

**Kaleidoscope Charter School**  
KCS Building Company Board of Directors Meeting Minutes  
KCS Board of Directors Meeting Minutes  
Regular Board Meeting  
12/14/09

**KCS Building Company Board Meeting**

**Start Time: 5:48**

**Members Present: Matt, Jeremy, Chris**

**Members Not Present:**

- Review lease amendment documentation, and ratify

**Adjourned Time: 5:57**

**Regular KCS Board Meeting**

**Start Time: 6:02**

**Members Present: Sharon, Kasie, Jamie, McLissa, Matt, Liz, Jeremy, Jason**

**Members Not Present: Tammy**

**Others Present: Nan Martin, Dave Hoffman, Paula Higgins, Greg Buhl, Dan Waters**

**Set Agenda**

**Consent Agenda**

- November minutes-Approved
- Special Board Meeting Minutes-Approved with the recommendation to remove specific names from the voting accord.

**Director's Report**

- Monthly update-Dave stated that the school has been cooperating on several occasions with Spectrum High School. They will be joining in on trainings with Kaleidoscope staff. Spectrum students ran a wrestling program, and several other senior projects have been completed with Kaleidoscope.
- Katie Piehl visited and was very pleased with her classroom observations. She was also pleased about the new financial policies. Overall she was very happy.
- Utilities-We have saved approximately \$1,000 each month over the past couple of months on utility bills.
- We are currently at 421 students. 8<sup>th</sup> grade is the only grade without a waiting list. The new lottery for next year's waiting list will be taking place the first week of February. The new law regarding preference to teacher's children was discussed. The law states that schools *may* give preference to children of teachers. Nan will look further into the law regarding preference to other staff members children.
- Dave explained results of the meeting with the lease holders and trustees, and that all involved have a better understanding of how the bonds and the lease work in general.
- Dave explained the Spanish pilot program that is being run in Mrs. Peterson's kindergarten class. He has liked it so well that the other kindergarten classes will be completing the same program with Senora Klym during their world cultures class. He is also considering the implementation Spanish in grades K-4 for the final trimester.
- Dave spoke about the successes of leadership class projects.
- Update on the ongoing special education case. The mother wrote a letter to the state saying that her child was not receiving FAPE (Fair and Appropriate Education). The letter requested reimbursement for summer school. There will an investigation by the state to look into the matter. Our attorney and special education director feel that we have an extremely strong case and that if it went to a hearing we should be successful.
- Discipline update-There has been a couple of suspensions this year. One for fighting and one for bringing a weapon school. Jason asked about a discipline policy. Dave stated that the current policy will be reworked

and presented to the board for approval. Dave stated that discipline has taken up a large percentage of his time.

- The Honor Guard was at the school to complete a Flag Raising ceremony for Veteran's Day
- Dave and Nan recently took part in a MACS Webinar.
- Governance calendar policy review: December-Dave asked about approving an updated/reformatted calendar for compliance reporting. Nan and Dave will ask for approval of some date changes at the next meeting.
  - Financial Conditions and Activity-Dave claims compliance.
  - Asset Protection-Dave stated that they are in the process of moving money around to ensure the schools continue success, and he claims compliance
  - Results Policies-Grants are in alignment with board's results policies. Dave stated that we are not currently applying for any grants, but currently have money from the Walton Grant. Dave claims compliance.

### Committee Reports

- Finance / Treasurer
  - November Financials
    - **See attached** for November financials
    - Jason stated that the committee has completed the monthly financials
    - Sharon stated that the P.E. conference was paid for twice.
    - Matt asked about the process for reimbursing KPTO. KPTO is charged \$.05 per check when the amount exceeds 25 checks. Instead they are depositing the money into the Kaleidoscope account and are reimbursed by the school.
    - Liz asked about overdraft and returned check fees. Two parent checks have bounced. One has been taken care of and Nan is working on the other. The overdraft fee was due to a late payment to the school by the state.
    - Matt asked about the increase in salaries for the two special education teachers. This issue was discussed. A board directive was issued to investigate the possibilities of making staff salaries more competitive beginning the 2010/2011 school year. The HR chair will give monthly updates on progress. Results will be compiled by March to be ready for the 2010/2011 budget.
    - A motion was made and seconded to approve the November financials and the motion carried.
- HR
  - Tammy will resume the committee chair role with MeLissa's departure from the board.
- Nominations
  - Jamie and Jeremy met to discuss recruiting a new parent member for the open board seat. A letter will be sent to all parents, the goal is to have the open seat filled by the January meeting.
- Annual Report
  - Jamie made changes to the Annual Report to comply with the new law. A motion was made and seconded to approve the updated Annual Report and the motion carried. (**See attached recommendation**)

