



Charter School of Morgan Hill Board of Directors Meeting March 7, 2023 Minutes

The closed session meeting was called to order at 5:03 p.m. and adjourned at 5:40 p.m.
There was no action taken.

Attendance

Present:

Board Members: Mary Borello, Garth Gilmour, Shelly Guerrero, Richard Marsh, Michelle Millard, Heather Poore, Pete Settelmayer, Corina Sapien

Staff: Paige Cisewski, Susan Pfefferlen, Vivanne Brager

I. Call to Order (Presenters: Richard Marsh)

The meeting was called to order at 5:45 p.m.

- A. Pledge of Allegiance
- B. Acknowledge the Mission and Vision Statement

Charter School of Morgan Hill uses project-based learning, strong family involvement and community interaction to develop lifelong learners prepared to be successful and innovative participants in the global community.

C. Approval of Minutes (Presenters: Richard Marsh)

- 1. Approval of Minutes from February 14, 2023

Motion:

Approval of the minutes from the February 14, 2023, meeting.

Motion made by Michelle Millard and seconded by Shelly Guerrero.
Approved 8-0

II. Public Comment - members of the public may speak on any topic not on the agenda (Presenters: Richard Marsh)

Please submit a "Speaker's Request" to Vivianne Brager prior to the meeting being called to order. Upon recognition by the Chair of the Board, please identify yourself before speaking. The CSMH Board of Directors reserves the right to limit speaking time to three (3) minutes or less per individual, and to limit the total time for public communication to no more than 20 minutes.

There was no public comment.

III. Action Items

A. Approve the MOU between Charter School of Morgan Hill and Morgan Hill Unified School District

On February 11, 2021, the Morgan Hill Unified Board approved the renewal of the Charter School of Morgan Hill petition for a term of five years beginning July 1, 2021. By approving the renewal of the charter, the District assumed certain oversight responsibilities over CSMH. In addition to the legal oversight requirements enumerated in the Education Code, there are three typical documents that govern the charter school and authorizer relationship:

- Charter Petition – Written request outlining elements of the charter school’s organizational, educational and operational programs.
- Memorandum of Understanding (MOU) – Agreement defining the working relationship between the charter school and the authorizing agency; outlines fiscal and administrative responsibilities not addressed in the charter petition.
- Other Agreements – Local agreements governing operations such as facility use agreements, special education services, etc.

To clarify the roles and responsibilities of the parties, the best practice is for the charter school and the authorizer to enter into an MOU which is typically executed at the time the charter petition is approved. The MOU outlines responsibilities and expectations between the authorizer and the charter school regarding the oversight fee paid by the charter school to the district, the parties’ respective fiscal and administrative responsibilities, their legal relationship, and other matters of mutual interest (such as indemnity) not explicitly addressed or resolved in the charter petition.

CSMH took the lead in drafting the initial MOU. District staff, CSMH staff, and legal counsel from both entities met to review the proposed MOU and negotiate changes to the language. The Morgan Hill Board of Trustees is scheduled to take action on the MOU at its meeting on March 7th.

Motion:

A motion to approve the MOU between Charter School of Morgan Hill and Morgan Hill Unified School District.

Motion made by Pete Settelmayer and seconded by Richard Marsh.
Approved 8-0.

B. Approve CSMH 2nd Interim Budget

In accordance with Education Code 42130, a charter school is required to submit twice during the fiscal year (December 15 and March 15) a financial report certifying the school’s ability to meet its financial obligations. These reports examine the school’s enrollment, spending pattern, fund balance, and reserve for economic uncertainties.

There are several purposes for these reports:

- To provide a review of the school’s financial condition at periodic intervals during the fiscal year
- To provide a status report to the Board of Directors, the charter school’s authorizer, the County Office of Education, and the public on the financial condition of the school

- To determine necessary budget revisions as a result of current or projected financial information

The interim reports reflect adopted, revised, and projected budgets. This second interim report reflects the financial and budgetary status as of January 31, 2023.

Debbie Howard, from DMS, presented the report to the Board

Motion:

A motion to approve the CSMH FY22-23 Second Interim Budget.

Motion made by Garth Gilmour and seconded by Michelle Millard.

Approved 8-0.

C. Discuss and consider taking action on a salary increase

CSMH has traditionally tried to stay competitive with local districts regarding salary. The average pay increase for CSMH staff in the 2022/2023 school year was 5%. The Morgan Hill Federation of Teachers eventually settled with the District for a 10% salary increase. This increase was then applied to both the administrative and classified salary schedules.

We are proposing that the Board discuss a salary increase for CSMH employees that would take effect in March. Employees would see a bump in their pay for the remainder of this school year and it would raise their base salaries going into the next school year.

