

# Academy of Accelerated Learning, Inc.

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## **BOARD WORKSHOP MEETING MINUTES**

**DATE:** Tuesday, August 6, 2024

**BOARD MEETING TIME:** 9:00AM

**VENUE:** **ACADEMY OF ACCELERATED LEARNING SAVOY CAMPUS**  
**5999 Savoy Drive**

**Houston, Texas 77036**

President Brooks called the workshop meeting to order at 9:24 am. A quorum was established and in attendance were Board members: Tommy Brooks, James Douglas, Veda Brown and Isaac Ledesma. Board member Percy Creuzot arrived at 10:22 am. Quorum still present. Also present were Staff: Brandon Chandler (Superintendent), Martha Bravo, Kayla Vaughn, and Serrena Johnson. Other: Sandra Smith, Janeth Jackson, Joyce Jones, and Karen Emery (via zoom)

President Brooks called for a moment of silence.

Vice-President Douglas was called upon by President Brooks to read the AAL Mission, Vision, and Goals.

There were no parents or community residents appearing at the meeting to comment.

### **Action Item:**

Motion to approve Resolution authorizing the relocation of the Chimney Rock site from 6025 Chimney Rock, Houston, TX 77081 to 7419 Ashcroft Dr., Houston, TX 77081 was made by Dr. Douglas and seconded by Mr. Ledesma. Motion unanimously approved.

### **Budget Workshop**

Mr. Chandler opened the budget workshop by explaining the purpose of the meeting and giving information about the point of the budget workshop.

Preparing Reconciling and planning for the budget. He also introduced the team that would be presenting during the workshop.

Team:

Sandra Smith – back-office support

Serrena Johnson – AAL Business Manager

Karen Emery – back-office support

Additional support provided by other office staff within the district (HR, PEIMS, and Operations)

6 hours of continuing education credit (3 hours of board policy and 3 hours of budget) will be awarded at completion of the workshop

Ms. Cunningham has also been involved with some aspects of the budget planning.  
Scaling back the number of consultants used due to ESSER dollars going away and working to ensure adequate use of funds  
Dr. Brown requested larger print documents at future meetings

### **9:36 – Budget Workshop Started**

Budget Team to present budget information

Sandra Smith and Karen Emery

- Opened the budget with background on presenters (Sandra and Karen)
- Purpose is to provide recommendation on the next things the district will need to undertake as we look at the budget for the district
- presentation will become formal document as formal training of the Board of fiduciary responsibility of the board
- New theme: Building Academic Success

### **Budget Agenda Overview:**

Best Practices and Process

Charter School Budget Knowledge

Proposed Budget 24-25 SY

Items being brought to August Board Meeting (August):

- Amendment
- Proposed Budget

Required clean-up of previous budget and making updates/changes to control spending and keeping all stakeholders aware of district spending throughout the next school year.

Mr. Brooks requested additional information on budget amendment process and limitations as a Board.

Ms. Smith advised there will be information provided during the presentation.

Karen Emery:

Section Highlights

- Budget Defined
- Budget Responsibility
- Process Steps
- Financial Reporting
- Budget Monitoring

Budget Components: Revenue, Expenses, Educational Programs

- Must be fiscally sound
- Most important legal document
- Must be adopted before expenditures can be made for the fiscal year

Budget Responsibility:

- Difference in revenue and expenses; prepared consistently
- Financial Reports to Supt by August 10 to show solvency
- Unanticipated events can create budget problems (make amendment prior to spending)

## Importance of Budget

Effective financial management starts with good budget

Realistic budget is critical management/accountability tool

### **Budget Steps:**

Estimate Revenue – General Fund, # of Students, Projected ADA, Federal Funding, Student Performance, Donations/Fundraising

Estimate expenditures – estimated operating expenditures

Contingency Allowance – added to the budget following completion of rev/exp (Starting at 1%); critical during 1<sup>st</sup> 3 years; less is needed if charter has accumulated; Would typically want 5% but due to movement with the district

Budgeting Balance – Total revenue and expenditure combined; establishing a contribution of fund balance; reduce spending

Budget Approval – Necessary expenditure; reasonable revenue; fund balance responsible

### Discussion about budget amendments:

Dr. Douglas asked about the knowledge by the Board of the decrease in student enrollment number based on projected enrollment numbers for the 23-24 SY

Sandra Smith advised there was no evidence of previous Board approval of budget amendments in past board meetings

Dr. Brown reiterated the formal process required and request for being accurate with

Sandra Smith advised amendments can still be done as the fiscal year does not end until August 31 and referenced the recommendations to come later in the presentation

Explained deficit if showing due to delayed drawdowns being done on federal dollars to ensure accurate and efficient systems to track funds

Dr. Brown asked about interest revenue being included in the budget and Ms. Smith further explained that revenue from interest is included in the budget

Dr. Douglas asked about clarification about moving money within the district and how that money is tracked; Ms. Smith explained function code structure and advised the district could not move money from one function to another function but can move money by object code only. Advised there would be further information in the presentation. She advised that she is unsure if that has been the case in previous history and will provide law and compliance information.

