

**MINUTES FROM THE MEETING OF THE
BOARD OF DIRECTORS OF
CLIFF PARK HIGH SCHOOL
HELD ON MAY 16, 2017**

Directors attending: Rod Hale, Fred Shuemake, Nicole Barnes, Bob McIntosh, Kelly Goettsche, and Dana Calhoun

Guests: Amy Printy, Jeff Waechter, Chuck Hall, Karen Wachter, Josh Gossett, Stephanie Page, Sue Mash, Jerry Farley, and Arthur L. Clements III, Esq.'

Mr. Hale called the meeting to order at 6:10 p.m. and following introductions asked for a motion concerning the Agenda. Thereafter, upon a motion duly made by Mr. McIntosh and seconded by Ms. Goettsche, the Board of Directors unanimously passed the following resolution:

17-24 RESOLVED, that the Board of Directors accepts the Agenda for the Board Meeting on May 16, 2017, subject to any amendment by the Board of Directors during said meeting.

Mr. Hale asked if there were any changes to the Minutes. There being no changes, upon a motion duly made by Mr. McIntosh and seconded by Ms. Goettsche, the Board of Directors unanimously passed the following resolution:

17-25 RESOLVED, RESOLVED, that the Board of Directors approves the minutes from the April 18, 2017 meeting as presented.

Sue Mash presented the Sponsor's Report and told the Board that Career Tech Standards are being revised and that the deadline for public comments is coming up. Also, the Sponsor will be offering a Principal Academy the second week in August for new Principals and Principals who are new to working with the Sponsor. She reminded the Board that Opening Assurances are coming up and that the School needs to be ready.

Thereafter, upon a motion duly made by Mr. McIntosh and seconded by Ms. Goettsche, the Board of Directors unanimously passed the following resolution:

17-26 RESOLVED, that the Board of Directors accepts the Sponsor's Report as presented.

Mr. McMillin presented the Financial Report for the School and noted that the School's FTEs are still strong and that the School has a strong cash position. Vendor payments are current and Federal Funds are being spent on time. Thereafter, upon a motion duly made by Mr. McIntosh and seconded by Ms. Barnes, the Board of Directors unanimously passed the following resolution:

17-27 RESOLVED, that the Board of Directors accepts the Financial Report as presented.

Ms. Wachter presented the Management Company Report and told the Board that Cambridge is finishing teacher collaboration meetings. They are held each quarter in various subject areas and Special Education and Science are the remaining subjects. Thereafter, upon

a motion duly made by Mr. McIntosh and seconded by Ms. Barnes, the Board of Directors unanimously passed the following resolution:

17-28 RESOLVED, that the Board of Directors accepts the Management Company Report as presented.

Mr. Waechter reported that students continue to earn credits and credits earned this year exceed credits earned last year and that graduation will occur on June 8 at Clark State. Thereafter, upon a motion duly made by Ms. Goettsche and seconded by Mr. McIntosh, the Board of Directors unanimously passed the following resolution:

17-29 RESOLVED, that the Board of Directors accepts the State of School Report as presented.

The Board reviewed the School Calendar for the upcoming year. It was pointed out that both Schools have currently scheduled their graduations for December 15. One of them will need to be changed. Thereafter, upon a motion duly made by Ms. Goettsche and seconded by Ms. Calhoun, the Board of Directors unanimously passed the following resolution:

17-30 RESOLVED, that the Board of Directors accepts the 2017-2018 School Calendar as presented.

Mr. McMillin reviewed with the Board the Five Year Forecast and the FY2018 Budget. The Forecast and Budget are based upon current enrollment and assumes that the School is at capacity. The Forecast and Budget do not take into consideration potential facility changes or Career Tech revenue. Mr. McMillin expects the School to maintain and grow its cash position. Employment costs are projected to increase under Cambridge's plan for faculty compensation.

Mr. McMillin pointed out that the School's rent would be declining once all of the improvements to the leasehold are paid off.

Thereafter, upon a motion duly made by Mr. McIntosh and seconded by Ms. Goettsche, the Board of Directors unanimously passed the following resolution:

17-31 RESOLVED, that the Board of Directors approves the May Five Year Forecast for the 2017-2018 school year and authorizes its Fiscal Officer to file it as presented or with any subsequent revisions required by the State of Ohio and approved by the Board President.

