



**HIGHPOINT**  
VIRTUAL ACADEMY  
OF MICHIGAN

## Highpoint Virtual Academy

### NOTICE OF REGULAR MEETING OF THE BOARD OF DIRECTORS

**September 28, 2016 @ 4:00 pm**

Board meeting to be held at: 210 E. Mesick Ave. Mesick, MI 49668

Via conference call # 888.824.5783 Passcode: 17700635 #

Via Blackboard Collaborate @ <http://bit.ly/29PZpA6>

Please contact 855-337-8243 for additional assistance

Community notification posted at the following locations: Mesick Consolidated Schools; HVAM website

#### **AGENDA:**

- 1) Call to Order: 4:04 pm by Director Osborne
- 2) Roll Call:
  - a) **Present: Director Osborne, Director Workman, Director Howell, Director Codden, Superintendent Akom, Board Attorney Doug McNeil, Cindy Carter Wright, Mary Moorman, Mary Markert, Pam Kantola, Lindsay Hallead, Nancy Tuckey, Sameer Kasargod (via conference call), Greg Blough (via conference call), Christina Teller (via conference call) and Lori Andersen**
  - b) **Absent: None**
- 3) Public Comment (limited to agenda items; not to exceed 5 minutes limit per individual)
  - a) No public comment
- 4) Routine Business:
  - a) Approval of Minutes from the August 24, 2016 Board Meeting  
Director Osborne noted that Lori Andersen was missing from the August 24, 2016 minutes' roll call. Was subsequently added.  
Motion for Approval of August 24, 2016 minutes as listed by Director Codden with addition  
Seconded: Workman  
Approval: Unanimous
  - b) Approval of Agenda for September 28, 2016 meeting by Director Codden  
Seconded: Workman  
Approval: Unanimous
- 5) Discussion:
  - a) Head of School Report included:
    - i. Family Satisfaction Surveys - Surveys are sent out seven times per school year to see how we are doing and to make sure we are offering the support our students and families need. First survey results in the Northern Region shows HVAM is at 72% – above the national average and HVAM is the leading school in the Northern Region for satisfaction. We are also running a close second in preparation at 54%. This number will continue to grow as HVAM grows as a school.
    - ii. Orientation/Strong Start Report Mary explained we are doing a great job and our goal is to reach out to everyone who requests help or who has concerns by Monday afternoon. We have an “all hands on deck” approach to support our families.
    - iii. Special Education Update – Nancy Tuckey addressed the board. As of 9.16.2016, we are providing services to fifteen students and as of 9.28.2016 that number has risen to

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eighteen. HVAM is on track for holding IEP meetings to meet the 30 day compliancy regulation. Working on track with section 504 plans to also meet 30 day compliancy regulation. We have less than ten students who receive support and services based on a Section 504 plan and have scheduled meetings to update the students' plans to meet the compliancy regulation as well. HVAM is currently checking for 2<sup>nd</sup> language learners on a daily basis – none at this time – but we also want to make sure we do not miss anyone.

- iv. Readiness Assessments: We are utilizing NWEA MAP and Dibels for K-3 for assessing reading skills, as HVAM recognizes the unique needs of every one of our students. With that philosophy, teachers are working with individual students as well as groups of students who fall into lower reading categories to target them early to keep them on track and to offer support to those in need of additional help. Students' progress is monitored every six weeks.
- v. Fun stuff! Catch Mrs. Moorman! Mary has been attending live Class Connect sessions during the first month of school and classes who "catch" Mary (similar to the Pokemon Go game) during their class will be given a chance to enter her contest. Weekly winners are drawn and have received nominal gift cards. Grand Prize winners will be announced during Count Week. Constitution Day was September 16<sup>th</sup> and each grade level held interactive class lessons and even went on virtual field trips. National Online Learning Day was September 15<sup>th</sup> – HVAM shared links and information with families and also encouraged them to participate in online events to share what online learning means to them and how it works for their students and families. These were all fun yet informative events HVAM offered as a way to get to know our students, their families and encourage interaction in unique settings.
- vi. Enrollment/Marketing Updates - As of 9.16.2016, enrollment is at 133 with 90 students in the process of enrollment. Of those numbers, 0 are from Mesick and 3 students from Wexford County (Manton and Wellston). Greg Blough (Marketing – via conference call) had the board refer to the enrollment forecasting/performance inclusions and actions being taken for the FY2017-18. Sameer Kasargod (VP K12 Marketing) addressed the Board via conference call to give an additional overview of enrollment forecasting and actions being taken on behalf of HVAM/K12 and looking to next year's forecast. Kasargod gave the Board a look at historical marketing and data in Michigan for online schools and demand. There were four key factors as to why enrollment fell short of the anticipated forecast:
  1. A slow start to the enrollment season; the HVAM portal was open in mid-May and enrollment beginning in July;
  2. Lower brand awareness and recognition as well as the challenge to promote college bound courses when we are only able to offer K-8 with one grade being offered each subsequent year.
  3. The need for on-line schools has leveled off with a one percent decline in on-line schools throughout Michigan. Superintendent Akom asked about K12 enrollment at other schools. K12 grew 13% within that 1% data for last year and other K12 managed schools in Michigan are ahead of budget.