### Chair report

- Discuss VOA contract renewal-(**See attached recommendation #15**) Matt shared his opinion that he feels we should continue with VOA as our authorizer. The contract renewal must be completed by February 10. The Annual Report Committee will complete the renewal process and will report back at the January meeting.
- Discuss governance articles-Matt referenced articles that recommended bringing governance materials to the board meetings.
- Sponsor visit feedback-Positive feedback

- Motion procedures-All motions will be made using Agenda Item Recommendation sheets. Nan will make changes to the recommendation sheets and forward them onto Jeremy for posting of the minutes to the binder.
- School Lease Amendment(See attached recommendation #13)
- Attorney Retainer (See attached recommendation #14) John Cairn's retainer expired in November. He proposed a new retainer agreement through March. A motion was made and seconded to continue Cairn's retainer through March and the motion carried.

#### **District Policies**

- Policy #214 Out of state Travel by Board Members (See attached recommendation #1) Motion carried
- Policy #401 Equal Employment Opportunity (See attached recommendation #2) Motion carried
- Policy #418 Drug-Free Work Workplace/Drug-Free School (See attached recommendation #3) Motion carried
- Policy #419 Tobacco-Free Environment (See attached recommendation #4) Motion carried
- Policy #516 Student Medication (See attached recommendation #5) Motion carried-Jason abstained
- Policy #531 The Pledge of Allegiance (See attached recommendation #6) Motion carried-Jason abstained
- Policy #736 Use of School Credit Card (See attached recommendation #7) Motion carried-Jason abstained
- Benefit Changes (See attached recommendation #8) Motion carried-Jason abstained

#### **Sponsor Report**

- Not present

#### **Business**

- Feedback from teachers on updated Vision session output-Tabled
  - Next steps

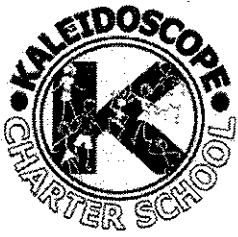
#### **Open Forum**

- Dan Waters spoke to the board and suggested being careful on the wording of the order of priority for students in the lottery.

#### **Announcements:**

Next board meeting on January 21<sup>st</sup> at 6pm at Kaleidoscope Charter School

#### **Adjourned Time:**



# Kaleidoscope Charter School

7525 Kalland Avenue NE • Otsego, MN 55301  
Phone 763.428.1890 • Fax 763.428.1691  
[www.kaleidoscopecharterschool.org](http://www.kaleidoscopecharterschool.org)

## Agenda Item Recommendation #1

Date of Board Meeting:

12/14/09

Agenda Item:

Policy #214 Out of State Travel by Board Members

Submitted By:

Nan Martin

This recommendation is:

Information Sharing

Reporting

Vote

Purpose:

Kaleidoscope Charter is lacking a formal policy manual. The board will be reviewing policies and implementing them. There are 31 mandatory policies that we will be focusing on first. Policy #214 Out of State Travel by Board Members is a mandatory policy.

Recommendation:

Motion to approve Policy #214 Out of State Travel by Board Members as written.

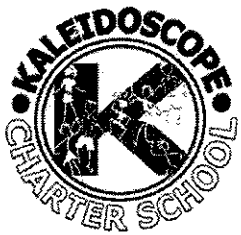
Vote:



Motion Carried

Motion Failed

Abstained: no one



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## Agenda Item Recommendation #2

Date of Board Meeting:

12/14/09

Agenda Item:

Policy #401 Equal Employment Opportunity

Submitted By:

Nan Martin

This recommendation is:     Information Sharing     Reporting     Vote

Purpose:

Kaleidoscope Charter is lacking a formal policy manual. The board will be reviewing policies and implementing them. There are 31 mandatory policies that we will be focusing on first. Policy #401 Equal Employment is a mandatory policy.

Recommendation:

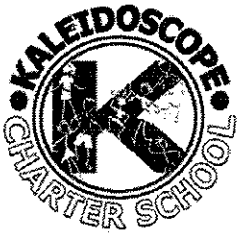
Motion to approve Policy #401 Equal Employment as written noting that Policy #413 Harassment will be voted on in January 2010.

