

**MEETING MINUTES
OF
CATALYST ACADEMY CHARTER SCHOOL**

June 4, 2024

Held in Person at Catalyst Academy Charter School and virtually Via Zoom

Trustee Attendees: Rachel Amankulor, Carey Harris, Erin Stiling, Allison McCarthy, Kaylan Moore, Tom Walenchok

Other Attendees: Brian Smith, Kathy Clark, Meghan Lawrence

Rachel Amankulor called the meeting to order at 6:00 P.M.

Public Comment: None

Approval of Minutes. The minutes of the May 7, 2024, meeting were reviewed. There were no changes. *Carey Harris moved to approve the minutes from the May 7, 2024 meeting.. The motion was seconded by Allison McCarthy and carried unanimously.*

Monthly Financial Update. Brian Smith provided a review of the financials to the Board. Mr. Smith noted that as of the end of April, 2024, Catalyst had \$1.61 M, including 112 days of cash on hand, which is the same as last month. Mr. Smith reminded the Board that the goal is to have greater than 90 days of cash on hand. According to Mr. Smith, the school operated with a \$394,892 surplus through the first ten (10) months of the fiscal year. Mr. Smith indicated that he would expect to add to the fund balance at the end of June.

Payment of Bills. Brian Smith reviewed the expenses for April 2024 with the Board. *Carey Harris moved to approve the payment of bills as presented. The motion was seconded by Allison McCarthy and carried unanimously.*

Dollar Bank Line of Credit

The Board reviewed a letter containing an offer from Dollar Bank for a line of credit with the following terms: \$650,000 non-discretionary line of credit at a fluctuating prime interest rate, for a term of 10 years (or earlier upon demand), with the payment of \$1,763.04 in Dollar Bank loan fees. Brian Smith discussed with the Board the importance of having a line of credit in place because of cash flow issues that can occur throughout the year. *Tom Walenchok moved to approve the Dollar Bank line of credit as presented. The motion was seconded by Carey Harris and carried unanimously.*

2024-2025 Budget

Mr. Smith presented the budget for review and approval by the Board. He noted that during the 2024-2025 school year there will be essentially a double escalation in rent; because there was no renovation in the summer of 2023, there was no corresponding rent increase. This budget is based upon 54 additional students with growth from K into 5th grade. It evidences an overall 19% increase in revenue growth from \$7.3M (last year's budget) to \$7.6M. Overall expenses are budgeted to increase approximately 18%, made up mostly of personnel costs and rent. By FY 2025, the cost of rent will be \$900,000. There is a predicted net income increase of \$174,000, which includes \$150,000 contingency.

Key revenue assumptions for the budget were reviewed by the Board, including the overall projected enrollment as well as individual enrollment by grade, tuition rates, and any remaining federal funding and grants. Various expense assumptions were reviewed including an increase in 8 full-time employees, and a 7.3% increase in health care expenses. *Tom Walenchok moved to approve the budget for the 2024-2025 school year. The motion was seconded by Allison McCarthy and carried unanimously.*

EXTERNAL SERVICES

Mr. Smith also informed the Board that Charter Choices was purchased by Vertex, a company based out of Arizona. He received two proposals for external services from Vertex – staff recruiting and enrollment marketing. For the staff recruiting portion, the cost is incremental to \$60,000 for up to 15 searches. In comparison, Mr. Smith has spent \$45,000 on Indeed. Mr. Smith described the enrollment marketing agreement, which would be \$9,000 a month for a total of \$108,000 for the year; it would involve a 15-month commitment to go through August 2025 (totaling \$135,000). It would require at least 10 additional students over the course of the 2024-2025/2025-2026 school years to break even.

The Board discussed whether Mr. Smith had knowledge of any other local charters executing a contract with Vertex and if that would be an issue? Mr. Smith noted he had only heard of Life Male Steam Academy and perhaps some cyber charters. The Board discussed whether Vertex has the necessary knowledge about the local Pittsburgh market and what potential enrollment might be available to be captured. A similar discussion was also held regarding the staffing portion of the contract.

Mr. Smith suggested that he would look to obtain additional proposals for these services and schedule another board meeting to review further information.

2024-2025 Board Meeting Schedule

The Board reviewed the proposed meeting schedule for the 2024-2025 school year. *Carey Harris moved to approve the 2024-2025 Board Meeting schedule. The motion was seconded by Kaylan Moore and carried unanimously.*

School Frontiers Contract

The Board reviewed information provided for a new data and reporting services agreement. Previously, the school used EdOps, who opted not to renew its services for 2024-2025. Mr. Smith obtained three quotes and believes School Frontiers to be the best option at \$54,000 a year, as it provides expanded scope for attendance analysis and reporting. Kathy Clark noted that there were a couple legal changes that needed to be made to the agreement, so she requested that if the Board were amenable to approving the contract, to do so subject to solicitor review. *Kaylan Moore moved to approve the agreement with School Frontiers subject to solicitor review. The motion was seconded by Carey Harris and unanimously approved.*

Review and Approval of Amended Policies

Conflict of Interest Policy – updated

Allowability of Costs – updated

Cash Management Policy – updated

All three policies were required to be updated due to recent federal compliance audits. *Allison McCarthy moved to approve the three updated policies. The motion was seconded by Kaylan Moore and unanimously approved.*

Approval of AIU Agreement

Brian Smith presented the Board with the AIU agreement for the 2024-2025 school year. *Allison McCarthy moved to approve the AIU Agreement. The motion was seconded by Tom Walenchok and unanimously approved.*

Human Resources Report. Brian Smith provided the following new hires: Meryl Johnson (Principal for 2024-2025 school year) and Dylan O’Neill (Counselor for 2024-2025 school year). *Kaylan Moore moved to approve the human resource report as presented. The motion was seconded by Tom Walenchok and carried unanimously.*

The Board also discussed the pool of returning teachers and Brian Smith noted that he believes 95% of the current staff will return. Mr. Smith also indicated that they are interviewing for a Dean of Instruction, three (3) General Education teachers, one (1) STEM teacher, and one (1) Special Education teacher. He stated that there are 12 first round phone screens occurring this week and in-person interviews scheduled next week.

Water Testing Results

Mr. Smith provided the Board with the results of water testing that was conducted at the School. Allegheny Global Environmental performed water testing recommended by EPA for lead and copper in water. All sources where students could access drinking water (water fountains) or where students could be given a drink of water (nurses office; faculty lounge) and the cafeteria were sampled for lead and water content. All testing sites within the school returned with a 0.00ppb (parts per billion) result for both lead and copper.

Executive Session

At 7:08 the Board went into executive session to receive the annual safety and security report. The Board exited executive session at 7:15

Academic and General Update. Mr. Smith provided an update on the attendance data – and May had record attendance! There was 91% average daily attendance in May, which was a new monthly record. There was no change in chronic absenteeism. The goal for the 2023-2024 school year is to have only one out of three scholars (33%) chronically absent.

Meghan Lawrence and Brian Smith provided an update on MAP growth and achievement for Math and ELA, as well as STEP testing. They noted that significantly more scholars are growing 3, 4, or 5 steps. Additionally, 81 scholars grew 4 or 5 steps (31%) and 47 of them started below target. Scholars are projected to grow three steps in a school year. Testing is not complete until Friday, June 7th. They also provided the Board with preliminary PSSA data which showed year over year improvement of 11.2% in ELA and 11.7% in math for third graders. The Board told Mr. Smith and Ms. Lawrence they should be very proud of those scores

There being no further business, the meeting was adjourned at 7:33 P.M.