrants.

Board Member	Yay	Nay	Absent
Tom Mestmaker	X		
Sean McNally			X
Manuel Pantoja	X		
Ernie Unruh	X		
Matt Look	X		

On a motion the board adjourned at 4:57 p.m.

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CERTIFICATE OF SECRETARY

I certify that I am the duly elected Secretary of the Grimmway Schools, a California nonprofit public benefit corporation; that these minutes, consisting of five (5) pages are the minutes of the meeting of the Board of Directors held on November 27, 2017.

Secretary