17-32 RESOLVED, that the Board of Directors approves the FY2018 Budget as presented

Mr. McMillin explained the proposed Addendum to the Fiscal Officer Agreement. There will be a \$2,000 per year increase, which reflects additional reporting and compliance duties and responsibilities assumed by the Treasurer. Thereafter, upon a motion duly made by Ms. Goettsche and seconded by Ms. Calhoun, the Board of Directors unanimously passed the following resolution:

17-33 RESOLVED, that the Board of Directors approves the First Addendum to Fiscal Officer Agreement as presented.

Mr. Hale asked whether the Board had reviewed the Scoring and Reporting Assessments Policy, the Truancy Policy, the Suspension and Expulsion Policy, the Health and Safety Review Policy, and the Jury Duty Policy and whether there were any questions. Mr. McIntosh had questions about the Suspension and Expulsion Policy and whether the portion of the Expulsion Policy related to weapons applied to various martial arts weapons. Mr. Clements said that it did not but that other sections of the School's Code of Conduct should cover those weapons and he would check. It was agreed that the Suspension and Expulsion Policy would be tabled. Thereafter, upon a motion duly made by Mr. McIntosh and seconded by Ms. Barnes, the Board of Directors unanimously passed the following resolutions:

17-34 RESOLVED, that the Board of Directors approves the Scoring and Reporting Assessments Policy as presented.

17-35 RESOLVED, that the Board of Directors approves the Truancy Policy as presented.

17-36 RESOLVED, that the Board of Directors approves the Health and Safety Review Policy as presented.

17-37 RESOLVED, that the Board of Directors approves the Jury Duty Policy as presented.

The Board discussed with Mr. McMillin the Lease proposal for expanding the Facility through the landlord's acquisition of the property next door. Mr. McMillin told the Board that based on his calculations, the capitalization rate was between 5% and 6%, which Mr. McMillin finds is consistent with what he sees at other schools and that borrowing from a bank would involve an interest rate at least in that range. Total interest built into the Lease for the 15-year term would be about \$300,000. Overall, Mr. McMillin finds the Lease Proposal fair compared to his other schools. He also noted that the proposed initial investment by the Board had declined and that the bid from the second contractor was substantially higher.

There followed a discussion about the enrollment capacity at Cliff Park if the project proceeded and the likelihood that offering industry credentials would increase enrollment. Mr. Waechter pointed out that if the School was able to offer these industry credentials, it could compete with the Springfield CTC.

Ms. Goettsche reviewed comparable properties and asked whether there was any opportunity to repurpose the existing building. It was pointed out that the existing building was not amenable to renovation as a School. In response to a question from Mr. McIntosh about the possible use of modular units, Mr. Waechter pointed out that modular units would not support trade based laboratories. Mr. Farley told the Board that there was a strong plan to grow the industry credential program and, in response to a question from Mr. McIntosh, Mr. Farley stated that students could enroll in industry credential programs midyear or whenever the building was finished. Mr. McMillin pointed out that in 1.5 years, the School will have a stronger cash flow because the improvements to the existing facility will be paid off and the rent will decrease. Mr. Farley sees a strong opportunity with growing interest in alternative graduation pathways for students who could not otherwise complete high school. In response to a question from Ms. Goettsche about graphic arts, Mr. Farley stated that the School would focus on industry credentials in high growth, high demand employment areas. He also pointed out that Department of Labor grants are available to support workforce development and that students

can earn \$10 an hour for participating in training, which exceeds what they could make at McDonalds. He pointed out that other workforce development programs are frustrated because they cannot connect with the types of students enrolled at Cliff Park.

In response to a question from Ms. Barnes about staff capacity, Mr. Farley stated that he was the only person employed at Cambridge working in this area but that as individual schools launched different industry credentialed programs, additional people would be hired at the school level. Mr. Farley stated that the programs do not require much administrative support and indeed only appropriate space, materials, and a teacher qualified in the area of the industry credential. School Administrators will be responsible for monitoring the teachers. Mr. Farley spends much of his time attending workforce investment meetings around the state to let employers know about the opportunities that will become available as these students earn industry credentials.