Vote:

Motion Carried

Motion Failed

Abstained:



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## Agenda Item Recommendation #3

Date of Board Meeting:

12/14/09

Agenda Item:

Policy #418 Drug-Free Workplace/Drug-Free School

Submitted By:

Nan Martin

This recommendation is:

Information Sharing

Reporting

Vote

Purpose:

Kaleidoscope Charter is lacking a formal policy manual. The board will be reviewing policies and implementing them. There are 31 mandatory policies that we will be focusing on first. Policy #418 Drug-Free Workplace/Drug-Free School is a mandatory policy.

Recommendation:

Motion to approve Policy #418 Drug-Free Workplace/Drug-Free School striking V D and on VI B4 remove collective bargaining agreement info.

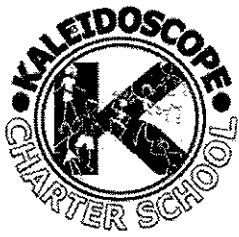
Vote:

Motion Carried

Motion Failed

Abstained:

*...blending children & community to offer a kaleidoscope of educational opportunities.*



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## Agenda Item Recommendation #4

Date of Board Meeting:

12/14/09

Agenda Item:

Policy #419 Tobacco-Free Environment

Submitted By:

Nan Martin

This recommendation is:     Information Sharing     Reporting     Vote

Purpose:

Kaleidoscope Charter is lacking a formal policy manual. The board will be reviewing policies and implementing them. There are 31 mandatory policies that we will be focusing on first. Policy #419 Tobacco-Free Environment is a mandatory policy.

Recommendation:

Motion to approve Policy #419 Tobacco-Free Environment as written.

Vote:

Motion Carried     Motion Failed

Abstained:

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## Agenda Item Recommendation #5

Date of Board Meeting:

12/14/09

Agenda Item:

Policy #516 Student Medication

Submitted By:

Nan Martin

This recommendation is:    Information Sharing    Reporting    Vote

Purpose:

Kaleidoscope Charter is lacking a formal policy manual. The board will be reviewing policies and implementing them. There are 31 mandatory policies that we will be focusing on first. Policy #516 Student Medication is a mandatory policy.

Recommendation:

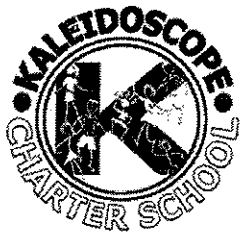
Motion to approve Policy #516 Student Medication as written.

Vote:

Motion Carried    Motion Failed

Abstained:

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## Agenda Item Recommendation #6

Date of Board Meeting:

12/14/09

Agenda Item:

Policy #531 The Pledge of Allegiance

Submitted By:

Nan Martin

This recommendation is:

Information Sharing

Reporting

Vote

Purpose:

Kaleidoscope Charter is lacking a formal policy manual. The board will be reviewing policies and implementing them. There are 31 mandatory policies that we will be focusing on first. Policy #531 The Pledge of Allegiance is a mandatory policy.

Recommendation:

Motion to approve Policy #531 The Pledge of Allegiance as written.

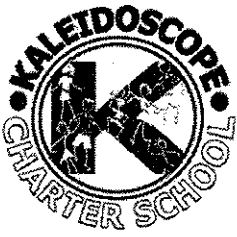
Vote:

Motion Carried

Motion Failed

Abstained:

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## Agenda Item Recommendation #7

Date of Board Meeting:

12/14/09

Agenda Item:

Policy #736 Use of School Credit Card

Submitted By:

Nan Martin

This recommendation is:    Information Sharing    Reporting    Vote

### Purpose:

Kaleidoscope Charter is lacking a formal policy manual. The board will be reviewing policies and implementing them. This policy is necessary for KCS to obtain a credit card. This policy was revised by the finance committee, please review attached.

### Recommendation:

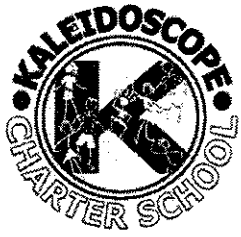
Motion to approve Policy #736 Use of School Credit Card as written.

### Vote:

Motion Carried    Motion Failed

### Abstained:

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## Agenda Item Recommendation #8

Date of Board Meeting:

12/14/09

Agenda Item:

Benefit Changes

Submitted By:

Dave Hoffman

This recommendation is:    Information Sharing    Reporting    Vote

### Purpose:

We would like employees to receive a PTO benefit of 1 day for each month worked. i.e. teachers/paras would earn 10 days a year and admin would earn 11. Worse case scenario could be a \$6,120 cost to the school if the 26 staff used these additional 2 days each year. We feel another benefit to help our employees is to allow for carryover of up to 10 PTO days a year with a cap of 20. Thus, if someone becomes injured or ill, they have time to apply to STD while allowing for them to bank a few days should they need them later in the year. This would replace the buyout of PTO for a net liability savings of approximately \$10,000.

