

**Ewing Marion Kauffman School Board of Directors
Board of Directors Meeting – April 8 at 8:30am (CST) / 9:30am (EST)**

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Please Note

Some pages are intentionally left blank to facilitate better printed copies.

Some pages may be inserted with existing page numbers. Page numbers related to this board packet are listed in the lower left of each page and are labeled, "Packet <<page#>>."

Zoom Conference Call Line

The Zoom conference line can be accessed with the following information:

<https://kauffman.zoom.us/j/7969896793>

Dial in number: +1 (669) 900-6833

Meeting ID: 796-989-6793#

Contact

If you have questions or concerns prior to the board meeting, please contact Aaron North (816-932-1157, anorth@kauffman.org)



EWING MARION
KAUFFMAN SCHOOL

**EWING MARION KAUFFMAN SCHOOL, INC.
BOARD OF DIRECTORS – MEETING AGENDA**

Ewing Marion Kauffman School (Zoom meeting)
Wednesday, April 8, 2020
Board of Directors Meeting (8:30am CT)

All board members will participate via conference call line
The conference line may be accessed through a Zoom video link or via telephone:

Dial in number: +1 (669) 900-6833
Meeting ID: 796-989-6793
<https://kauffman.zoom.us/j/7969896793>

8:30 am

CALL TO ORDER

- Welcome guests
- Review and discuss meeting agenda
- *Action:* Meeting minutes (3/11/20 and 3/30/20)

FINANCE

- Retirement Benefits Committee meeting report
- *Action:* Forecast 3 review and approval

- **SCHOOL LEADERSHIP REPORT**

COMMUNITY FORUM

- The Board will hear comments from community members regarding items on the agenda or other issues that should be brought to the Board's attention. Individual comments are limited to three minutes. It is anticipated the time allotted for the community forum will be no longer than fifteen minutes, unless time is extended by the Board Chair. Individuals who do not have an opportunity to speak during the allotted time will be given first opportunity at the next regularly scheduled Board of Directors meeting.

GOVERNANCE

- *Action:* Approve School management to apply to the PPP and accept funds if approved.
- *Action:* Approve School management to open an additional operating account if deemed necessary for fulfilling PPP guidelines.
- CEO compensation sub-committee delay

CLOSED SESSION

- *Action:* Close meeting pursuant to R.S.Mo. § 610.021(3) – discussion of a personnel matter; 610.021(1) – discussion of legal matters; and to R.S.Mo. § 610.021(6) – discussion of a student matter
- *Action:* Re-open meeting

ADJOURN

Future Meetings:

May 11 (5:00pm; committee)
May 13 (8:30am; board)

EWING MARION KAUFFMAN SCHOOL, INC
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS (Cash Basis)
FY2020 FORECAST #3

	<u>Budget</u>	<u>Forecast #1</u>	<u>Forecast #2</u>	<u>Forecast #3</u>	<u>Budget Var F/(UNF)</u>	<u>% Var</u>
Revenues, Gains, and Other Support						
State & Local Public Funding	11,802,448	11,476,771	11,413,446	11,350,348	(452,100) ⁽¹⁾	-4%
Federal Funding	1,555,023	1,487,454	1,465,696	1,632,901	77,879 ⁽²⁾	5%
EMKF Operations Grant	4,484,330	4,484,330	4,484,330	4,484,330	-	0%
Other Revenue	218,769	188,662	287,664	431,288	212,519 ⁽³⁾	97%
Other EMKF Support	313,396	313,396	313,396	313,396	-	0%
Total Revenues	18,373,966	17,950,612	17,964,532	18,212,263	(161,703)	-1%
Operating Expenses						
Wages & Benefits	10,853,841	10,237,673	9,962,746	9,924,401	929,440 ⁽⁴⁾	9%
Professional and Technical Services	1,418,347	1,502,647	1,590,120	1,188,642	229,705 ⁽⁵⁾	19%
Property Services	2,202,830	2,174,230	2,214,080	2,196,000	6,830	0%
Transportation & Travel	1,426,956	1,372,103	1,411,843	1,190,020	236,936 ⁽⁶⁾	20%
Food Services	990,056	876,894	853,068	943,313	46,744 ⁽⁷⁾	5%
Communications	143,997	139,156	180,106	170,660	(26,663) ⁽⁸⁾	-16%
Supplies	954,156	940,120	902,136	981,461	(27,305) ⁽⁹⁾	-3%
Building Lease	293,396	293,396	293,396	293,396	-	0%
Total Operating Expenses	18,283,579	17,536,218	17,407,495	16,887,892	1,395,687	8%
Change in Net Assets (Cash Basis)	\$90,387	\$414,394	\$557,038	\$1,324,371	\$1,233,984	
Capital Purchases	90,387	90,387	430,387	89,437	(950)	
Net Cash Impact	(0)	324,007	126,651	1,234,934		
Average Enrollment	1131	1118	1118	1118	(13)	1%
Total Staffing	151	151	151	151	0	0%
Cash Expense / Student (excl. bonds)	\$ 15,991	\$ 15,510	\$ 15,693	\$ 14,923	\$ (1,068)	7%
Reserve Fund Balance	22%	27%	27%	32%	10%	45%
⁽¹⁾ State & Local Public Funding's favorable variance is driven by the reduced per student state reimbursement rate from DESE as announced in Fall 2019; the School closure is not having a substantive impact on this funding source at this time.						
⁽²⁾ Federal Funding's favorable variance is driven by the School's participation in preparing and delivering meals for the students while the School is closed. The School is able to be reimbursed through the expanded Seamless Summer Option (SSO) program at a higher-than-budgeted reimbursement rate.						
⁽³⁾ Other Revenue's favorable variance is driven by the receipt of the KCPS supplementary payments; the 2nd payment is confirmed to be received by the School in April. The School closure is not impacting the funding source at this time.						
⁽⁴⁾ Wages & Benefits' favorable variance is driven by the average FTE count of 141 vs 151 in the budget; the School closure is not impacting Wage & Benefits expenses as all of our employees remain employed and are working remotely.						
⁽⁵⁾ Professional & Technical Expenses' favorable variance is primarily driven by cancelled study abroad programming and end-of-year trips due to the School closure.						
⁽⁶⁾ Transportation & Travel's favorable variance is driven by the reduction in 2.5 months of daily busing costs due to the School closure; the School is using a reduced amount of services from Apple Bus to facilitate the daily breakfast and lunch delivery to students.						
⁽⁷⁾ Food Services' favorable variance is driven by modest production adjustments to accommodate the SSO program through the end of the school year.						
⁽⁸⁾ Communications' unfavorable variance is driven by increased advertising spend for new student recruitment and enrollment; the School closure is not impacting this line item.						
⁽⁹⁾ Supplies' unfavorable variance is modest even as it includes the \$217k emergency computer purchase; the computer purchase is offset by other supplies unlikely to be purchased due to the School closure.						