There was further discussion about the Lease and some frustration expressed about the last minute email received earlier in the day. Ms. Wachter did not know whether the Lease Proposal needed to be approved by the Board that evening and Mr. Hale was unable to reach Mr. Stack on the phone. The Board stated that it was generally supportive of the idea but would like another opportunity to review a fully negotiated lease before approving it. As an expression of support for the project, the Board agreed to pass a resolution. Thereafter, upon a motion duly made by Mr. McIntosh and seconded by Ms. Calhoun, the Board of Directors passed the following resolution with Ms. Goettsche and Ms. Barnes abstaining:

17-38 RESOLVED, that the Board of Directors approves an expenditure not to exceed \$180,000 to support the current Landlord's acquisition of the property next door and further authorizes its President, Rod Hale, to negotiate a Lease for an expanded facility at Cliff Park High School as outlined in the plans previously presented.

The Board discussed the remaining proposed vendor contracts including the EMG and PSI contracts. Ms. Printy reported that all of the other Boards of Directors had approved the EMG contracts for both the marketing and IT services. The Proposal from X-Tek would double the cost for IT services. Services from PSI are provided on an as needed basis. The proposal from Triple V for EMIS Reporting Services is approximately \$50 less than the Wall 2 Wall contract. Thereafter, upon a motion duly made by Mr. McIntosh and seconded by Ms. Barnes, the Board of Directors unanimously passed the following resolution:

17-39 RESOLVED, that the Board of Directors approves the contract with PSI Associates as presented and authorizes the President to negotiate and sign the same.

Thereafter, upon a motion duly made by Mr. McIntosh and seconded by Ms. Goettsche, the Board of Directors unanimously passed the following resolution:

17-40 RESOLVED, that the Board of Directors approves the contract with Triple V Reporting as presented and authorizes its President to negotiate and sign the same.

Thereafter, upon a motion duly made by Ms. Barnes and seconded by Ms. Goettsche, the Board of Directors voted 3 to 3 on the question of whether to approve the EMG contract. Without a majority, the motion failed.

There followed a long discussion about EMG and Mr. McIntosh commented that the situation involving EMG and Newpoint was never handled to his satisfaction. Mr. Hale pointed out that the Board had received an email from EMG stating that all charges against it in Florida had been dismissed. He then asked Board Members to identify any other concerns with EMG. He also reiterated that EMG's IT services for the School were \$12,000 per year and that services from X-Tek were between \$25,000 and \$37,500, depending upon how many Schools engaged X-Tek. She also mentioned that marketing is critical at this point for the School. A change in marketing companies at this time of year could hurt the School's reenrollment efforts.

Ms. Calhoun commented that she was willing to do the work necessary to identify other vendors. Ms. Shuemake offered his opinion that EMG was not doing a good job as evidenced by the low enrollment. Mr. Hale stated that he respected the opinions of his fellow Board Members, but that he could not in good conscience approve an IT vendor that was double or triple the cost of EMG.

Mr. Hale suggested splitting the EMG contract in two separate votes related to marketing services and IT services. Thereafter, upon a motion duly made by Mr. McIntosh and seconded by Ms. Barnes, the Board of Directors voted to approve the following resolution with Mr. Shuemake abstaining:

17-41 RESOLVED, that the Board of Directors approves the contract for marketing services only with EMG and authorizes its President to negotiate and sign it.

Mr. Hale then asked for a motion concerning the IT portion of the EMG contract. Thereafter, upon a motion duly made by Ms. Barnes and seconded by Ms. Goettsche, the Board of Directors voted 3 to 3 on whether to approve the IT portion of the EMG contract and the motion failed. Thereafter, upon a motion duly made Mr. McIntosh and seconded by Mr. Shuemake, the Board of Directors voted on whether to approve the X-Tek contract in an amount of between \$25,000 and \$37,500 and the motion failed.

The Board agreed to continue the advertisement for additional Board Members.

Mr. Hale asked if there were any Board Member comments. Ms. Barnes stated that she was not opposed to the Career Tech programs or the expansion of the School but that she would like to see vendor contracts, Leases, and more preparation before these matters are brought before the Board.

The next meeting will take place on June 20 at Cliff Park.

Thereafter, the meeting was adjourned.

Kelly Goettsche, Secretary
Cliff Park High School