


Minutes of May 19, 2014
Valor Collegiate Academies Board Meeting

The Board of Directors of Valor held its May 19, 2014 Board Meeting at the offices of Bradley Arant Boult Cummings from 6pm to 9pm.

1. Attendance – Danielle Austen, Katherine Cigarran, Todd Dickson, Dave Goetz (remote), Dan Greenburg, Bob Hannon, Lauren Hayes, Tom Hooper, Keith Meacham, and Brooks Smith (remote). Such constitutes a quorum of the Board.
2. Agenda – See Agenda attached hereto as Exhibit A.
3. CEO Report – Dan Greenburg led financial discussion and Todd Dickson led rest of CEO report. See financial attached as Exhibit B and CEO report attached as Exhibit C.
4. 2014/2015 Fiscal Year Calendar – Proposed calendar for upcoming fiscal year was discussed. Proposed changes were suggested and made. See revised calendar attached hereto as Exhibit D.
5. Board and Committee Goals – Balance of meeting was used for committee breakout sessions discussing goals for upcoming fiscal year and committee meeting schedules.
6. Actions taken:
 - a. March 10th and 26th Board Meeting Minutes unanimously approved.
 - b. K-8 Application submitted to school board in April unanimously deferred to next year.
 - c. Following officers unanimously elected for upcoming fiscal year:
 - (i) Dave Goetz, Chair
 - (ii) John Seckman, Treasurer
 - (iii) Bob Hannon, Secretary
 - d. Following committees and members unanimously approved for upcoming fiscal year:
 - (i) Governance – Dave Goetz (chair), Bob Hannon; Todd Dickson and Darren Dickson staff liaisons
 - (ii) Finance – John Seckman (chair), Keith Meacham; Dan Greenburg and Todd Dickson staff liaisons
 - (iii) Performance and Growth – Malika Anderson (chair), Sylvia Flowers; Sarah Giblin and Todd Dickson staff liaisons
 - (iv) Development – Danielle Austen (chair), Katherine Cigarran; Lauren Hayes and Todd Dickson staff liaisons
 - (v) Facility – Tom Hooper (chair), Brooks Smith; Dan Greenburg and Todd Dickson staff liaisons

Attest:



Robert C. Hannon, Secretary
May 19, 2014

Attachments:

Exhibit A – Agenda
Exhibit B – Financial Reports
Exhibit C – CEO Report
Exhibit D – Proposed Calendar

Exhibit A
Agenda

See attached.

Agenda:

Item	Topic	Time
1	CEO Report	6:00-6:30pm
2	Proposed Board Calendar	6:30-6:40pm
3	Proposed Board Committees	6:40-6:50pm
4	Strategic Growth Plan	6:50-7:15pm
5	Develop Board Committee Goals	7:15-8:15pm
6	Next Steps for May/June	8:15-8:45pm

Exhibit B
Financial Reports

See attached.

Valor Collegiate
Cash Flow Statement & Projections
 As of April 30, 2014

2013-2014

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Forecast		AR/AP Remaining
											Projected	Projected	
Starting Cash Balance	-	86,093	48,630	31,093	359,051	286,793	243,522	191,241	128,124	159,680			
Revenues													
Other Local Revenues	100,004	2	501	305,004	21,275	10	9	6	300,018	6	1,746,351	1,019,517	
Federal Government	-	-	-	50,000	-	-	-	-	50,000	-	150,000	50,000	
Total Revenue	100,004	2	501	355,004	21,275	10	9	6	350,018	6	1,896,351	1,069,517	
Expenses													
Personal Services	12,606	19,154	13,885	19,984	31,295	22,318	23,091	25,580	35,668	52,207	255,787	-	
Employee Benefits	1,380	1,941	1,181	1,762	3,239	2,379	1,917	2,087	6,776	2,518	25,178	-	
Contracted Services	-	16,394	2,804	2,659	41,327	18,257	23,893	21,356	13,135	22,394	162,220	-	
Supplies & Materials	-	-	-	2,602	832	-	4,123	724	19,547	7,005	34,933	-	
Other Charges	-	-	-	-	-	352	451	-	868	244	1,916	-	
Capital Outlay	-	-	-	-	452	-	4,878	7,314	242,468	70,826	282,338	(43,600)	
Total Expenses	13,985	37,489	17,869	27,007	77,246	43,307	58,352	57,061	318,462	155,193	762,372	(43,600)	
Operating Cash Inflow (Outflow)	86,019	(37,487)	(17,369)	327,997	(55,971)	(43,297)	(58,343)	(57,055)	31,556	(155,187)	1,133,979	1,113,117	
Accounts Payable - Current Year	-	-	-	-	355	(355)	6,062	(6,062)	-	-	-	-	
Prepaid Expenses	-	-	-	-	-	-	-	-	-	-	-	-	
Payroll Liabilities	75	24	(168)	(40)	(173)	381	-	-	-	(99)	-	-	
Other Balance Sheet Changes	-	-	-	-	(16,469)	-	-	-	-	-	-	-	
Ending Cash	86,093	48,630	31,093	359,051	286,793	243,522	191,241	128,124	159,680	4,394			

