

Lionheart Classical Academy Board of Trustees

Regular Meeting on October 6, 2022

Draft Minutes

A Regular Meeting of the Board of Trustees (the "Board") of Lionheart Classical Academy Chartered Public School ("LCA") took place on October 6, 2022 at 10 Sharon Road, Peterborough, New Hampshire. The meeting was called to order at 6:00 p.m. by Chairman Barry Tanner. Board members present were: Barry Tanner, Bailey Sweet, Andrew Alajajian, Kevin McDonald, Richard Merkt (being a quorum of the Board) and Kerry Bedard (ex officio and Executive Director). Board Member Kim Lavallee attended via Zoom. Board member Leo Plante was excused due to a health issue. Chairman Tanner noted that this is a public meeting and that notice of the same had been duly posted in accordance with state law.

The meeting commenced with the Pledge of Allegiance led by Chairman Tanner.

Chairman Tanner read the School Mission of LCA.

Executive Director Bedard presented a "Mission Moment," focusing on Training the minds of LCA students. She displayed a research project on famous mountains created by Fourth Grade students, as an example of the school's method of learning. She also reported that "monthly virtue assemblies" have commenced, with September dedicated to the school virtue of Respect and October to the virtue of Courage.

The Chairman opened the meeting for public comments. No public comments were offered. Hearing no public comments in person or via Zoom, the Chairman closed the public comment portion of the meeting.

Richard Merkt presented his Secretary's Report, consisting of Minutes of the Board's regular public meeting on September 8, 2022, as well as sealed Minutes of the non-public portion of the meeting. On motion by Mr. Merkt, seconded by Mrs. Sweet, the Minutes of the public portion of the meeting were approved as submitted by a vote of 6-0-0. On motion by Mr. McDonald, seconded by Mrs.

Sweet, the Minutes of the non-public portion of the meeting were approved as submitted and sealed by a vote of 6-0-0.

Chairman Tanner introduced Kelli D'Amore, a partner at Nathan Wechsler, who presented a detailed review of the results of the first audit of LCA's finances, covering the period ending June 30, 2022. She explained the purpose and structure of the audit and mentioned that LCA had performed well in its first audit, required annually under state law. Nathan Wechsler anticipates issuing a "clean" opinion on LCA's financial statements for release in October 2022. She also noted that LCA has now received IRS approval as a 501(c)(3) charitable organization, which means that it will no longer need to channel donations through its fiscal agent, Founders Academy Foundation. She stated that LCA's Form 990 is in preparation and is due in November 2022. Lastly, she noted that the first audit covered a period of eight months, so that full-year comparisons will not be effective until 2024.

Board Treasurer Lavaliee introduced Caitlyn Blundell, CPA, who reviewed LCA's September financial report. Ms. Blundell noted that LCA has now received from the state its first per-pupil aid payment, plus the maximum amount of state lease assistance. Most budget expenses appear to be in order, although a few line items have exceeded expectations. LCA has reduced its payable to Hutter Construction significantly, but a substantial balance remains to be paid over the next months. She added that LCA's operating budget plan anticipates \$265,000 annual donations going forward, which will leave LCA in a surplus position. Treasurer Lavaliee commented that, thus far, commitments of more than \$200,000 have been received for 2023, so the annual donation goal is not excessive. LCA also still has a large balance of charter school grant money available for eligible uses in 2023 and 2024.

Executive Director Bedard presented her report to the Board. She stated that LCA has been operating successfully to date, despite having to cope with a variety of challenges. She noted that, with 501(c)(3) status received, LCA is now eligible to apply for a line of credit with New Hampshire HEFA. Special education memoranda of understanding with the host school district are still in development at the present time. LCA will conduct its first fire drill tomorrow, per the safety committee. Also, LCA will conduct its first Professional Development Day on November 8, focusing on LCA students and teachers.

The Executive Director discussed classroom standards and student behavior, noting that children come to LCA from a variety of educational settings and explaining that it is taking time for some students to adapt to LCA's culture. She described procedures that teachers and school leadership have adopted to help students understand behavioral expectations and make the adjustment, so that classrooms can function smoothly. She also reported to the Board on student evaluations intended to identify areas in which students are not performing at grade level, so appropriate adjustments can be made to help them improve their academic performance. She noted that this will be an ongoing effort for both faculty and school leadership. Board members expressed their support for the Executive Director's approach.

Under Board Business, further discussion of the HEFA line of credit took place, and Mr. Merkt made a motion, seconded by Mrs. Sweet, to authorize the Treasurer and Executive Director to execute all documents required for LCA to apply to HEFA for a \$200,000 line of credit. The motion was approved by a vote of 6-0-0. A second motion, made by Mrs. Sweet, seconded by Mr. Alajajian, to approve the officer certification for HEFA was also approved on a vote of 6-0-0.

Under Committee Reports, Treasurer Lavalley reported on the procedural changes in accepting donations to LCA, now that the school has its 501(c)(3) status and will no longer require a fiscal agent to receive funds on LCA's behalf. She also described how this development qualifies LCA to access financing through HEFA. Chairman Tanner added that LCA has been awarded grant funds for required security enhancements at the school facility.

Mr. Merkt reported for the Policy Committee, which recommends acceptance of a proposed change in the Board's Conflict of Interest policy to add a specific reference to "pecuniary gain" to the policy, as specified by the New Hampshire Department of Justice's Charitable Trusts Unit. Mr. McDonald made a motion, seconded by Mrs. Sweet, to accept the committee's recommendation and approve the suggested change to the Board's Conflict of Interest policy. The motion was approved by a vote of 6-0-0.

Reporting for the Facility Committee, Chairman Tanner stated that a water quality lead test is on order to expand on the prior negative test for lead. A water leak in a second-floor classroom has been repaired, but roof inspection indicates that the roof is approaching the end of its useful life. He will discuss

this issue with LCA's landlord. Chairman Tanner also outlined LCA's capital needs going forward, based on anticipated construction of additional classrooms, as LCA adds more grades.

There was no report from the Hiring Committee as no new employees have been hired since the last Board meeting.

At the Chairman's suggestion, a meeting with Mr. McDonald and the Board of the Monadnock Freedom to Learn Coalition will be convened at a mutually-convenient date to discuss where the Coalition stands on its fund-raising efforts, as well as plan a transition to school parent leadership for future fund-raising efforts on behalf of LCA.

Chairman Tanner noted that the next regular meeting of the Board will be at LCA on Thursday, November 3, 2022 at 6 p.m.

Mr. Merk moved that the meeting adjourn, Mrs. Sweet seconded the motion, and the Board approved by a vote of 6-0-0, whereupon Chairman Tanner declared the regular meeting adjourned at 8:12 p.m.

Respectfully submitted,

Richard Merk, Secretary