CATCHING UP WITH THE KAUFFMAN SCHOOL

Updates and accolades from the College Access and Success Department

CLASS OF 2020 WINS

100% acceptance rate to college

2nd year in a row

32% accepted to most competitive universities

Including 3 of the top 10 Universities

5.3 million in scholarships and counting!

Average ACT Score: 22
36% scoring 24 or above

174 College Credits
75% will have 6 or more college credits

86% have completed an internship



2020 Adelphi Scholars

2020 Bovard Scholars

Summer Programs

More than 25% of our 9th-11th graders will complete a competitive summer program at companies and universities across the US. Students who complete meaningful summer programs prior to college are significantly more likely to graduate from college.

Leadership Enterprise for a Diverse America (LEDA)

- Leadership program on Princeton and Yale's campuses
- Less than 10% of applicants are accepted
- 97% of LEDA scholars are accepted to top 10 Universities
- Sanya Dawn (11th grade) and Jamia Jones (11th grade) moved to the final round of this program
- First time EMKS has had two LEDA finalists

Bovard Scholars

- Pre-college program on the University of Southern California's campus
- 92% of Bovard scholars are accepted to top 10 Universities
- Koree French (11th) and Cherish Loper (11th) were named Bovard Scholars

Adelphi Summer Program

- Summer program on Adelphi University's campus in New York
- Adelphi has a 72% graduation rate for underrepresented students
- Jada Weathers (10th) and Stella Brown (10th) were accepted to the program as pre-medicine scholars

Young Entrepreneurs Program (YEP KC)

- Internship program for young aspiring entrepreneurs
- All YEP KC Scholars will receive a stipend and \$5,000 scholarship
- Jeanelle Brown (12th) and Samia Williams (11th) are YEP KC finalists
- First time EMKS has had multiple YEP KC finalists

COLLEGE ACCEPTANCES

As May 1st approaches, seniors are working with counselors to choose their best fit universities.



Ja'Nya Harris

Clark University - Worcester, MA
78% Graduation rate for unrepresented students (URS)

Ja'Nya is thrilled to attend Clark University in Massachusetts next year on a nearly full ride scholarship. Clark University boasts an award winning Pre- Speech Pathology program. Ja'Nya was accepted to this university after securing a rare interview spot with their admissions team and impressing a psychology professor during her diversity fly-in visit. In her acceptance letter, Clark specifically mentioned that her charisma was a defining factor in her acceptance.

Anyssa Baisden

Northwestern University- Evanston, IL
94% URS graduation rate

Anyssa was recently accepted to Northwestern University, ranked #9 in the nation! Less than 8% of applicants were accepted this year. Anyssa is interested in a career in clinical psychology, focusing on the effects of longterm trauma on cognitive development. Anyssa was drawn to the Weinberg College of Arts and Sciences' robust psychology department where she will be able to participate in clinical in her first year of college. Anyssa will be making her choice in the coming days.



Naya Smith

Occidental College - Pomona College - Wesleyan University- Smith College
90%+ URS Graduation Rate

Naya has her work cut out for her deciding between the country's most celebrated institutions. Naya not only impressed these universities as a LEDA scholar, but with her determination to use artificial intelligence to improve the lives of the elderly. She hopes to study Computer Programming and emerging AI technologies in college. Stay tuned for her college choice!



"I'm excited to be at a school that values me and will help me stand out in my field"

Kenneth Rich
MISSOURI STATE UNIVERSITY

Kenny is excited to enroll in Missouri State's Public Relations program through their College of Business. Kenny knows that Missouri States focus on internships will set him apart upon graduation.



Payroll Protection Program (PPP)

PPP Background

- Program originated as part of CARES Act stimulus bill.
- For organizations with 500 or less employees.
- Based on a 12 month look back of payroll wages and benefits.
- If approved, provides 2.5 months of tax-free payroll funds in the form of a forgivable loan.
- Goal is to get 100% forgiveness of the loan amount; loan forgiveness application is not yet available.
- Requires ensuring funds are separate from regular operating funds; can likely be accommodated with a separate operating account.
- If the loan is not forgiven, then becomes unsecured debt at 0.5% requiring payment over 24 months.

Rationale For EMKS Application

- It is still unknown to what, if any, impact may occur with public funding in this fiscal year or into next fiscal year.
- Potential increased turnover or prolonged absences of teachers arising from illness may drive up payroll costs for the organization.
- Prolonged remote learning may increase computer hardware, instructional software, and internet access, among other items provided to EMKS students.

Potential Loan Size For EMKS

- \$1.9 million; based on Commerce Bank provided PPP loan sizing calculator.

Actions

- Approve School management to apply to the PPP and accept funds if approved.
- Approve School management to open an additional operating account if deemed necessary for fulfilling PPP guidelines.

**MINUTES OF REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
EWING MARION KAUFFMAN SCHOOL, INC.**

March 11, 2020

A regular meeting of the Board of Directors of Ewing Marion Kauffman School, Inc., a Missouri nonprofit corporation exempt from federal taxation under Internal Revenue Code § 501(c)(3), was held at its headquarters in Kansas City, Missouri on March 11, 2020 pursuant to public notice provided at least 24 hours in advance.

The following directors were present: Aaron North, Chair; Joe Allen; Kristin Bechard, Treasurer; and Gloria Jackson Leathers. Myra Aguirre joined the meeting in progress as indicated below.

Participating by phone such that all could hear and be heard was Tracy McFerrin.

Maurice Watson was not able to attend.