Valor Collegiate
Budget Vs. Actuals
 As of April 30, 2014

	Actual				Budget vs. Actual				Budget				
	Feb	Mar	Apr		Actual YTD	Budget YTD	Variance (YTD less Budget)	Approved Budget - February 18th, 2014	February Forecast	March Forecast	Current Forecast	Variance (Previous Month's Forecast vs. Current Forecast)	Forecast Remaining
SUMMARY													
Revenue													
Other Local Revenues	10	9	6	6	426,810	520,809	(93,999)	1,300,536	1,296,351	1,746,351	1,746,351	-	1,319,541
Federal Government	-	-	-	6	50,000	100,000	(50,000)	150,000	150,000	150,000	150,000	-	100,000
Total Revenue	10	9	6	6	476,810	620,809	(143,999)	1,450,536	1,446,351	1,896,351	1,896,351	-	1,419,541
Expenses													
Personal Services	22,318	23,091	25,560		167,912	177,052	9,140	229,126	229,126	269,326	255,787	13,539	87,875
Employee Benefits	2,379	1,917	2,087		15,885	17,332	1,448	21,665	21,665	25,178	25,178	715	9,293
Contracted Services	18,257	23,893	21,356		126,692	125,703	(988)	161,472	161,722	162,380	162,220	160	35,529
Supplies & Materials	-	4,123	724		8,381	24,938	16,556	34,406	34,406	34,933	34,933	-	26,552
Other Charges	352	451	-		803	1,071	268	1,465	1,465	1,916	1,916	-	1,113
Capital Outlay	-	4,878	7,314		12,644	100,000	87,356	250,000	250,000	238,524	262,338	(43,814)	269,694
Total Expenses	43,307	56,352	57,061		332,317	446,096	113,780	696,134	696,384	733,971	762,372	(43,814)	430,055
Operating Income (excluding Depreciation)	(43,297)	(56,343)	(57,055)		144,494	174,713	(30,219)	752,402	747,967	1,163,380	1,133,979	(29,401)	989,486
Depreciation	-	-	-		-	-	-	-	-	47,705	56,468	(8,763)	56,468
Operating Income (including Depreciation)	(43,297)	(56,343)	(57,055)		144,494	274,713	(170,423)	1,002,402	997,967	1,354,199	1,359,850	5,650	1,202,712
Fund Balance													
Beginning Balance (Unaudited)	303,189	259,892	201,549		144,494	274,713	130,219	1,002,402	997,967	1,354,199	1,359,850	-	5,650
Operating Income (including Depreciation)	(43,297)	(56,343)	(57,055)		144,494	274,713	130,219	-	997,967	1,354,199	1,359,850	-	5,650
Ending Fund Balance (including Depreciation)	259,892	201,549	144,494		144,494	274,713	130,219	1,002,402	997,967	1,354,199	1,359,850	-	5,650

Valor Collegiate
Budget Vs. Actuals
 As of April 30, 2014

Revenue	Actual				Budget vs. Actual				Budget				
	Feb	Mar	Apr		Actual YTD	Budget YTD	Variance (YTD less Budget)	Approved Budget - February 18th, 2014	February Forecast	March Forecast	Current Forecast	Variance (Previous Month's Forecast vs. Current Forecast)	Forecast Remaining
44000 Other Local Revenues													
44116 Interest	10	9	6	6	49	30	19	36	72	72	72	-	23
44570.1 Contributions & Gifts	5,983	-	-	-	5,983	-	5,983	-	25,500	25,500	25,500	-	19,517
44570.2 Contributions & Gifts - Private	(5,983)	-	-	-	-	-	-	675,500	650,000	650,000	650,000	-	650,000
44570.5 Contributions & Gifts - TCSI Grant	-	-	-	-	20,779	20,779	(0)	25,000	20,779	20,779	20,779	-	0
44570.6 Contributions & Gifts - NGLC	-	-	-	-	100,000	-	100,000	100,000	100,000	550,000	550,000	-	450,000
44570.7 Contributions & Gifts - Broad	-	-	-	-	200,000	200,000	(200,000)	200,000	200,000	200,000	200,000	-	200,000
44570.8 Contributions & Gifts - CSGF	-	-	-	-	300,000	300,000	-	300,000	300,000	300,000	300,000	-	-
SUBTOTAL - Other Local Revenues	10	9	6	6	426,810	520,809	(93,989)	1,300,536	1,296,351	1,746,351	1,746,351	-	1,319,541
47000 Federal Government													
47100.1 Charter School Program Startup Grant	-	-	-	-	50,000	100,000	(50,000)	150,000	150,000	150,000	150,000	-	100,000
SUBTOTAL - Federal Government	-	-	-	-	50,000	100,000	(50,000)	150,000	150,000	150,000	150,000	-	100,000
TOTAL REVENUE	10	9	6	6	476,810	620,809	(143,989)	1,450,536	1,446,351	1,896,351	1,896,351	-	1,419,541

