

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF
ARISTOI CLASSICAL ACADEMY, INC.**

January 23, 2023

A Regular Meeting of the Board of Directors of Aristoi Classical Academy, Inc., charter holder for Aristoi Classical Academy (“School”) was held on **Monday, January 23, 2023, at 5:30 p.m., at the school**, 5610 Morton Road, Katy, TX 77493-1971 in Classroom C1.

1. Call to order and establishment of a quorum. - L. Botond called the meeting to order at 5:31 pm. Also present were W. Clark, A. Hovis, A. Cox, D. Light, C. Gillespie, B. Davidson, M. Watson, K. Locheed, and A. Amboree
2. Hearing of citizens. - None
3. Approve Consent Agenda: Motion to Approve Consent Agenda: L. Botond, Second: D. Light, APPROVED: Unanimously
 - a. Minutes for December 15, 2022, Regular Board Meeting.
 - b. Superintendent’s Report
 - c. Financial Update from Business Office
 - d. Report from Budget Finance Committee
 - e. Report from Development Committee
 - i. This report was unavailable due to changes in Development Director staffing.

4. Hear and discuss presentation from Jessica Shopoff, Director of Policy at Texas Public Charter Schools Association, regarding charter school funding. J. Shopoff attended by telephone call

Ms. Shopoff’s presentation used graphics to illustrate the difference in funding between public and charter schools. There are two main streams of funding for charters: first is the state funding based on average daily attendance (ADA), which averages about \$1000 less per student than the ISDs receive. There is also a facilities funding payment to charters. Currently, charter schools do not have access to Local tax that is available to ISDs. Regarding the facilities funding, due to the “lesser of provision” that caps facilities funding at \$60 million, there remains a significant gap between the funding of charter and public schools. The legislature currently requires only 1/5 of the total per pupil facilities allotment to be paid to charters in order to stay within a total facilities payout of \$60 million. Increased enrollment in charter schools means that the facilities funding has dropped from \$220 per student to \$174 (adjusting for inflation, the amount per student is currently \$145). Without the cap on this funding, we would receive \$900 per student based on the formula used, which would close the funding gap. It’s also important to note the factors used in determining local funding, these include the number of students with disabilities, and socioeconomic tier levels. Ms. Shopoff made the point “you cannot judge funding conclusively without looking at demographics”. Funding is also based on ADA (average daily attendance). Total revenue per ADA also reflects any

expansion bonds. The current legislative priorities are the “facilities funding cap lift”, which the ISDs are also requesting be removed. TPSCA is monitoring all topics and says the general legislative tone toward charter schools is strong within the Senate, however, due to the redistricting cycle there are not enough strong champions in the House. TPSCA does not believe that anything charter specific can pass and would require significant work with the swing voters.

5. Discuss, consider, and approve the audit for fiscal year 2022.- Motion to Approve with Changes: A. Hovis, Second: L. Botond, Abstain: A. Cox, APPROVED: 5:6

The Financial Statement Audit was presented by representative of Whitley Penn. Aristoi Classical Academy earned a “clean” report on financial statements, internal control and compliance, and the Federal single audit report. The major Federal programs selected for testing were (Elementary and Secondary School Emergency Relief) ESSER I, II, III, (Texas COVID Learning Acceleration Supports) TCLAS and Supplemental amounting to \$2.1 million ESSER represents the highest risk at 55% of the \$2.1 million. Aristoi showed a gain of \$800,000 in net assets. This gain was on the removal of right-to-use asset and lease liabilities. The value of this was based on an estimate using lease agreements, amortization schedule, and value of the asset. The board also requested information on current tracking of non-capital assets, and if fixed furniture was qualified as an asset. A. Amboree explained that currently a barcode system is being used and monitored by designated administrative assistants. Whitley Penn noted there were no major suggestions, our audit was properly supported, and all requested documentation was provided without delay or difficulty. It was requested that in the future, audits would begin earlier to ensure they are approved on time and allowing time for any unforeseen circumstances.