Also present from the School were John Tyler, Secretary and General Counsel; Hannah Lofthus, Chief Executive Officer; Shelli Carman-Brown, Dean of Students; and Kaelynn Greene, Special Projects Manager.

No one from the community was in attendance.

Mr. North chaired the meeting and Mr. Tyler served as secretary. Mr. North called the meeting to order at 8:34 am, welcomed those in attendance, and previewed the agenda.

After discussion and upon motion duly made (Jackson Leathers) and seconded (Allen), the board unanimously approved the minutes from the meeting of February 12, 2020.

Leadership Report

Ms. Lofthus introduced Dean Carman-Brown who presented on the School's ongoing programming and efforts regarding diversity, equity and inclusion ("Justice League") for students, staff, and with community. Discussion occurred throughout, including about the intersection between being culturally responsive and high expectations for discipline, strictness, and academic rigor as based in research.

Myra Aguirre joined the meeting during the prior discussion.

Dean Carman-Brown and Ms. Green left the meeting.

Ms. Lofthus provided the Leadership Report, including discussion of college access and matriculation, updates on senior acceptances, staffing of board committees by Katie Pasniewski instead of Ms. Lofthus and why, response to the coronavirus situation including possibilities of quarantining staff who spend spring break contrary to guidance from the CDC, approach to deciding to suspend classes, and an update on exploration of options for serving potential daycare needs of staff especially as a retention strategy in light of it being among the top three reasons teachers leave along with compensation.

Discussion occurred throughout.

Finance/Treasurer's Report

Jerrad Jones, Director of Finance, joined the meeting.

Mr. Jones presented the finance/Treasurer's report for results through January 31, 2020, as provided for in **Exhibit A**, including year-to-date change highlights, including favorable variances due primarily to staff count being lower than as budgeted, payments from the State of Missouri through KCPS, two future payments are expected but not counted in forecasts, future capital projects that are under consideration, planned fund balance at year end of 27% which is well above DESE requirements, update on the transition from Westbrook to EdOps, review of the balance sheet and income statement, tracking of actual expenditures against budget and forecasts 1 and 2 with variances identified, expansion of the capital purchases line item by \$340,000, and review of the check register, Discussion occurred throughout.

After discussion and upon motion duly made (Allen) and seconded (Bechard), the board unanimously approved the finance/Treasurer's report, including the check register.

Mr. Jones discussed the Form 990 tax return filed with the Internal Revenue Code as prepared with Westbrook, including the process and reviews by which the Form is prepared and finalized. The return was distributed to the board in advance with the meeting materials.

Ms. Lofthus explained the request from the School's authorizer that payroll and payroll deduction policies and procedures be updated to reflect existing practices.

After discussion and upon motion duly made (Aguirre) and seconded (Jackson Leathers), the board unanimously approved the payroll and payroll deduction changes to the Personnel Policies as provided for in attached **Exhibit B**.

Ms. Lofthus provided an update on the relationship with EdOps and the need to approve additional expenditures connected to expanding the scope of services to include those associated with finance support and a data integration project.

After discussion and upon motion duly made (Aguirre) and seconded (Bechard), the board unanimously approved increasing the amount of the contract with Ed Ops to \$110,000 to account for expanding the scope of services to include finance support and a data integration project.

Ms. Lofthus and Mr. Jones left the meeting.

Closed Session

Pursuant to the published agenda, a motion was made (Aguirre) and seconded (Jackson Leathers) to go into executive session as allowed by RSMO 620.021(3) regarding personnel matters to discuss matters thereunder. Pursuant to a roll call vote, the following directors voted to approve the motion (Aguirre, Allen, Bechard, Jackson Leathers, McFerrin, and North) with no directors opposing or abstaining.

Discussion followed about review of CEO compensation and evaluation.

A motion was made (Jackson Leathers) and seconded (Bechard) to leave the executive session and re-open the meeting. Pursuant to a roll call vote, the following directors voted to approve the motion (Aguirre, Allen, Bechard, Jackson Leathers, McFerrin, and North) with no directors opposing or abstaining.

There being no further business, the meeting adjourned at 10:02 am.

John Tyler, Secretary

EXHIBIT A

Ewing Marion Kauffman School Finance Monitoring Activities

	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
Condensed Financial Packet ¹				X				X				
Comprehensive Financial Packet ²		X				X			X		X	
EMKS Budget											X	
Tax Return ³											X	
Annual External Audit Report				X								
Vendor Check Register		X		X		X		X	X		X	
Retirement Committee Review			X					X				

¹Condensed financial packet consists of financial highlights, income statement and balance sheet.

²Comprehensive financial packet consists of financial highlights, revenue and expense analysis, updated annual forecast as applicable, income statement and balance sheet.

³Final extended filing date is May.

Reporting & Compliance Due Dates (Documents available upon request)

	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
ASBR ⁴		X										
End of Year Report and FER ⁵			X									
Federal Payment Request				X				X			X	
403b Plan Audit	X											
1099 amd W2 Tax Forms							X					
DESE Budget and Revisions ⁶	X									X		

⁴Annual Secretary of the Board Report consists of State reporting on all spending.

⁵End of Year Report is a summary of Title programs; Final Expenditure Report is the final reporting of SWP and SPED.B spending for the prior fiscal year.

⁶DESE requires the SWP and Sped.B portions of the EMKS Budget to be submitted by July 1 and any revisions by April 30.

EXHIBIT A

Year-To-Date Balance Sheet Highlights

- The cash balance of \$5.1M reflects the receipt of the first EMKF Operations grant installment. The second grant installment arrived in February.
- The accounts receivable balance of \$0.3M includes Title Programs, Medicaid, and Food Reimbursement receivables. The next payment request will occur in April.
- The accounts payable balance includes expenses incurred during the month for regular operations that are paid the following month. The balance fluctuates monthly and is currently \$0.5M. The majority of the balance relates to invoices from Apple Bus (\$108k), American Food & Vending (\$107k), RECF Lease Payment (\$73k), KC Retirement (\$61k). All invoices were paid in early March.
- The basic formula advance of \$51k represents surplus DESE State payments paid before school started. This balance will reduce during the year.