Valtor Collegiate
Budget Vs. Actuals
 As of April 30, 2014

	Actual				Budget vs. Actual			Budget					Variance (Previous Month's Forecast vs. Current Forecast)
	Feb	Mar	Apr		Actual YTD	Budget YTD	Variance (YTD less Budget)	Approved Budget - February 18th, 2014	February Forecast	March Forecast	Current Forecast	Forecast Remaining	
Expenses													
100 Personal Services													
103 Assistant Principal	-	-	-	-	-	-	10,855	162,337	162,337	202,537	175,537	3,750	(3,750)
105 Supervisor-Director	13,159	13,159	16,886	-	114,587	125,442	10,855	66,789	66,789	66,789	71,500	60,950	27,000
116 Teachers	9,159	9,932	8,694	-	53,325	51,609	(1,715)	-	-	-	5,000	18,175	(4,711)
172 Special Education Personnel	-	-	-	-	-	-	-	-	-	-	-	5,000	(5,000)
SUBTOTAL - Personal Services	22,318	23,091	25,580		167,912	177,052	9,140	229,126	229,126	269,326	255,787	87,875	13,539
200 Employee Benefits													
201 Social Security	1,384	1,432	1,566		10,411	11,365	954	14,206	14,206	17,009	16,355	5,944	654
210 Unemployment Compensation	672	150	130		3,039	3,310	271	4,137	4,137	5,289	5,610	2,571	(321)
212 Employer Medicare	324	335	371		2,435	2,658	223	3,322	3,322	3,594	3,213	778	361
SUBTOTAL - Employee Benefits	2,379	1,917	2,067		15,885	17,332	1,448	21,665	21,665	25,893	25,178	9,293	715
300 Contracted Services													
302 Advertising	385	713	1,779		11,010	15,200	4,190	19,000	19,000	19,000	19,000	7,990	-
308.4 Consultants - Financial	-	-	-		2,750	2,000	(750)	2,750	2,750	2,750	2,750	-	-
324 Financial Services	-	5,000	2,500		22,500	22,917	417	27,500	27,500	27,500	27,500	5,000	-
330 Operating Lease Payments	16,985	17,111	16,469		83,501	74,109	(9,392)	98,812	98,812	98,812	98,812	15,311	-
346 Postal Charges	28	20	-		48	-	(48)	-	250	250	250	202	-
380 Internet & Website Fees	-	550	-		1,950	1,336	(614)	1,400	1,400	1,950	1,950	-	-
383 Payroll Services	81	83	284		919	808	(111)	1,010	1,010	1,118	958	39	160
387 Staff Recruiting	-	137	325		950	3,333	2,383	5,000	5,000	5,000	5,000	4,050	-
388.1 Student Recruitment	780	279	-		3,063	6,000	2,937	6,000	6,000	6,000	6,000	2,937	-
SUBTOTAL - Contracted Services	18,257	23,893	21,355		126,692	125,703	(988)	161,472	161,722	162,380	162,220	35,529	160

