ESPIRITU Community Development Corporation
4848 South 2nd Street
Phoenix, AZ 85040
Mark-10 Conference Room

Minutes
Board Meeting Held
July 11, 2014

Members Present:

Armando Ruiz – Board Chair
Bertha Gutierrez – Vice Chair
Monica Rivera – Member
Frances Castillo – Member
Adrian Ruiz – Member

Others present:

Marlene Sharp – Board Secretary

Meeting Began at 9:45 a.m.

Agenda Item II – Roll Call

Marlene Sharp called the roll and confirmed a quorum

Agenda Item III – Adopt Meeting Agenda

Motion to adopt the agenda @ 9:45 a.m.

Motion: Bertha Gutierrez
2nd Monica Rivera
Yes-5 No-0
Motion Passes Unanimously

Agenda Item IV – Adopt Previous Meeting Minutes

Motion to adopt minutes from meeting held July 1, 2014

Motion: Bertha Gutierrez
2nd Monica Rivera
Yes-5 No-0
Motion Passes Unanimously

Agenda Item V – FY2014 The "A" Group Contract – Consideration to approve an amended contract for services between The "A" Group Inc. and Espiritu Community Development Corp.

Discussion was held to amend the amount the original contracted amount of $894,000 to $745,000 for services rendered. The amended amount reflects the services Espiritu received, what Espiritu was billed for, and the amount paid during the 2014 Fiscal Year.

Motion to adopt the amended contract for services between The "A" Group Inc. and Espiritu Community Development Corp.

Motion: Bertha Gutierrez
2nd: Frances Castillo
Yes- 4 No- 0
Monica Rivera recuses from vote
Motion Passes

Agenda Item VII – FY2015 The "A" Group Contract – Consideration to approve a contract for services between The "A" Group Inc. and Espiritu Community Development Corp. for the 2015 Fiscal Year.

Discussion was held to approve a renewed service contract between The "A" Group Inc. and Espiritu for an amount of $970,000 for services including the following:

a. IT Network Administration, including maintenance and coordination of the Espiritu "Web Site" and all things IT;
b. Mass Media and TV Studio Coordination;
c. Maintenance & Facilities Coordination and Management;
d. Transportation Coordination and Management;
e. Sports Program Coordination and Management;
f. Health and Fitness Program Coordination;
g. Long Distance Learning and International Partnership Program Coordination;
h. International Leadership Formation Courses;
i. Sports Administration Courses;
j. Music and Orchestra Program Coordination and Courses;
k. Parent, Student, and Staff Activities Coordination and Management;
l. Finance and Human Resources Management.

Motion to adopt the contract for services between The "A" Group Inc. and Espiritu Community Development Corp. for the 2015 Fiscal Year.

Motion: Bertha Gutierrez
2nd: Frances Castillo
Yes- 4 No-0 Abstention-1
Motion Passes

Agenda Item VII – Preliminary Embargoed Letter Grades – Informational item of preliminary Academic Performance.

Staff provided the governing board with preliminary academic performance information. Staff informed the Governing Board of the current embargo restriction of Letter Grades, the date of Final Letter Grades, and the public release of the Final Letter Grades. Staff will provide a full report during next month's Governing Board meeting regarding the Final Letter Grade determination.

Agenda Item VIII – Strategic Plans for Reyes Maria Ruiz Academy and NFL YET College Prep Academy – Consideration to approve the recently completed Three Year Strategic Plans for Reyes Maria Ruiz Leadership Academy (RMR) and NFL YET College Prep Academy (NFL YET).

A discussion was held in regards to the current academic state of affairs for RMR and NFL YET. Staff highlighted the sustained academic achievements and projections for continued improvement. Staff provided the Governing Board with a series of goals, strategies, action Steps, and preliminary costs for the next 3 academic years to sustain success and academic rigor. In light of student performance and anticipated upcoming changes to the educational landscape, staff identified the need to revamp the science and writing programs over the course of the next 3 years. It was stated that these developments will help students of RMR and NFL YET reach greater academic heights.

Motion to adopt the Three Year Strategic Plans for Reyes Maria Ruiz Leadership Academy (RMR) and NFL YET College Prep Academy (NFL).

Motion: Adrian Ruiz
2nd: Bertha Gutierrez
Yes-5 No-0
Motion Passes Unanimously

Agenda Item IX – FY2015 NFL YET College Prep Academy Adopted Budget Version – Consideration to approve the FY2015 Adopted Budget version for NFL YET College Prep Academy (NFL YET).

A discussion was held regarding the Adopted Budget version for NFL YET. Staff informed the Governing Board there were no significant changes from the Proposed Budget version save for an update on teacher salary costs and the inclusion of the projected Food Service revenue. Staff and Governing Board will monitor throughout the year and revise as necessary.

Motion to adopt the FY2015 Adopted Budget version for NFL YET College Prep Academy.

Motion: Bertha Gutierrez
2nd: Frances Castillo
Yes-5 No-0
Motion Passes Unanimously

Agenda Item X – FY2015 Reyes Maria Ruiz Leadership Academy Adopted Budget Version – Consideration to approve the FY2015 Adopted Budget version for Reyes Maria Ruiz Leadership Academy (RMR).