Year-To-Date Income Statement Highlights

- Total revenues and expenses through January 31 are \$10.0M and \$9.4M, respectively.
- The change in net assets through January 31 is currently \$1.0M favorable to the budget and driven by a lower than budgeted staffing count and lower than budgeted per employee benefit cost.
- The School had 140 employees as of January 31; the School is approved to hire up to 151 FTEs as part of the current budget.
- Average annual enrollment is budgeted to be 1,131 students and was 1,132 students through January 31.

Forecast #2 Highlights

- Total revenues and expenses are forecasted to end the year at \$18.0M and \$17.6M, respectively.
- The forecast projects a favorable change in net assets of \$0.4M for the year.

Forecast #2 Highlights – (continued)

- Reduced State/Local public funding is offset by lower salaries and benefits costs and unbudgeted reimbursement from KCPS, resulting in a favorable overall variance.
 - The School is projecting a lower average FTE count and will realize a lower rate of growth in its 2020 benefit premiums for all employees.
 - State/Local funding is currently projected to be lower than budgeted, driven by the adjustment to Basic Formula announced by DESE in August.
 - The first installment of “fiscal cliff” reimbursement from KCPS was received in February and is reflected in Forecast 2.

- Given the forecasted favorable variance, the School is exploring and evaluating the viability of three types of capital improvements. Each improvement was already identified as a future year need, and we are exploring the viability of engaging in the work earlier than originally scheduled. We will continue to research these projects, and if they are deemed viable, we will present them for vote by the board in April or May. The three projects are:
 - Repave all parking and driveway areas.
 - Total estimated cost is \$250k.
 - Change would expedite planned project by 12-18 months.
 - Change would prevent us from making costly intermittent repairs this summer.
 - Purchase IT Threat Assessment hardware and software.
 - Total estimated cost is \$40k.
 - Purchase was recommended as part of a full IT infrastructure assessment completed in 2019.
 - Purchase would allow us to more comprehensively prevent sophisticated phishing scams.
 - Replace staff computers on a more aggressive timeline.
 - Total estimated cost is \$50k.
 - Change would shorten the replacement timeline of legacy equipment such as Admin computers from four years to three years.

- DESE standards require the fund balance (net asset balance excluding PP&E) remain above 3% of year-end actual expenses; otherwise the school is considered "financially distressed". The ratio is projected to be approximately 27% at year end.

EXHIBIT A

Reporting and Compliance Highlights

- The 990 tax return is complete.
- Note: EdOps is now preparing the monthly financials.

EXHIBIT A

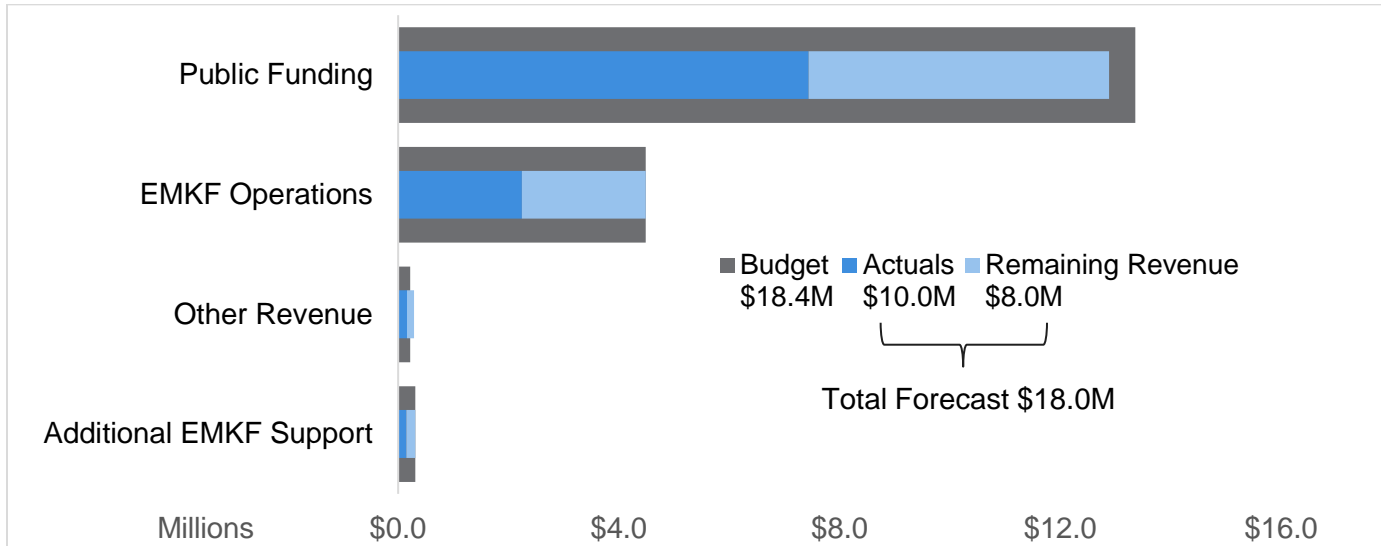
	January 2020	June 2019
ASSETS		
Cash and cash equivalents	\$ 5,145,797	\$ 4,803,715
Accounts receivable, net	329,707	\$ 249,762
Prepaid expenses	275,444	\$ 207,934
Property and equipment, net	470,772	\$ 547,424
Total assets	<u>\$ 6,221,720</u>	<u>\$ 5,808,835</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 451,251	\$ 374,906
Basic formula advance	50,907	\$ 59,215
Accrued salaries and expenses	11,073	\$ 202,476
Total liabilities	<u>513,230</u>	<u>\$ 636,597</u>
Net Assets:		
Without donor restrictions	5,707,572	\$ 5,170,238
With donor restrictions	918	\$ 2,000
Total net assets	<u>5,708,490</u>	<u>\$ 5,172,238</u>
Total liabilities and net assets	<u>\$ 6,221,720</u>	<u>\$ 5,808,835</u>

EXHIBIT A

Revenue Highlights

Revenues through January 31 tracked slightly unfavorable to budget.

Forecasted Revenues are projected to be \$0.4M less than budget largely due to “fiscal cliff” adjustments by DESE to Basic Formula.



Public Funding (Federal, State & Local):

Federal Funding through January 31 is \$0.8M, \$25k unfavorable to budget and driven by timing. The forecast projects an unfavorable \$0.1M variance, driven by conservative food reimbursement assumptions.