Can the Board give blanket authority to make decisions to move money from object to object. MR. Brooks asked for clarification.

Dr. Brown asked if we could not include interest in the budget and have it as a cushion to the account. Ms. Smith says you have to include the amount but not spend it

Mr. Brooks asked how moving money from fund balance to purchase property (moving asset to asset) How does it lower fund balance; Ms. Smith advised TEA looks at it differently and only looks at cash

Mr. Chandler added that assets don't count towards fund balance such as CDARS.

Ms. Emery and Ms. Smith advised no money should be added to fund balance for 24-25 SY due to added expenditures.

Ms. Smith advised no evidence of budget planning and going forward starting in October budget planning would begin and a 5-year plan would be recommended

Dr. Brown asked how you account for changes in student enrollment and making budget decisions.

Mr. Chandler advised looking at snapshot during October and factor in those numbers and daily

reports on enrollment numbers in order to make adjustments quarterly or monthly and make amendments to the budget.

Dr. Brown asked how the move will affect the numbers; Mr. Chandler advised we typically can expect to lose about 10% of students; we are working with a marketing firm to increase enrollment; radio ads are running on Univision to increase enrollment numbers to cater to bilingual students/families

Discussion about Budget monitoring continued by Sandra Smith with information on things needed to be completed as we plan for the budget. Closing the budget, creating the budget, planning the budget.

Break @ 10:31

Board decided on Frenchy's for lunch during the August Board meeting

Called back to order 10:44

Budget Knowledge:

Ms. Smith talked about account code structure and parts of the budget format

- Local

- Federal

- State

- Donation/Fundraising

Requesting recommendations for groups and organizations that we can send donor letters to and requesting the Board for assistance with names of those that could be included in the list.

Dr. Brown asked if we as a district can ask our vendors to make donations to us? Ms. Smith said yes but we would need to draft a letter stating we are not going to give preferential treatment to those organizations.

Revenue streams discussed and the Title Funds we currently receive monies from. Discussed specifically Stronger Connections Grant in the amount of \$1 million dollars; added four positions with that grant such as Grant Manager, Social Worker, Family /Engagement Liaison, SEL/Behavior Support Coordinator. Grant used to address Social Emotional Learning gaps in education.

Reviewed Accounting Code Structure (S Smith)

55% of spending must be allotted to PIC 23, 24, 25

100% PIC 36

Public Transparency:

- Adopt annual operating budget on website

- Involve stakeholders

- Produce

- Finance Committee

- Share completed audits online

Dr. Brown asked how parents are involved in the budget process, Mr. Chandler advised he met with parents regarding the move to Ashcroft and a survey was conducted with parents of Bellfort students to ask about the potential of moving the Bellfort locations. Mr. Chandler recommended a

site-based committee for each campus to help participate with decisions. Advised we would need board level participation.

Dr. Brown asked about the impact of vouchers on charter schools. Discussion was had about vouchers and the potential negative effect on Charter schools. Ms. Smith provided information on how we need to make changes as needed to stay up to date on the school laws. Mr. Chandler advised as a district we have joined the TPCSA and discussed the advocacy they provide to charters at the state and national level. Ms. Smith reiterated the need for the financial stability of the district.

The discussion shifted to the private school advantages and how charter schools are falling behind. Ms. Smith discussed how private schools are over-enrolled and the changes in the educational environment and the disadvantages the charter has due to lack of funding. Vouchers could create a further divide between the two types of schools. Dr. Brown advised there is a different approach to the teaching of kids. Dr. Douglas mentioned the purpose of vouchers is to offset tuition. Dr. Brown wanted to ensure families realize the things not covered by vouchers.

Mr. Chandler advised it is important to improve the district marketing to focus on what we are good at in order to attract families. Dr. Brown advised we should focus on what they are looking for and focus on providing what they are looking for.

#### **24-25 Proposed Budget**

- Campus will have own budget
- 3% salary increase
- Bond funds

#### **Major Considerations:**

- Student Enrollment
- ADA
- Revenue decrease (ESSER)
- Revenue increase
- Better Employee Benefits
- Construction Cost

#### **Expenses**

- Non recurring costs
- Bond Costs
- Lease Payments
- Construction Costs

Dr. Douglas asked about the enrollment numbers being different from the numbers listed on the budget. Mr. Brooks asked about Student: Teacher ratio and asked about the increase in those numbers. Mr. Chandler explained how the teachers have combined classes and teachers were lost through attrition. Vacancies included in the ratios listed in the projected budget numbers

Mr. Creuzot asked is the district missing an opportunity to provide quality education by adjusting the staff and the cost of the staff adjustments. Mr. Chandler advised we have not added more staff and the numbers have remained much the same.

Dr. Douglas asked if we could adjust the coding and how custodial staff is coded to instructional account coding

Karen advised there were 5,372-line item account code and now under 2,000 with more deletions to come. A Charter school our size should have about 600-1000 account codes. About 80% -85% have been reclassified with correct account coding. Ms. Smith advised we are working to correct all coding on student and financial codes.