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4. Online school competition has intensified in our area and they have more brand recognition.

Actions taken during season is to monitor our numbers closely. Placed on top of landing page and HVAM on top. Modified school description and hyped expansion. Work closely with enrollment to market expansion. Deployed local marketing in Traverse City and Alpena to optimize enrollment. Planning campaign now for 2<sup>nd</sup> semester. There will be onboarding from the beginning and a full season of marketing will allow brand awareness for peak enrollment and 9<sup>th</sup> grade addition for next year.

Director Osborne considered if having only K-8 enrollment had hurt our enrollment numbers. Was agreed that yes it may have hurt our initial enrollment however the extent is unknown. Cindy addressed the board stating that HVAM needs to grow sustainably and accountably; we do not want HVAM to explode with enrollment and be unable to meet the needs of our students, taxing teachers and staff in addition to taking on graduation numbers and testing results on HVAM with enrollment after the February count date. HVAM is protected with the cap after the second count date in February.

Christina Teller addressed the board via conference call noting that 149 students have enrolled as of today's meeting with 90 in the pipeline that have begun the enrollment process. She is still seeing positive movement in enrollment and progress being made each day.

- b) Board Action Taken – None taken - informational purposes only.
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- 6) Submission, Discussion, Approval Requested Items:
    - a) Presentation for Approval for Financial Reports
      - i. Presentation of August 2016 Financials – Enrollment/Budgetary Impact
        1. Pam Kantola addressed the board with the August financial report. Average enrollments initially anticipated to be 310 versus originally budgeted number of 661 which accounts for reduction in revenue by \$2.77 million annually. There is a reduction of expenses by 2.4 million annually due to decrease in anticipated enrollment. Insurance, facilities and other expenses are up due to being unable to capitalize start up costs (computers/furniture/office equipment/etc). Balance sheet to show life insurance paid all at once but spread out over the school year. Rent check for facilities is being cut out of Honor Bank, as bills are being paid by K12 due to HVAM does not having made money as of yet. K12 will invoice HVAM once they begin receiving monies. Some teacher expenses and materials are being invoiced during August. The surplus/(deficit) is (\$218,192) which is a drop of \$386,424.00 Per K12 service agreement, HVAM will not close the fiscal year in a deficit position. On a positive note, Section 25E is coming back into play during the months between October and February count days; we will receive partial funding based on enrollment, which would move us back into a surplus. Based on a bill awaiting Governor's signature, an approximate \$50,000 worth of funding may come into play.

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- ii. Motion to approve August 2016 financials by Director Codden.  
Seconded: Director Workman  
Approval: Unanimous
- b) Staffing Update – Due to lower enrollment numbers, HVAM was considered overstaffed. One was re-hired by her former employer and the others were absorbed into other positions within K12.
  - i. No motion taken – informational purposes only.
- c) Digital Records – Due to budgetary concerns, digital record scanning capabilities have been put on hold until the February 2017 board meeting.
  - i. Motion to table digital records by Director Osborne.  
Seconded by Director Howell.  
Approval: Unanimous
- d) Enrollment Cap Adjustment – A proposal to adjust the enrollment cap from 700 to 550 was discussed. On the financial aspect, if we grow to a cap of 550 by February count date we would operate in a deficit of (93,000) not including an additional hiring of two general education teachers and 1-2 Special Education teachers. If we grow to our original cap of 700 after February count date, HVAM could be in a deficit position of (315,000) also not including teachers. An additional 4-5 general education teachers and 3-4 special education teachers would be needed. Spring testing presents a challenge, as we will be focusing on testing students face to face as well as onboarding students during this time period. Onboarding students in April/May is challenging when the chance of student success is lower and would be reflected in our state report card. Board Council Doug McNeil and Superintendent Akom both agreed that lowering the cap in online schools is very common.