State & Local Funding through January 31 is \$6.6M, \$0.1M unfavorable to budget and driven by timing.

- The forecast projects an unfavorable \$0.4M variance from budget, driven by the DESE adjustment to the Basic Formula calculation and under-enrollment for the 5th grade.
- DESE communicated in August 2019 a reduced \$ per WADA payment for local charter schools to occur in this current fiscal year.
 - This issue is driven by the current funding formula being adversely impacted by the growing share of students enrolling in charter schools; this issue is also known as the “fiscal cliff”.
 - KCPS and EMKS established an MOU in December 2019 which facilitates payments from KCPS to EMKS to address this issue. The first installment was paid in February 2020.
- The School budgeted for a \$ per WADA payment of \$8,550 in the current budget; the forecast \$ per WADA is \$8,385 which is consistent with the adjusted figures from DESE.

Revenue Highlights – (continued)

EMKF Operations:

This category represents cash support from EMKF to fund the School's operations. The first installment of the EMKF operations grant was funded in July with the second installment funded in February.

Other Revenue:

Other revenue through January 31 is \$0.2M and is currently favorable to budget.

- The forecast projects a favorable variance driven by the KCPS payment.
- Other revenue also includes e-rate reimbursements, student meal sales, uniforms sales and miscellaneous proceeds.

Other EMKF Support:

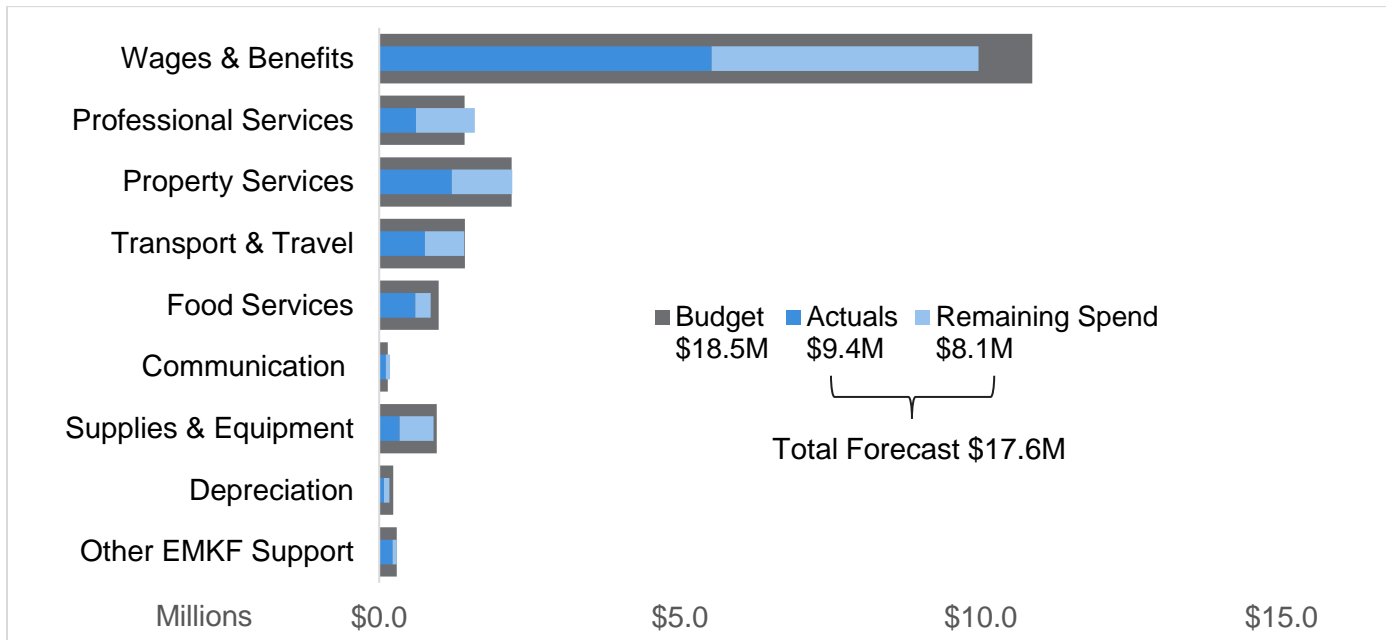
This category includes cash and non-cash support from EMKF for items such as the quarterly rent payments on the School's building and restricted grants to fund one-time programs. These revenues have corresponding expenses and thus have no impact to the School's change in net assets.

EXHIBIT A

Expense Highlights

Expenses through January 31 are \$1.1M favorable to budget due to lower wages & benefits expenses.

Forecasted expenses will also track \$0.9M lower than budget and driven by the same wages & benefits factors.



Wages & Benefits:

Wages & Benefits expense through January 31 is \$5.5M, \$0.7M favorable to the YTD budget. The forecast projects a favorable variance of \$0.9M

- The School had 140 FTES as January 31. The School is approved to hire up to 151 FTES but will average a lower figure during the fiscal year resulting in reduced wages expense.
- The benefit renewal for 2020 resulted in a 5% cost increase versus the 20% increase assumed in the budget.
- The KC Retirement employer contribution increased by 1.5% in January 2020 and was included as part of budget and forecast.

Professional and Technical Services:

Professional services through January 31 are \$0.6M, \$0.1M favorable to the YTD budget and driven by timing.

- The forecast anticipates a modest \$0.2M unfavorable variance driven by an increase in high school students' participation in Dual Credit course enrollment, Advance Placement testing, and ACT testing.

Expense Highlights – (continued)

Property Services:

Property services through January 31 are \$1.2M and tracking \$0.1M favorable to the YTD budget due to reduced overtime expenses for maintenance and security staff.

- The forecast is largely flat to budget.

Transportation and Travel:

Transportation and Travel expenses through January 31 are \$0.8M and tracking favorable to the YTD budget due to timing.

- The forecast is largely flat to budget.

Food Services:

Food service expenses through January 31 \$0.6M and tracking modestly unfavorable to the YTD budget due to timing.

- The forecast is \$0.1M favorable to budget and driven by the EMKS Operations team managing the purchase and distribution of student snacks.

Communications:

Communications expenses through January 31 are \$0.1M and are moderately unfavorable to the YTD budget. The variance is driven by increased student recruiting spend this year.

