

*Vertus Charter School prepares leaders of character
for the community and the workplace.*

**Vertus Board Meeting Minutes
January 16, 2014
Klein Steel Board Room
105 Vanguard Parkway, Rochester, NY**

Board members present: Bryan Hickman, Steve Jacobs, Sebrone Johnson, Mike Mandina, Todd Oldham, Ken Wasnock

Not present: John Batiste

Staff: Leigh McGuigan, Perry White

6 members of public

The meeting was called to order by Dr. McGuigan at 5:10 p.m.

Upon motion made by Mr. Jacobs and seconded by Mr. Wasnock the following resolution was passed:

Resolved, that Todd Oldham will serve as Acting Secretary for the January and February Board meetings.

CEO Report:

Dr. McGuigan reported that senior staff's current main priorities are finding a facility, recruiting staff, recruiting students, and taking care of the operational, financial and compliance preparations for starting the school and complying with all SED rules and deadlines. Dr. McGuigan reported that staff will provide the Board with detailed plans for recruiting staff and for recruiting students in the February 13 meeting. Dr. McGuigan drew the Board's attention to the school's proposed enrollment policy, noting that was substantially the same as that included in the charter application. Upon a motion by Mr. Hickman, seconded by Mr. Jacobs, the following resolution was passed:

Resolved, that the Board approves the attached Enrollment Policy.

Governance Report

Mr. White reported that a training on the roles and responsibilities of the Board is being scheduled for the February meeting. Mr. White also reminded the Board that he and Dr. McGuigan wish to meet with each Board member before the February meeting to discuss Board leadership and Board committee. Mr. White drew the Board's attention to the proposed By-laws and Code of Ethics, which also were the same as those included in the charter application, stressing the importance of the Board's familiarity with and adherence to the Code of Ethics. Upon motion by Mr. Jacobs, seconded by Mr. Hickman the following resolution were passed:

Resolved, that the Bylaws are approved.

Upon motion by Mr. Jacobs, seconded by Mr. Hickman the following resolution was passed:

Resolved, that the Code of Ethics is approved.

Mr. White discussed the need for application for 501(c)3 status. Upon motion by Mr. Jacobs, seconded by Mr. Oldham, the following resolution was passed:

Resolved, that the Board authorizes Dr. McGuigan and Mr. White to apply for 501(c)3 status for Vertus Charter School.

Mr. White discussed the need for Directors and Officers insurance and reviewed several options with the Board. Mr. White recommended the policy offered by Darwin at \$3000 per year, with the proviso that this coverage be reviewed in about six months in connection with procurement of the school's full insurance package, to ensure that it remained cost competitive and provided sufficient coverage for all school staff members given the school's innovative model. Upon motion by Mr. Jacobs, seconded by Mr. Wasnock, the following resolution was passed:

Resolved, that the Board approves the policy from Darwin for Directors and Officers insurance and authorizes Mr. White to enter into a binder for the coverage.

Facilities Report

Mr. Hickman reviewed the attached list of prospective facilities and rating criteria for selection, describing the pros and cons of each, with the input of Dr. McGuigan and Mr. White. The Board agreed that the Raines Park and West End Business Park facilities seemed to be the best options to pursue at this time. The Board discussed the need to fully investigate issues such as the number of students in the neighborhood, the availability and schedules for public transportation, and the suitability of the building for the technology infrastructure needed for the school, in addition to suitability for the school's program. The Board also stressed the need to complete a lease quickly, given that prospective students and staff need to know the location of the school. After discussion, upon motion by Mr. Jacobs, seconded by Mr. Hickman, the following resolution was passed:

Resolved, that Dr. McGuigan and Mr. White are authorized to complete an analysis of prospective school sites according to the factors set forth on the attached matrix, and after consultation with appropriate professionals (including an architect and counsel), to negotiate and enter into a lease to secure the most desirable site for the school.

Financial Report

Dr. McGuigan gave a report on the short-term cash flow needs of the school and possible sources of loan funds to support start-up activities pending receipt of CSP and prospective

grant funding, noting that Mr. Hickman had provided a personal loan of \$40,000 at 3% interest per annum, to be repaid as possible after receipt of CSP funding. Dr. McGuigan also noted that she would be pursuing a short-term line of credit. After discussion, upon motion by Mr. Mandina, seconded by Mr. Oldham, the following resolution was passed:

Resolved, that the Board approves the attached planning year cash flow expense budget for the period of January 1 – June 30, 2014.

Dr. McGuigan noted the need for a fiscal agency agreement with E3 Rochester to serve as the school's fiscal agent for the receipt and disbursement of funds from foundations that will only disburse grant funds to an organization that has 501 (c)3 status. Upon motion by Mr. Johnson, seconded by Mr. Jacobs, the following resolution was passed:

Resolved, that the Board approves the fiscal agency agreement with E3.

Dr. McGuigan requested a motion by the Board to approve the opening of bank accounts. Upon motion by Mr. Wasnock, seconded by Mr. Johnson, the following resolution was passed:

Resolved, that the Board authorizes Dr. McGuigan to open such bank accounts as are necessary to effectuate the business of the school.

Development Report

Mr. White updated the Board on the status of the CSP Grant, reporting that the school is eligible for up to \$750,000 in funding over 3 years, given the high-risk population served by the school. He also discussed the school's applications for funding from NextGen and the Farash Foundation.

Board Calendar

The Board approved the attached meeting calendar, in which the Board will generally meet on the second Thursday of the month at 5:00 p.m. Upon motion by Mr. Hickman, seconded by Mr. Mandina, the following resolution was passed:

Resolved, that the Board approves the meeting calendar for 2014.

Upon motion by Mr. Wasnock, seconded by Mr. Jacobs, the following resolution was passed:
Resolved, that the meeting is adjourned.