Proposed Cap by Grade Level:

Kindergarten/First Grade: 63

2<sup>nd</sup> Grade: 37

3<sup>rd</sup> Grade: 70

4<sup>th</sup> Grade: 70

5<sup>th</sup> Grade: 70

6-8<sup>th</sup>: 240

Total: 550

- i. Motion to adjust enrollment cap from 700 to 550 by Director Workman.  
Seconded by Director Howell.  
Approved: Unanimous
- e) Board Council – It was noted there is no contract and HVAM wants to be sure of transparency across the board for services rendered. Board is aware of council agreement and costs incurred
  - i. No motion taken – informational purposes only
- f) Expense Report for Board – A proposed expense report was given which includes a \$35.00 monthly stipend for each meeting attended. Policy includes travel, meals, lodging and receipt requirements,

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should the need for the board to travel arise. W9's were handed out to all board members and completed and returned at the end of the meeting. Payment will be made the month following each quarter.

- i. Motion to approve Expense Report Policy by Director Workman  
Seconded: Director Howell  
Approved: Unanimous
- g) Board Insurance Overview – Information regarding board insurance was presented to board.
  - i. Board Action Taken – None - Informational purposes only.
- h) Hiring Guidelines/NJRC Policy – K12 policies and guidelines were given to Director Osborne for hiring of HVAM staff. K12's policies meet and exceed the State's standards for hiring. Director Osborne relayed his concerns over his having final say in the hiring of potential employees and asked that HVAM investigate using a third party school to conduct the red light/green light process. Director Howell shared her thoughts as to how far back we should be able to go into a potential employee's background and also the nature of the infraction. HVAM will investigate the possibility of using a third party source by the next board meeting, to include dollar amounts and proposal criteria.
  - i. Motion for Actual Policy Need by Director Codden  
Seconded: Director Howell  
Approval: Unanimous
- i) Communicable Diseases Policy – It was stated to the board that it is a compliancy regulation with the State of Michigan to have a policy in place for the school. Information was given by HVAM's insurance carrier. Approval was asked to move forward with this policy.
  - i. Motion for Communicable Disease Policy by Director Howell  
Seconded: Director Codden  
Approval: Unanimous
- j) Student Educational Development Plan
  - a. The board was informed that it is a state requirement of all 7<sup>th</sup> and 8<sup>th</sup> graders to have an Educational Development Plan (EDP) set in place by their school for career goals. Mary stated that there are good websites that our staff can utilize and explore with their students. The EDP is due when a student finishes 8<sup>th</sup> grade. It covers job skills and employment resources within the state of Michigan, as well as long and short term student goals and testing. It is kept on file in the student's records.
    - i. Motion by Director Codden to Accept Student Educational Development Plan  
Seconded: Director Workman  
Approval: Unanimous
- k) Student Handbook Update Proposal (Club Policy)
  - a. Mary addressed the board with HVAM's proposed club policy. The proposed policy states that clubs hosted during the school hours will require a teacher sponsor and HVAM will also offer non-sponsored student-led clubs that will have no affiliation with HVAM (material or monetarily) but HVAM will offer the avenue (Blackboard Connect) for the students to have a forum. Suggestions will always be accepted.
    - i. Motion to Approve Club Policy by Director Workman  
Seconded: Director Howell

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Approved: Unanimous

- l) Acknowledgement Items - None
- m) Authorizer Comments - None
- n) New Business - None
- o) Adjournment
  - i. Motion to Adjourn By Director Howell at 5:45 pm  
Seconded: Director Codden  
Approval: Unanimous

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