- The forecast is projected to be \$36k unfavorable to budget.

Supplies & Equipment:

Supplies expenses through January 31 are \$0.3M and \$0.1M favorable to the YTD budget, largely driven by timing at this point in the year.

- The forecast is modestly favorable to budget by \$52k and driven by reduced spend on janitorial supplies and small equipment replacement.

Other EMKF Support:

This category includes the expenses paid for by EMKF for items such as the quarterly rent payments on the School's building and restricted grants to fund one-time programs. These expenses have corresponding revenues and thus have no impact to the School's change in net assets.

EXHIBIT A

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	YTD BUDGET	VARIANCE FAV (UNFAV)	ANNUAL BUDGET	ANNUAL FORECAST #2	FORECAST REMAINING	PRIOR YEAR ACTUAL
Revenues and Support:									
State and local public funding	\$ 6,608,707	\$ -	\$ 6,608,707	\$ 6,727,396	\$ (118,689)	\$ 11,802,448	\$ 11,413,446	\$ 4,804,739	\$ 5,937,985
Federal funding	830,506	-	830,506	855,262	(24,756)	1,555,023	1,465,696	635,190	832,216
EMKF support:									
Operations grant	2,242,165	-	2,242,165	2,242,165	-	4,484,330	4,484,330	2,242,165	2,779,673
Building lease	146,698	-	146,698	146,698	-	293,396	293,396	146,698	146,698
Professional development grant	-	-	-	-	-	20,000	20,000	20,000	-
Total EMKF support	2,388,863	\$ -	\$ 2,388,863	\$ 2,388,863	\$ -	\$ 4,797,726	\$ 4,797,726	\$ 2,408,863	\$ 2,926,371
Other revenue	161,572	-	161,572	120,323	41,249	218,769	287,664	126,092	93,253
Net assets released from restrictions	1,082	(1,082)	-						
Total revenues and support	\$ 9,990,731	\$ (1,082)	\$ 9,989,649	\$ 10,091,844	\$ (102,196)	\$ 18,373,966	\$ 17,964,532	\$ 7,974,884	\$ 9,789,825
Expenses:									
Salaries and benefits	\$ 5,522,778	\$ -	\$ 5,522,778	\$ 6,222,869	\$ 700,091	\$ 10,853,841	\$ 9,962,746	\$ 4,439,968	\$ 4,919,902
Professional and technical services	609,103	-	609,103	709,174	100,071	1,418,347	1,590,120	981,017	477,197
Property services	1,206,093	-	1,206,093	1,284,984	78,891	2,202,830	2,214,080	1,007,987	1,244,470
Transportation and travel	760,743	-	760,743	827,634	66,891	1,426,956	1,411,843	651,100	718,887
Food services	600,612	-	600,612	574,233	(26,379)	990,056	853,068	252,457	636,230
Communications	110,594	-	110,594	83,998	(26,596)	143,997	180,106	69,512	103,167
Supplies	338,761	-	338,761	477,078	138,317	954,156	902,136	563,375	348,025
Building lease	220,047	-	220,047	220,047	-	293,396	293,396	73,349	220,047
Depreciation	78,883	-	78,883	135,179	56,296	231,735	167,812	88,929	53,224
Total expenses	\$ 9,447,614	\$ -	\$ 9,447,614	\$ 10,535,196	\$ 1,087,582	\$ 18,515,314	\$ 17,575,307	\$ 8,127,693	\$ 8,721,149
Change in Net Assets	\$ 543,117	\$ (1,082)	\$ 542,035	\$ (443,352)	\$ 985,386	\$ (141,349)	\$ 389,225	\$ (152,809)	\$ 1,068,676
Net Assets, beginning	5,164,455	\$ 2,000	\$ 5,166,455						
Net Assets, ending	\$ 5,707,572	\$ 918	\$ 5,708,490						

EXHIBIT A

EWING MARION KAUFFMAN SCHOOL, INC
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS (Cash Basis)
FY2020 FORECAST #2

	<u>Budget</u>	<u>Forecast #1</u>	<u>Forecast #2</u>	<u>Budget Var F/(UNF)</u>	<u>% Var</u>
Revenues, Gains, and Other Support					
State & Local Public Funding	11,802,448	11,476,771	11,413,446	(389,002) ⁽¹⁾	-3%
Federal Funding	1,555,023	1,487,454	1,465,696	(89,326) ⁽²⁾	-6%
EMKF Operations Grant	4,484,330	4,484,330	4,484,330	-	0%
Other Revenue	218,769	188,662	287,664	68,895	31%
Other EMKF Support	313,396	313,396	313,396	-	0%
Total Revenues	18,373,966	17,950,612	17,964,532	(423,354)	-2%
Operating Expenses					
Wages & Benefits	10,853,841	10,237,673	9,962,746	891,095 ⁽³⁾	9%
Professional and Technical Services	1,418,347	1,502,647	1,590,120	(171,772) ⁽⁴⁾	-11%
Property Services	2,202,830	2,174,230	2,214,080	(11,250)	-1%
Transportation & Travel	1,426,956	1,372,103	1,411,843	15,113	1%
Food Services	990,056	876,894	853,068	136,988 ⁽⁵⁾	16%
Communications	143,997	139,156	180,106	4,841	-20%
Supplies	954,156	940,120	902,136	52,020	6%
Building Lease	293,396	293,396	293,396	-	0%
Total Operating Expenses	18,283,579	17,536,218	17,407,495	747,361	5%
Change in Net Assets (Cash Basis)	\$90,387	\$414,394	\$557,038	\$466,651	
Capital Purchases	90,387	90,387	430,387	340,000 ⁽⁶⁾	
Net Cash Impact	(0)	324,007	126,651		
Average Enrollment	1131	1118	1118	(13)	1%
Total Staffing	151	151	151	0	0%
Cash Expense / Student (excl. bonds)	\$ 15,991	\$ 15,510	\$ 15,693	\$ 298	2%
Reserve Fund Balance	22%	27%	27%	5%	23%

(1) Public funding is forecasted to be lower than budget primarily due to a reduced per student state reimbursement rate.

(2) Federal Funding is forecasted to be modestly lower than budget primarily due to slightly lower enrollment than budget and conservative estimates on food service reimbursements.