A discussion was held regarding the Adopted Budget version for NFL YET. Staff informed the Governing Board there were no significant changes from the Proposed Budget version save for an update on teacher salary costs and the inclusion of the projected Food Service revenue. Staff and Governing Board will monitor throughout the year and revise as necessary.

Motion to adopt the FY2015 Adopted Budget version for Reyes Maria Ruiz Leadership Academy.

Motion: Bertha Gutierrez
2nd: Frances Castillo
Yes-5 No-0
Motion Passes Unanimously

Agenda Item XI – Attendance Policy - Consideration to approve the revised Attendance Policy for Reyes Maria Ruiz Leadership Academy and NFL YET College Prep Academy.

A discussion was held in regards to the need of revised guidelines for excessive student absences and tardiness. Staff provided a report of the issue of students habitually missing class due to absence and arriving to school tardy. Staff developed revised guidelines to seek to curb the issue. Key highlights included understanding reasons for chronic absences, procedures for families to report absences, guidelines for excused absences, definition of unexcused absences, consequences, pre-arranged absences, and tardiness. The Governing Board Chairman advised of the danger of passing sweeping changes for an issue of a handful of children, which can have otherwise unintended consequences for the student body at large. The Governing Board suggested the elimination of the consequence of suspension for chronic absenteeism and the increase in allowable days from 2 to 5 for pre-arranged college visitations. The Governing Board requested staff create a committee to review a policy for excessive tardiness.

Motion to adopt Section A and Section B, excluding the sections related to tardiness and including the exclusions of the 4th level consequence for unexcused absence and increasing the college visitation to 5 days, of the revised Attendance Policy.

Motion: Adrian Ruiz
2nd: Bertha Gutierrez
Yes-5 No-0
Motion Passes Unanimously

Agenda Item XII – Update on Facility Lease – Informational item regarding the potential lease of the former South Mountain YMCA site with Spirit Mission Inc., a not for profit organization, for the purposes of transferring the site of NFL YET College Prep Academy high school pending a completed purchase by Spirit Mission Inc.

Staff provided information regarding Raza Development Fund (RDF), the lender for the purchase of the facility, request for items including academic, operational, and financial performance of Espiritu for its potential lease of the facility. Information must be submitted to RDF by Wednesday July 16, 2014.

Agenda Item XIII – Authorize Replication Application for AIM Higher College Prep Academy – Consideration to authorize and approve the Replication Application for AIM Higher College Prep Academy.

A discussion was held regarding the Replication Application for AIM Higher College Prep Academy, a 7-12th grade charter school. It was noted that Espiritu requested and received eligibility for replication in January 2014. The charter contract for AIM Higher College Prep Academy will be held by Marytown Academies, a not for profit corporation, in which the existing Governing Board Members for Espiritu will also serve as the Governing Board for Marytown Academies. The school will be located within a 2.5 mile radius from 32nd Street and McDowell. The school is anticipated to open on August 3, 2015 and serve 150 students in grades 7 and 8 in its inception year. The school will undergo organic growth adding a grade level and 75 students each year until it reaches grade 12. The target population, educational plan, and operational practices will remain consistent to that of Espiritu's existing high performing 7-12th grade school, NFL YET College Prep Academy. As of the discussion, the application is complete and is pending authorization from Espiritu Community Development's Governing Board.

Motion to authorize the Replication Application for Aim Higher College Prep Academy.

Motion: Frances Castillo
2nd: Bertha Gutierrez
Yes-5 No-0
Motion Passes Unanimously

Agenda Item XIV – Senior Advisor Compensation – Consideration to increase the compensation paid to Espiritu Community Development Corp.'s Senior Advisor.

Noted during this time, Armando Ruiz exits the meeting during the agenda item

A discussion was held in regards to increasing the compensation for the Senior Advisor. The current salary of the Senior Advisor is $67,440 per annum. It was noted that all staff took hefty cuts to salary during tough financial times 5 years prior. It was noted that all staff had their salaries reinstated to their previous levels save for the Senior Advisor. A review of the prior 10 years of the Senior Advisors salary indicated that at its peak the total compensation was $77,000 per annum seven years prior. The Governing Board took note of the turnaround that had taken place over the course of the previous 5 years academically, operationally, and financially; and the Senior Advisor's instrumental role played in that turnaround. It was deemed appropriate to raise the level of compensation to a previous average of $75,000 per annum.

Motion to approve an increase in the compensation paid to Espiritu Community Development Corp.'s Senior Advisor at a level of $75,000 per annum taking retroactive effect July 1, 2014.

Motion: Frances Castillo
2nd: Monica Rivera
Yes-3 No-0
Armando Ruiz and Adrian Ruiz recuse from vote
Motion Passes

Noted during this time, Armando Ruiz re-enters the meeting

Agenda Item XV – Call to the Public

No public member elected to speak

Agenda Item XVI – Adjournment

Motion to adjourn @ approximately 12:50 p.m.

Motion: Monica Rivera
2nd: Bertha Gutierrez
Yes-5 No-0
Motion Passes Unanimously