

**Board of Trustees Meeting for
Pennsylvania Distance Learning Charter School**
2100 Corporate Dr., Suite 500 Wexford, PA 15090
Telephone: 888-997-3352 Facsimile: 866-977-3527
Website: www.padistance.org

Minutes

Date: December 7, 2015
Time: 4:00 p.m.
Location: Pennsylvania Distance Learning Charter School
2nd Floor Conference Room
and
via Teleconference
Phone#: 888-988-2893
Access Code: 73527

A. Call to Order

Mr. Marous called the meeting to order at 4:04 p.m.

B. Roll Call

Trustee Attendance:

John Marous, President	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
William Donahue, Vice President	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Bill DiBenedetto, Secretary	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
John Lally, CPA, Treasurer, Advisory Trustee	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Absent

Other Attendees:

Patricia Rossetti, CEO, PDLCS	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Ed Mandell, Principal, PDLCS	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Jamie Desrochers, Director Special Education	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Sheryl Allmon, Director Student Services	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Michael Whisman, Charter Choices	<input checked="" type="checkbox"/> Present-P	<input type="checkbox"/> Absent
Nicholas Kocuba, Director of Technology	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Sean Kocan, Auditor, HBK	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Matthew Lewis, Auditor, HBK	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Tracey Colbert, Teacher, PDLCS	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Coleen Brennen, Teacher, PDLCS	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent

C. Public Comment - None

D. Review of Agenda

E. Standard Business

i. Meeting Minutes of September 8, 2015 Board Meeting

Motion: Mr. DiBenedetto moved to approve the September 8, 2015 meeting minutes

Support: Mr. Donahue seconded.

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ii. State of the School Report

Mrs. Rossetti presented the State of the School report. The active student census, as of November 25, 2015, was 500. The population of 46% males and 54% females reflects a slight decrease for male students. There are 390 regular education students and 110 special education students. Currently there are 42 full-time employees and 2 part-time employees. Since the last Board meeting, Kelly (Freiters) Sadowski has left and Alyssa Kephart has joined the staff. Both are special education teachers.

Mrs. Rossetti reported on a project with Figment Consulting and our administration team and staff. Together, the school has developed a relationship strategy that allows all departments to adopt a service mission and standards based on regulations, courtesy, support and nurturing, and personalization. Mrs. Rossetti shared presentation links that demonstrate some teaching strategies that have evolved from this work. The presentations were very well received. The board is very interested in learning more and encouraged sharing with the public.

Motion: Mr. Donahue moved to approve the State of the School Report

Support: Mr. DiBenedetto seconded.

Ayes: 3 Opposed: 0

iii. Financial Report

Mr. Whisman presented the financial report stating that total current assets decreased from \$1,780,424 at June 30, 2015 to \$1,743,769 at October 31, 2015. The net decrease was due primarily to a decrease in cash, offset by an increase in local receivables from school districts. Total cash decreased by \$338,891. Total Liabilities, at \$684,136, were \$324,025 higher than at June 30, 2015. This net increase resulted from an increase in the balance to the Bank Line of Credit, Accounts Payable and Accrued Expenses. The cash balance of \$905,604 was the equivalent of 47.7 days of cash on hand. The school's current ratio stood at 2.5 (benchmark = 2.0). Mr. Whisman explained that a large portion of income comes through the PDE Unipay system with 30% of districts paying the school directly. Mr. Marous commended the efforts to maintain financial strength during the budget impasse. With the state budget impasse, the Board discussion included the need to plan for the worst case scenarios of no income coming into the school and all vendors being paid in full. Mr. Marous asked what additional savings could be achieved if the budget impasse continued. Mrs. Rossetti suggested removing the second technical support staff member provided by Cloudcast potential savings to the school is \$50,000. Mr. Marous asked Mrs. Rossetti to investigate the removal of the second technician with Cloudcast.

Motion: Mr. DiBenedetto moved to approve the financial report.

Support: Mr. Donahue seconded.

Ayes: 3 Opposed: 0

F. New Business

i. Audit Review

June 30, 2015 Audit Report: The independent auditors presented our 2014-15 school audit. The audit resulted in a no findings. The auditors explained GASB 68 requirements and how it impacts the income statement. With GASB 68 all liability for PSERS are now transparent. The auditors reviewed the Benford's analysis applied during the audit to recognize anomalies. All expenditures were found to be in line with marginal risk. The auditors complimented Charter Choices as being very competent. There were no material weaknesses found during the audit.

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ii. Fund Balance

Mr. Whisman, has recommended that the unrestricted fund balance be reduced to closer to five percent. With the \$800,000 already committed to PSERS and operations, Mr. Whisman is recommending an additional \$300,000 be moved to as committed fund balance bringing the total of \$1,100,000. Mr. Donahue asked if more should be committed. Mr. Whisman indicated that legislation talks are indicating a 4-6% maximum is appropriate for uncommitted fund balances. Mrs. Rossetti supports the recommendation to increase the committed fund balance.

This draft resolution was presented for the board's consideration:

BE IT RESOLVED that PA DISTANCE Board of Trustees commits an additional \$300,000 for future operating costs. This commitment is in addition to the \$800,000 that was committed for June 30, 2014 bringing the total commitment to \$1,100,000.

Motion: Mr. Donahue moved that the proposed resolution for the fund balance be approved.

Support: Mr. DiBenedetto seconded.

Ayes: 3 Opposed: 0

iii. Public Relations Report

Mr. Pierce reviewed the family outreach activities currently being planned. There will be a January Fun Festival of online activities for students to engage in together. He is also planning field trips in various locations prior to PSSA and Keystone testing.

iv. Policies

The Conflict of Interest Policy and the Policy Against Discrimination and Harassment were revised to meet the new federal programs guidelines. Mr. Marous indicated the Conflict of Interest Policy needed to have the term "directors" replaced with "trustees".

Motion: Mr. Donahue moved that the policies be approved upon condition of making the recommended corrections.

Support: Mr. DiBenedetto seconded.

Ayes: 3 Opposed: 0

G. Reminder of Next Board Meeting

March 7, 2016 at 4:00 p.m. to be held at the Pennsylvania Distance Learning Charter School and by teleconference.

H. Executive Session (if necessary):

Motion: Mr. Marous moved to hold an executive session at 6:40 p.m.

Support: Mr. Donahue seconded.

Ayes: 3 Opposed: 0

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Board suspended the public meeting at 6:40 p.m. to go into executive session. The public meeting reconvened at 6:50 p.m. with no motions made from the executive session.

I. Adjournment:

Motion: Mr. DiBenedetto moved to adjourn the public meeting at 6:51 p.m.

Support: Mr. Donahue seconded.

Ayes: 3 Opposed: 0