(3) The School's budget included 151 positions. At January 31 there were 140 employees on staff. The School will also incur a reduced rise in benefit costs vs budget estimates.

(4) Professional & Technical Expenses will be higher due to increased participation in AP, ACT and Dual Credit testing in the high school.

(5) EMKS Ops is now managing the student snack program with the materials costs now included in Supplies which is driving the variance.

(6) Capital Purchases reflects repaving of drives and parking areas (\$250k), IT Threat Assessment hardware (\$40k), and additional laptop purchases (\$50k).

EXHIBIT A

EMKS Check Register January 1 - January 31, 2020 - By Date

The following list includes all payments (ACH, Checks, and Wires) from the period mentioned above. Differences from the monthly subtotals and the income statement are due to the School using the accrual based method of accounting.

For reference, all auto-debits utilize a 10 to 11 digit code, physical checks utilize a 4 digit code that begins with 3, the remainder are ACH based payments.

* See separate vendor detail of credit card payments from the period mentioned above.

Month	Check Date	Check Number	Check Type	Entity Name	Check Amount
January	01/07/2020	6005363186	ACH	Tristar FSA payment	29.00
January	01/09/2020	8007005422	ACH	Cat Cain	18.80
January	01/09/2020	8007005422	ACH	Joyce Wong	26.85
January	01/09/2020	8007005422	ACH	Hannah Lofthus	42.33
January	01/10/2020	3733	Check	ACT, Inc	2,116.50
January	01/10/2020	3734	Check	Research to Practice Inc	1,318.32
January	01/10/2020	1414	ACH	COMMERCE BANK	22,677.03 *
January	01/10/2020	1415	ACH	United Healthcare Insurance Company	85,367.32
January	01/14/2020	13008753266	ACH	Tristar FSA payment	295.00
January	01/15/2020	14009534763	ACH	Payroll Taxes 1-15	66,372.97
January	01/15/2020	15009977826	ACH	Payroll 1-15	191,934.85
January	01/17/2020	3735	Check	American Heart Assoc Inc	700.00
January	01/17/2020	3736	Check	Courtney Boykin	150.00
January	01/17/2020	3737	Check	Busco, Inc.	3,180.00
January	01/17/2020	3738	Check	California State Disbursement Unit	235.00
January	01/17/2020	3739	Check	Dailyfeats Inc dba Maxwell Health	1,200.00
January	01/17/2020	3740	Check	Alex Moyers	55.00
January	01/17/2020	3741	Check	Omar Stevenson	205.00
January	01/17/2020	3742	Check	Sysco Kansas City Inc	1,681.09
January	01/17/2020	3743	Check	TRXC Timing LLC	25.00
January	01/17/2020	3744	Check	The University of Chicago	12,060.00
January	01/17/2020	1555	ACH	Education Business Solutions Inc	11,333.33
January	01/17/2020	1556	ACH	Fidelity Workplace Investing LLC	15,347.51
January	01/17/2020	1557	ACH	Fidelity Workplace Investing LLC	5,832.70
January	01/17/2020	1558	ACH	Haas & Wilkerson, Inc.	16,721.50
January	01/17/2020	1559	ACH	Jaymie Huffman	2,356.25
January	01/17/2020	1560	ACH	Westbrook & Co., P.C.	2,630.00
January	01/17/2020	1561	ACH	Danielle Yeager	2,340.00
January	01/17/2020	1562	ACH	Apple Bus Company	6,302.31
January	01/17/2020	1563	ACH	Cushman & Wakefield U.S., Inc	173,017.85
January	01/17/2020	1564	ACH	The Kansas City Public School Retirement System	61,031.02
January	01/17/2020	1565	ACH	Marlin Shorley	1,875.00
January	01/21/2020	21002593094	ACH	Tristar FSA payment	148.00
January	01/21/2020	24004608006	ACH	Tristar FSA Admin Fee	288.25
January	01/24/2020	3746	Check	Brown University	250.00
January	01/24/2020	3747	Check	Certified Languages International LLC	31.90
January	01/24/2020	3748	Check	Computer Logic Group, Inc.	1,250.00
January	01/24/2020	3749	Check	Curators of the University of Missouri	250.00
January	01/24/2020	3750	Check	Curators of the University of Missouri (UM)	250.00
January	01/24/2020	3751	Check	Curators of the University of Missouri (UM)	250.00
January	01/24/2020	3752	Check	Curators of the University of Missouri (UM)	250.00
January	01/24/2020	3753	Check	Emory University	250.00
January	01/24/2020	3754	Check	Johnson County Community College	250.00
January	01/24/2020	3755	Check	Johnson County Community College	250.00
January	01/24/2020	3756	Check	The Junior College District of Metropolitan Kansas City	250.00
January	01/24/2020	3757	Check	The Junior College District of Metropolitan Kansas City	250.00
January	01/24/2020	3758	Check	The Junior College District of Metropolitan Kansas City	250.00
January	01/24/2020	3759	Check	Morehouse College	250.00
January	01/24/2020	3760	Check	PhilWorld, Inc.	69.72
January	01/24/2020	3761	Check	Sam Roark	85.00
January	01/24/2020	3762	Check	SageView Advisory Group LLC	1,726.00
January	01/24/2020	3763	Check	Severin Intermediate Holdings, LLC	702.72
January	01/24/2020	3764	Check	State of Kansas	250.00
January	01/24/2020	3765	Check	Sysco Kansas City Inc	1,350.36
January	01/24/2020	3766	Check	Travel and Transport Inc	10.50
January	01/24/2020	3767	Check	University of Central Missouri	250.00
January	01/24/2020	3768	Check	University of Central Missouri	250.00
January	01/24/2020	3769	Check	University of Miami	250.00
January	01/24/2020	3770	Check	University of Missouri-Kansas City AR	81,509.25
January	01/24/2020	3771	Check	University of Missouri-Kansas City AR	250.00
January	01/24/2020	3772	Check	University of Missouri-Kansas City AR	250.00
January	01/24/2020	3773	Check	University of Southern California	250.00
January	01/24/2020	3774	Check	The Vanderbilt University	250.00
January	01/24/2020	3775	Check	Jennifer White	930.00
January	01/24/2020	3776	Check	Zoom Video Communications, Inc.	813.97
January	01/24/2020	1705	ACH	COMMERCE BANK	2,137.75 *
January	01/24/2020	1706	ACH	American Food and Vending Corp.	58,790.70
January	01/24/2020	1707	ACH	Apple Bus Company	92,789.19
January	01/24/2020	1708	ACH	Charles Banks	150.00
January	01/24/2020	1709	ACH	Cushman & Wakefield U.S., Inc	2,750.00
January	01/24/2020	1710	ACH	Fidelity Investments Institutional Operations Co	888.00