DMS has provided multi-year projections that include no increase for this year, a 3% increase, and a 5% increase.

Motion:

A motion to increase salaries of all employees by 5% and that this salary increase will be retroactive to the start of the current school year.

Motion made by Richard Marsh and seconded by Pete Settelmayer.

Approved 7-0.

Shelly Guerrero abstained from the discussion and vote.

D. Acknowledge receipt of the California Broker Compensation Disclosure Report for 12/2021– 11/2022

California law requires health plans and insurers to annually disclose broker compensation to the governing boards of public agency employer groups. The report is informational and does not require any action. The attached report provides information about who receives compensation for being the broker of record for our medical insurance plans with Kaiser Permanente.

Motion:

The Board acknowledged receipt of the California Broker Compensation Disclosure Report for 12/2021– 11/2022.

Motion made by Richard Marsh and seconded by Garth Gilmour.
Approved 8-0.

E. Approve the June 30, 2022 Audited Financial Statements and Reports

The external accounting firm of Chavan & Associates, LLP performed the annual financial and State compliance audits for the fiscal year ending June 30, 2022. They prepared the attached Audited Financial Statements and Report with the overview of the DMS team.

This report is normally required to be filed by December 15 of the year being audited. Due to some personnel challenges, Chavan and Associates asked for an extension to February 28th. The District and Santa Clara County Office of Education approved this extension.

Motion:

A motion to approve the June 30, 2022 Audited Financial Statements and Reports.

Motion made by Mary Borello and seconded by Michelle Millard.
Approved 8-0.

F. Approve Chavan & Associates LLP for the 2022-2023 Audit and Tax Return Preparation

Chavan & Associates, LLP has been our external audit and tax preparation firm since 2009 with the exception of 2014/2015 when we moved to the firm of CG Uhlenberg to comply with the California Education Code, Section 41020 (f)(2), a requirement that the audit is managed by a new Audit Partner every six years.

It is recommended that CSMH continue to work with Chavan & Associates as they have consistently provided high-quality and very responsive service. They are a local firm, headquartered in Morgan Hill, which provides convenient, personal access to their team. They continue to maintain modest fees. Over the years, the firm has expanded to include more Partners. Sheldon Chavan will be the Partner in Charge. Khoa (Paul) Pham will be the Reviewing Partner. This will be the fifth consecutive year that Sheldon Chavan has been the Partner in Charge.

Motion:

A motion to approve Approve Chavan & Associates LLP for the 2022-2023 Audit and Tax Return Preparation.

Motion made by Michelle Millard and seconded by Mary Borello.
Approved 8-0.

G. Approve the formation of the 2023/2024 LCAP/Budget Advisory Committee

Each year, the Board authorizes an LCAP/Budget Advisory Committee to assist in the creation of the annual Local Control Accountability Plan and to develop a recommended budget for the next year. This Committee usually consists of the following stakeholders – the CEO, a representative from the CSMH Board, parents, staff, and community members.

Motion:

A motion to approve the formation of the 2023/2024 LCAP/Budget Advisory Committee.

Motion made by Richard Marsh and seconded by Heather Poore.

Approved 8-0.

H. Ratify contract between CSMH and Carlson Management and Construction for the construction of the greenhouse

Carlson Management and Construction will work with New Path to install a concrete pad for the greenhouse. They will also be responsible for putting together the greenhouse. The amount of the contract is \$34,000. This project will be funded by a grant from the CSMH Foundation.

Motion:

A motion to ratify contract between CSMH and Carlson Management and Construction for the construction of the greenhouse.

Motion made by Heather Poore and seconded by Richard Marsh.

Approved 8-0.

IV. Discussion Items

A. Report on the Expanded Learning Opportunity Program

Patrick Lynch and Alex Carlson have been overseeing the Expanded Learning Opportunity Program. They will update the Board on the program.

Alex Carlson provided a mid year update about the ELOP program. She discussed student participation and the academic and enrichment opportunities that the program offers.

B. Mid year LCAP review

The Board will receive a mid year report on CSMH's LCAP goals.

Paige Cisewski provided a mid year report on CSMH's three LCAP goals.

V. Reports

A. Executive Director report (Presenters: Paige Cisewski)

Paige acknowledged Diana Gill for her creativity and hard work in organizing the Ground Breaking and Distinguished School celebration.

B. Prinicpal report (Presenters: Susan Pfefferlen)

Susan spoke about attending the Rotary luncheon to honor 8th grade student Kai Fujita.

C. Board Members reports

VI. Upcoming Events

VII. Adjournment

The meeting was adjourned at 6:46 p.m.