6. Hear from Kara Belew, of Tenet Leadership, regarding update on Lone Star Governance. – K. Belew was unable to give update at this time
7. Discuss, consider, and approve formal designation of school divisions as follows- *Grammar School (K-4)*, *Logic School (5-8)*, *Rhetoric School (9-12)*. – Motion to approve formal designations of schools: W. Clark, Second: A. Hovis, APPROVED: Unanimously

Based on the growth and development of Aristoi Classical Academy, administration feels that by adopting these designations now, we are able to keep our brand distinct. Administration believes that by using this new terminology we “bring to the foreground who we are”, with the hope that as we begin to grow we are able to maintain the culture and values that have been built upon. These designations also become part of the conversation when marketing. These designations “articulate not only academic, but formative goals.” The board questioned whether removing 5th grade from the elementary school grade level could prove detrimental to STAAR test results, and whether 5th graders are really mature enough to share the same space as 8th grade. To address these concerns, K. Locheed referenced the way in which Katy campus made this

transition. The 5th and 6th grades still remain somewhat separate, being grouped together but still within the school of Logic. Katy has distinguished the move to Logic school as a rite of passage for their students. The STAAR test results have been steadily improving, showing that separating that group is not as big a concern as during the COVID years.

8. Discuss and consider the TEA School Safety Report, approve any elements that are needed for submission, including, but not limited to the health requirements.

It was found that all required school safety documents were submitted on time; however, some of the documents were rejected because they did not follow specific templates. There has been very little clarity on what templates are required for approval and all the processes in place bypass school board approval. Region 4 instructed administration to resubmit the forms with no further instruction. B. Davidson noted that we did receive funds for school safety, with the intention of hiring a school safety officer. The funds received were insufficient for this purpose and were then used for facility safety. Any remaining funds will be allocated to someone already on campus who will take the role of Safety Coordinator. One candidate for consideration would be Shae Cantu, who is currently a substitute teacher at Aristoi Cypress. Ms. Cantu has a law degree from Western Michigan, which would allow her to navigate the process of compliance. The Safety Coordinator will also be responsible for creating a timeline for submissions and loading all documents for Board access. B. Davidson would like to add a budget item to cover the School Safety Coordinator position for next year. L. Botond requested that the administration contact an attorney familiar with the requirements of the Texas School Safety Plan in order to get guidance on what specifically is required under the plan and to get advice on the repercussions of not having submitted an "approved" plan under the deadline. The threat of appointment of a conservator for the school must be answered as soon as practicable. L. Botond spoke with someone from Texas State and found that many schools are considered to be late or noncompliant, but Aristoi requires more clarity and direction on what latitude schools have in forming their plans.

9. Discuss, consider, and approve updated Strategic Plan. – TABLED

Scott Joftus, with Four Points, informed M. Watson that our budget of \$60,000 has been exhausted. Mr. Joftus is willing to provide us with a format that can be edited. This is the final revision that we will receive, all final graphics files are in PDF which is not manipulatable. M. Watson will be requesting the full suite of documents, that can be edited. The board recommends seeking quotes from other graphic designers. There are still some grammar edits to be made but overall, the content is improved from the initial version received.

The board confirmed that the substance of the Strategic Plan was approved but a final version would require more work.

10. Discuss and consider Aristoi growth timeline. DL

D. Light presented the revisions to Aristoï growth timeline showing information from the Strategic Plan. The growth timeline shows the ten year timeline of growth with clearly defined goals. District Strategy, as outlined, would focus on creating departments for Human Resources, Facilities, and Curriculum.

11. Discuss, consider, and approve delaying the opening of the Greater Houston Metro Area campus to the Fall of 2024. -Motion to Approve delay to July 1, 2024: A. Hovis, Second: D. Light, APPROVED: Unanimously

12. Discuss and consider facilities development plan or next steps for facilities expansion projects in partnership with Turner Impact.