Dr. Brown asked about amendments that haven't been made and wants to know what the approved budget looks much the same as the proposed budget. Ms. Smith advised no amendment had been taken and no board action was taken during the board meeting. She also advised the money wasn't moved at that time and drawdowns would now be made to show the movement of money.

Ms. Emery advised you can over or under spend within 10% variance. Working to bring AAL within those limits by the audit so as not to receive any dings

Discussed was opened to Board about the financials and some of the things as a Board we should know

Mr. Ledesma and Mr. Brooks asked about the current state of the finances and what type of 'grade' AAL as an organization would receive based on where we are. Further wanted to know the role Ms. Smith will play in ALL

Mr. Chandler advised based on feedback from the audit firm and reached out to Ms. Smith due to her experience with charter finance and getting AAL to full compliance. Ms. Smith has been working in a back-office role and in the role to transition Ms. Johnson to take over the full responsibilities of business manager.

*Motion to recess the meeting for lunch was made by Mr. Creuzot and seconded by Mr. Ledesma. Motion carried unanimously and the meeting was recessed for lunch at 12:05 pm.*

*President Brooks called the meeting back from recess into the Policy Workshop at 1:04 pm.*

### **Begin Board Policy Workshop**

Mr. Chandler explained the purpose of having a Board Policy and the need for policy to help ground the operations of the district

The Board Policy Manual consists of six modules:

- Governance
- Instruction
- Students
- Personnel
- Special Education
- Fiscal

Dr. Brown asked the purpose of going through the policy and Mr. Chandler explained the reason for bringing this information to the board. Dr. Brown was concerned the time constraints of listening to all of the information in a short amount of time. Wanting to make sure there is time to ask questions and understand

Dr. Brown stated she is "Uncomfortable with something of this magnitude being done at one setting."

Mr. Chandler explained providing an overview of the information and the members of the team will answer questions for further explanation. Updates will be brought in sections and additional information would be voted on as they come up in operational business.

Dr. Brown and Dr. Douglas were concerned with the overview not providing enough time to thoroughly go over the policy and understand each aspect. Mr. Brooks advised we could adopt policy in mass and then go over the policy in greater detail by section.

Mr. Creuzot recommended to continue with the overview and then later identify the modules the Board would like to adopt and go over those modules in greater detail prior to adoption of policy. Dr. Brown is not concerned about being able to change the policy later, she is concerned about being held accountable for items she may not understand fully. She would like to fully know what she is being held accountable for and not knowing all the details could cause harm later. Mr. Creuzot suggested to go over specific policy prior to board meetings that are concerned at that particular board meeting.

It was decided that an overview of the policy to be conducted.

Dr. Brown will obtain character education program lists and preview the list. Must be adopted by this school year for use in the district.

Module 1 and 2 completed

*Break @ 2:10*

*Workshop resumed @ 2:22*

Starting with Module 3

Discuss options for completing Board Policy approval

Mr. Chandler would like policy approved at October Board Meeting

Mr. Creuzot would like to have the policy sections to be approved be sent out and have Board Members attend to get additional understanding about policy

If Board Member has questions, they can then ask those questions and get clarity of issues they have

Dr. Douglas asked how many policies are in each module. Reviewed the policy manual distributed to each board member.

Mr. Chandler recommended to start policy with Governance module

Mr. Brooks asked Board to provide a timeline for completion of processing the information and approving policy-Dr. Douglas advised he would need to look at his calendar and get back with this information

A new schedule of board meeting dates will be provided at August 13, 2024 board meeting. Mr. Creuzot recommended to look at the schedule and look at remaining board meeting dates and put a plan together and set a timeline to approve

Mr. Chandler recommended monthly board meetings due to the recent purchase of land and pending construction. All contracts will need to be approved by the Board and this will also allow the Board to take portions of the Board Policy for consideration of approval.

Dr. Brown proposed setting meetings monthly to be an action item at the next meeting and requested it be placed on the agenda for the August 13, 2024 board meeting.

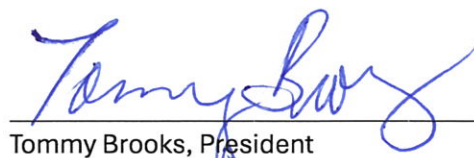
Dr. Brown asked if the district can name a campus after a donor. Mr. Chandler advised policy would need to be adopted.

Motion for adjournment was made by Dr. Brown and seconded by Mr. Ledesma. The adjournment was unanimously approved at 4:12 PM.

  
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Tommy Brooks, Board President  
Academy of Accelerated Learning, Inc.

#### **CERTIFICATE**

I certify that these minutes reflect the business of the Board of Directors of the Academy of Accelerated Learning, Inc. for the board workshop meeting held on Tuesday, August 6, 2024

  
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Tommy Brooks, President  
Academy of Accelerated Learning, Inc.  
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Isaac Ledesma, Board Secretary  
Academy of Accelerated Learning, Inc