### Recommendation:

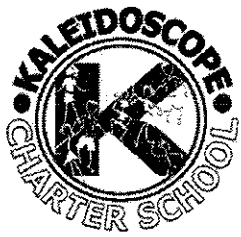
Motion that full time employees would earn 10 PTO days per school year with a cap of 20 days and administration will earn 11 PTO days per year with a cap of 20 days. Days will be frontloaded at the start of the school's fiscal year and prorated if necessary. No payout for unused days. Full time employees will be given 2 additional days effective immediately.

### Vote:

Motion Carried    Motion Failed

### Abstained:

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## Agenda Item Recommendation #13

Date of Board Meeting:

December 14, 2009

Agenda Item:

School Lease Amendment

Submitted By:

Matthew Patterson

This recommendation is:     Information Sharing     Reporting     Vote

### Purpose:

The essential start-up loan from Tom Roberts to fund set-up of the portables and allow the school to open on time in 2004 gave rise to complexities when year-end financials for FY 2007 were restated in the bond financial analysis. It was further complicated when it became clear after the bond closing, that unexpected high enrollment for FY 08 permitted the school under applicable rules to increase rent and lease aid. This change in rent and lease aid was to the significant advantage of the school

However, the lease aid adjustment was not reconciled entirely with the rent due to KCS Building Company (and in turn paid to the Trustee on behalf of the bondholders). The situation came to light as FY 09 year-end financial statements and audit field work were conducted. After additional analysis, it was discovered and agreed by all that the Trustee had been collecting more money than required under the terms of the bond documents.

The lease amendment restates the rent schedule to correctly identify amounts due from the school.

See attachments for Original, and Amended rental payments. Monthly rent increases:

Fiscal year 2010 - \$3,561; 2011 - \$161; 2012 - \$435

### Recommendation:

It is recommended that the Board vote to amend the Lease schedule, for reasons related to altering the rent schedule for the Lease between the Company and Kaleidoscope Charter School to accurately reflect advice of accountants and the Trustee the Bondholders.

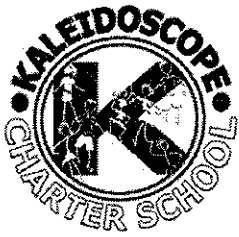
### Vote:

Motion Carried

Motion Failed

### Abstained:

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## Agenda Item Recommendation #14

Date of Board Meeting: December 14, 2009

Agenda Item: Legal Retainer Fee (with John Cairns)

Submitted By: Matthew Patterson

This recommendation is:  Information Sharing  Reporting  Vote

### Purpose:

The last retainer agreement was through 11/30/09. John has proposed to continue @ \$500 per month for December-March. He would be available for any consultation by phone, email, meeting; and drafting any documents as necessary.

In March he will meet and confer with us to assess whether the arrangement has been resulted in expected value from my work, is fair to both of us, etc. We can then decide what if any continuing relationship would make sense.

Among the tasks that will need attention in that time frame is dealing with the Option on the west 5 acres. We need to discuss this as a board and with Dave - how would we use the property if acquired (what changes would we make and what might be the cost of doing such).

Another area of need may be in issues relating to the former Director, and how that situation may play out in the courts.

Check with Jason/Sandy/Dave/Nan to see if this has been budgeted...

### Recommendation:

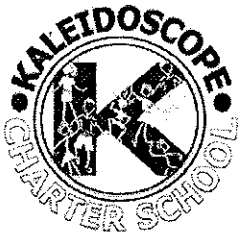
I recommend retaining John Cairns for KCS legal representation through March 2010, at the price quoted of \$500 per month.

### Vote:

Motion Carried  Motion Failed

### Abstained:

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Agenda Item Recommendation # \_\_\_\_\_

Date of Board Meeting:

Agenda Item:

Submitted By:

This recommendation is:  Information Sharing  Reporting  Vote

### Purpose:

Every year MDE and VOA request an Annual Report from Kaleidoscope Charter School. We have already sent the Annual Report, now that legislator has changed the law we will need to submit an updated copy of the report with changes made. The changes are minor, reworking and adding the director's calendar.

### Recommendation:

Motion to approve the updated 2008-2009 Annual Report with the changes made that are required my MDE.

### Vote:

Motion Carried  Motion Failed

### Abstained:

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