Valor Collegiate
Budget Vs. Actuals
 As of April 30, 2014

	Actual		Budget vs. Actual				Budget					Variance (Previous Month's Forecast vs. Current Forecast)	Forecast Remaining	
	Feb	Mar	Actual YTD	Budget YTD	Variance (YTD less Budget)	Approved Budget - February 18th, 2014	February Forecast	March Forecast	Current Forecast	Current Forecast				
400														
Supplies & Materials														
425 Gasoline	-	243	243	-	(243)	-	-	500	500	-	500	-	257	-
452 Utilities	-	3,835	3,835	3,854	19	-	5,781	5,781	5,781	-	5,781	-	1,946	-
482 Non-Instructional Student Materials & Supplies	-	27	27	-	(27)	-	-	27	27	-	27	-	0	-
492 Professional Development Supplies	-	724	3,062	15,083	12,022	-	22,625	22,625	22,625	-	22,625	-	19,563	-
494 Equipment - Computers	-	18	1,215	6,000	4,785	-	6,000	6,000	6,000	-	6,000	-	4,785	-
SUBTOTAL - Supplies & Materials	-	4,123	8,381	24,938	16,556	-	34,406	34,933	34,933	-	34,933	-	26,552	-
500														
Other Charges														
502 Building & Content Insurance	-	-	-	596	596	-	894	894	894	-	894	-	894	-
506 Liability Insurance	-	451	451	-	(451)	-	-	451	451	-	451	-	-	-
513 Worker's Compensation Insurance	352	-	352	475	123	-	571	571	571	-	571	-	219	-
SUBTOTAL - Other Charges	352	451	803	1,071	268	-	1,465	1,916	1,916	-	1,916	-	1,113	-
700														
Capital Outlay														
707 Building Improvements	-	4,878	5,330	100,000	94,670	-	250,000	238,524	238,524	-	238,524	-	233,194	-
711 Furniture & Fixtures	-	-	7,314	-	(7,314)	-	-	-	-	-	30,000	-	30,000	-
790 Other Equipment	-	-	-	-	-	-	-	-	-	-	13,814	-	13,814	-
SUBTOTAL - Capital Outlay	-	4,878	12,644	100,000	87,356	-	250,000	238,524	238,524	-	282,338	-	269,694	-
TOTAL EXPENSES	43,307	56,352	332,317	446,096	113,780	-	698,134	732,971	762,372	-	762,372	-	430,055	-
DEPRECIATION														
Prior Year Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year Depreciation	-	-	-	-	-	-	-	47,705	47,705	-	56,468	-	(8,763)	56,468
SUBTOTAL - DEPRECIATION	-	-	-	-	-	-	-	47,705	47,705	-	56,468	-	(8,763)	56,468
TOTAL EXPENSES INCLUDING DEPRECIATION TREATMENT	43,307	56,352	332,317	446,096	113,780	-	448,384	542,152	536,501	-	536,501	-	5,650	216,829

Exhibit C
CEO Report

See attached.

CEO Report – May 19, 2014

6:00-6:40pm

1. April Financials (10 min)
2. SWOT analysis update (15 min)
3. Action Item and updates (15 min)

SWOT

Strengths

- Fully enrolled at 150 (10 more than originally planned) – maintained diversity
- Great team hired (last teacher hire today! Office manager close)
- MNPS Board approval of School 1 contract (MS1, MS2, HS1 under one charter agreement as detailed in original charter)
- Year 0 fundraising was strong
- Investment in Year 0 team (well prepared for MS1)
- School 1 building ready on time

Weaknesses

- Potential Cash Flow in July depending on outcome of 501-c3 expedition
- Board structure / engagement – need to transition to Year 1 Board structures with increased level of commitment and accountability to Committee goals
- Investment in Year 0 team (expensive)
- Need clarity on Phase 2 growth plans (2nd Pod vs. Feeder pattern)
- Opening School 2 in Year 2 is challenging for CMO team
- School 1 building was very expensive

Opportunities

- Excellent culture, relationships, and results in Year 1 = best chance for long-term success
- Capitalize in Year 1 on fundraising and recruiting with school 1 open
- School Board races
- Partnership opportunities

Threats

- Political environment – hard to predict growth and strategy
- Facility options are limited and expensive

Updates / Discussion / Recommendations / Action

1. **Trip to DSST** – team is heading to Denver this Wed-Fri to visit DSST / great opportunity to set bar high and to start Professional Learning on right foot

2. **Charter application for School 2** – recommend deferring charter application for K-8 Valor school for one year as we continue to evaluate our growth strategy (**Action Needed**)

Public Statement:

VCA has decided to defer our K-8 charter application until the 2015 application cycle so that we can better analyze our growth strategy. We will instead focus on our approved middle and high school plan for SE Nashville in the upcoming year, which includes enough middle school seats to open an additional middle school campus in 2015, as well as a high school in 2018. We look forward to continuing to collaborate with MNPS to look at additional opportunities to best serve the students of Nashville.

3. **501-c3 help** – we have been waiting for 14 months for our approval from IRS. We have asked for expedited approval in past two weeks directly from the IRS, as well as through 3 different politicians office (Corker, Cooper, Alabama House Rep via Lauren Hayes). Any other suggestions?

4. **Transition to Google Apps from High Bar** – decided price tag too prohibitive for our current commitment level; will design and roll out new version by June Board meeting

5. **July Faculty Welcome event** – would like to do a Welcome event in mid-July for all Valor faculty. Any takers on hosting?

Exhibit D
2014/2015 Calendar

See attached.

Please look at the proposed Board Calendar and **email me prior to our meeting if you have any unresolvable conflicts with the Regular Board meeting dates of Aug 18, Nov 17, Feb 16, and May 18.** I would like to handle the adoption of this Calendar quickly tomorrow evening and would like to work out any major issues prior to the meeting if possible. Thanks!

	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
RBM		18			17			16			18	TBD
CM	TBD			TBD			TBD			TBD		
GM	14		22				12		16			15

RBM = Regular Board meeting

CM = Committee meeting

GM = Governance Committee meeting