There have been two meetings with representatives from Turner Agassi since the previous board meeting. The immediate needs of Aristoï were discussed at length and determined to be building out Morton Road Rhetoric and Logic School, and the possibility of a competition gym. To move forward with the finishing of these facilities, Aristoï would need more financing. Turner Agassi would like to explore value engineering. Turner Agassi would like to use our estimates and run them through their own processes to see if any of the construction costs were overestimated to account for post- COVID inflation. They will be working to solidify our non-negotiables with their own finance team. If the school moves forward with the company to build the next phase of the Morton Road campus, the construction could be complete as early as Summer 2024. They have also begun scouting locations for a Cypress campus expansion. The growth timeline has been updated to reflect the scope of work and rapid progress.

13. Discuss and consider an update on the Cypress Campus, including but not limited to enrollment, facilities, renovations, leadership team and faculty.

Cypress campus is currently fully staffed for the rest of 2022-2023 academic year and has begun posting positions for 2023-2024. The Lawson Center is nearing completion with a goal of March. Mr. Pertuso has also presented Crossover Bible Church with some renovation requests for next year and is expecting a response by January 31. These renovations may require lease amendments.

14. Discuss and consider an update on the Katy Elementary (Grammar), including but not limited to enrollment, facilities, renovations, leadership team and faculty.

Ms. Polvogt reported all is well but would like to recommend the addition of turf at the rear of the school so that the campus has an additional space for recess. The quotes are consistently around \$30,000, but the turf is not a fixed installation and can be relocated in the future.

15. Discuss, consider, and approve the academic calendar for the 2023-2024 school year. – Motion to Approve 2023-2024 Calendar: A. Hovis, Second: A. Cox APPROVED: Unanimously

There was some concern that with the placement of early release days at the end of the year, we would see a significant impact on the ADA (average daily attendance). It was explained the days were structured around finals to allow parents to pick up their younger students along with their siblings once testing is completed. K. Lockheed said that this would also allow teachers time to grade and input finals. The calendar was created in a collaborative effort with the Faculty Culture Committee, and they were overwhelmingly in support of the proposed calendar.

16. Discuss and consider the HB 3 related College, Career, and Military Readiness (CCMR) report, as well as a summary of the elements of the Texas Academic Performance Report (TAPR).

Discussion began at 8:11pm. K. Lockheed presented the information. The CCMR report shows that Aristoi students are outperforming the goals established by the board. K. Lockheed anticipates the class of 2022 will be close to 80%. Aristoi students are also testing much higher than surrounding districts. The board can support these goals by also supporting advanced academic initiatives. K. Lockheed demonstrated how to navigate to the TAPR Report that is posted on the TEA (Texas Education Agency) website. The TAPR Report shows there has been extreme growth in the Cypress Campus benchmarks. There has been a drop in the 8th grade math scores, but K. Lockheed explained this is due to the high number of 8th graders enrolled in algebra. The report shows that we have high mastery in the algebra classes. The TAPR Report is able to show where there are deficits and also compares pre- and post-COVID scores. Discussion ended at 8:24 pm.

17. Adjournment to closed or executive session pursuant to Texas Government Code Section 551.074 of the Open Meetings Act, for the following purposes: 8:27 pm

- a. Discuss assignment and duties of public officers. LB

18. Reconvene to open session. 8:51 pm

19. Take action on matters discussed in closed session. -None

20. Discuss items to be placed on the February Regular Meeting Agenda.

- a. Charter Amendment and Board Resolution regarding delay of opening the Houston Campus
 - b. Turner Impact Update
 - c. Gala Update
 - d. Testing Report
 - i. Benchmark and SAT
 - e. Teacher retention

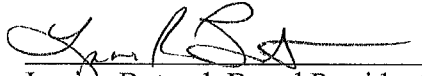
f. Strategic Plan

21. Adjourn at 8:51 pm. - Motion to Adjourn: C. Gillespie, Second: D. Light, APPROVED:
Unanimously

Prepared by C. Gillespie

This is a true and correct copy of the minutes of the Regular Board Meeting held on
January 23, 2023 as approved by the Board of Directors on

February 27, 2023.



Lucia Botond, Board President