



Members Present: N. Donnay, R. Hajlo, D. Keyes, K. Denzer, A. Galati, C. Norman, M. Stiles

Members Absent: A. Melendres, S. Mueller

Ex-officio Members Present: J. Gutierrez, K. Gutierrez

Call to Order

R. Hajlo called the meeting to order at 9:23AM.

Consent Agenda - J. Gutierrez

Board minutes from the September 20, 2022 meeting.

- Motion to Approve: C. Norman
- Second: A. Galati
- Approved: All

Open Meeting Law Training 4B: J. Gutierrez

1. J. Gutierrez summarized and answered questions. See below.
 - a. Open Forums are not required at open board meetings. Over the course of its history, St. Croix Prep has both offered and not offered open forum opportunities to the public. This has been based on public interaction at these forums.
 - b. All of our board meetings are open meetings and have met the notification requirements. These requirements are fulfilled when the Board approves its calendar, family handbook (which has board meeting dates), etc. Publication in the parent update is not a requirement for public notice, unless there is a change in schedule.
 - c. Posting of the board packet on-line is not a requirement of open meeting law; nor is offering on-line viewing of the meetings.
 - d. St. Croix Prep committees do not have delegated authority, therefore they are not subject to open meeting law; they do not need to post meeting information or minutes on the website
 - e. Affiliated building companies (FSCPA) and foundations (St. Croix Prep Foundation) are not subject to open meeting law.

Employee Retention Credit (ERC) 4A - Kelly Gutierrez, Paul McDowell

1. K. Gutierrez walked the Board through the ERC informational packet.
2. The ERC pertains to Covid impact during 2020-2021 - Deadline to apply - April 2023
3. Are we eligible? A key question is “Are charter schools a government instrumentality”, as government instrumentalities do not qualify for the ERC. Discussion ensued.
 - a. BKDV, our accounting service: Charter schools are not a government instrumentality.
 - b. CLA, our auditor: Charter schools are a government instrumentality.
 - c. Amy Mace, our legal counsel: There are six factors the IRS in relation to the question of government instrumentality. In four factors, it appears the School is not a government instrumentality; in two factors, it appears the School is a government instrumentality.
 - d. IRS “nominal impact” is vaguely defined.
 - e. CLA has spoken to the IRS. The IRS is refraining from directly answering the question and referring us to this guidance.
 - f. SCPA can reasonably demonstrate that it has had a 10% adverse impact due to Covid.
 - g. If audited by the IRS, the risk is the IRS will rule the School ineligible for the ERC and ask for the return of the \$1.1 million plus a 20% penalty.

Motion: To refile the 941X returns for quarters 2 and 3 of 2020 and quarter 1 of 2021 for the ERC.

- Motion to approve: K. Denzer
- Second: A. Galati
- Approved: All

Motion: To receive the refund in the form of a cash payout versus credit against future returns.

- Motion to approve: D. Keyes
- Second: C. Norman
- Approved: All

Governance Policy Approval (Board Director Requests from Administration) 4C: J. Gutierrez, M. Stiles, B. Hajlo, A. Galati

1. Explained the revisions made based on questions sent to the committee and direction from Amy Mace, SCPA Legal Counsel.

2. K. Denzer shared concerns about the following line in the policy: *Individual Board directors have no individual authority to investigate a complaint, to formulate a policy, to request or expect unbridled access to information, or to direct the Executive Director, Administration, or other employees to provide information that has not been requested by the Board as a body.*
3. Both M. Stiles and B. Hajlo addressed these concerns.
 - Motion to approve: M. Stiles
 - Second: A. Galati
 - Approved: All

Board Officers Qualifications - By-Laws Change (4D) B. Hajlo

1. Recommendation that the offices of Board Chair and Vice Chair have one year of experience on the SCPA board before being elected.
 - Motion to approve: C. Norman
 - Second: D. Keyes
 - Approved: All

Board Composition (4E) J. Gutierrez

1. Currently have a parent majority because of resignations.
2. In June of 2023, we will be back to a no clear majority board composition: 4 parents, 3 teachers, 1 community member.
3. Jon has spoken with four teachers; consideration by one is strong.
4. Board composition is impacted by the intent of teachers/parents who are up for re-election in May 2023. The two teachers (A. Galati and N. Donnay) expressed their willingness to run again.
5. Goal: to attract more teachers to serve on the board

Succession Planning (4F) J. Gutierrez and N. Donnay

1. Timeline: Succession planning in three phases
2. Reviewed: Oct. 25, 2022 Committee Meeting Minutes
 - a. Discussion and explanation of what has been done so far and future goals for the committee.
 - b. Currently researching and gathering information from multiple sources including other Friends of Educations schools.
 - c. Hoping to present everything to the Board by summer 2023.
3. Next steps:
 - a. Working on reevaluating the process of how to evaluate the Executive Director and Executive Director of Finance and Operations.
 - b. Will lay out a more detailed work plan for each phase of the process.

- c. For January meeting: the committee will share samples of standard employee agreements for Executive Directors.
 - d. Succession Planning will be a regular agenda item at future board meetings.
 - e. K. Gutierrez: Would like to know if the board would give consideration to her finishing her career at SCPA.
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- Motion to adjourn: A. Galati 1:13PM
 - Second: M. Stiles
 - Approved: All

Respectfully Submitted by A. Galati
St. Croix Preparatory Academy Board Clerk