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January	01/24/2020	1711	ACH	Fulfillment Plus	9,228.59
January	01/24/2020	1712	ACH	Marlin Shorley	750.00
January	01/30/2020	30006975188	ACH	Christina Jackson	100.45
January	01/31/2020	31007787925	ACH	Payroll 1-31	190,963.28
January	01/31/2020	31007787975	ACH	Payroll 1-31	48,136.02
January	01/31/2020	31007787926	ACH	Payroll 1-31	319.53
January	01/31/2020	31007588441	ACH	Payroll Taxes 1-31	80,665.84
January	01/31/2020	3777	Check	Courtney Boykin	260.00
January	01/31/2020	3778	Check	Computer Logic Group, Inc.	1,000.00
January	01/31/2020	3779	Check	Nigel Davis	170.00
January	01/31/2020	3780	Check	The Guardian Life Insurance Co	10,029.34
January	01/31/2020	3781	Check	Darryl Johnson	150.00
January	01/31/2020	3782	Check	Linda Kirkpatrick	690.00
January	01/31/2020	3783	Check	Alex Moyers	452.50
January	01/31/2020	3784	Check	PhilWorld, Inc.	41.60
January	01/31/2020	3785	Check	Polsinelli PC	1,192.00
January	01/31/2020	3786	Check	Schoolzilla, PBC	1,078.42
January	01/31/2020	3787	Check	Sysco Kansas City Inc	1,062.00
January	01/31/2020	1713	ACH	COMMERCE BANK	38,067.26 *
January	01/31/2020	1714	ACH	United Healthcare Insurance Company	87,625.87
January	01/31/2020	1715	ACH	Westbrook & Co., P.C.	1,815.00
January	01/31/2020	1716	ACH	Yellow Dog Networks, Inc.	75.00
January	01/31/2020	1717	ACH	American Food and Vending Corp.	34,086.54
January	01/31/2020	1718	ACH	Apple Bus Company	112,302.42
January	01/31/2020	1719	ACH	Charles Banks	192.50
Grand Total					\$ 1,560,353.00

EXHIBIT A

EMKS Check Register January 1 - January 31, 2020 - By Vendor

The following list includes all payments (ACH, Checks, and Wires) from the period mentioned above. Differences from the monthly subtotals and the income statement are due to the School using the accrual based method of accounting.

* See separate vendor detail of credit card payments from the period mentioned above.

Payee	Amount
ACT, Inc	\$ 2,116.50
Alex Moyers	\$ 507.50
American Food and Vending Corp.	\$ 92,877.24
American Heart Assoc Inc	\$ 700.00
Apple Bus Company	\$ 211,393.92
Brown University	\$ 250.00
Busco, Inc.	\$ 3,180.00
California State Disbursement Unit	\$ 235.00
Cat Cain	\$ 18.80
Certified Languages International LLC	\$ 31.90
Charles Banks	\$ 342.50
Christina Jackson	\$ 100.45
COMMERCE BANK	\$ 62,882.04 *
Computer Logic Group, Inc.	\$ 2,250.00
Courtney Boykin	\$ 410.00
Curators of the University of Missouri (UM)	\$ 1,000.00
Cushman & Wakefield U.S., Inc	\$ 175,767.85
Dailyfeats Inc dba Maxwell Health	\$ 1,200.00
Danielle Yeager	\$ 2,340.00
Darryl Johnson	\$ 150.00
Education Business Solutions Inc	\$ 11,333.33
Emory University	\$ 250.00
Fidelity Investments Institutional Operations Co	\$ 888.00
Fidelity Workplace Investing LLC	\$ 21,180.21
Fulfillment Plus	\$ 9,228.59
Haas & Wilkerson, Inc.	\$ 16,721.50
Hannah Lofthus	\$ 42.33
Jaymie Huffman	\$ 2,356.25
Jennifer White	\$ 930.00
Johnson County Community College	\$ 500.00
Joyce Wong	\$ 26.85
Linda Kirkpatrick	\$ 690.00
Marlin Shorley	\$ 2,625.00
Morehouse College	\$ 250.00
Nigel Davis	\$ 170.00
Omar Stevenson	\$ 205.00
Payroll 1-15	\$ 191,934.85
Payroll 1-31	\$ 239,418.83
Payroll Taxes 1-15	\$ 66,372.97
Payroll Taxes 1-31	\$ 80,665.84
PhilWorld, Inc.	\$ 111.32
Polsinelli PC	\$ 1,192.00
Research to Practice Inc	\$ 1,318.32
SageView Advisory Group LLC	\$ 1,726.00
Sam Roark	\$ 85.00
Schoolzilla, PBC	\$ 1,078.42
Severin Intermediate Holdings, LLC	\$ 702.72
State of Kansas	\$ 250.00
Sysco Kansas City Inc	\$ 4,093.45
The Guardian Life Insurance Co	\$ 10,029.34
The Junior College District of Metropolitan Kansas City	\$ 750.00
The Kansas City Public School Retirement System	\$ 61,031.02
The University of Chicago	\$ 12,060.00
The Vanderbilt University	\$ 250.00
Travel and Transport Inc	\$ 10.50
Tristar FSA Admin Fee	\$ 288.25
Tristar FSA payment	\$ 472.00
TRXC Timing LLC	\$ 25.00
United Healthcare Insurance Company	\$ 172,993.19
University of Central Missouri	\$ 500.00
University of Miami	\$ 250.00
University of Missouri-Kansas City AR	\$ 82,009.25

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University of Southern California	\$	250.00
Westbrook & Co., P.C.	\$	4,445.00
Yellow Dog Networks, Inc.	\$	75.00
Zoom Video Communications, Inc.	\$	813.97
<hr/>		
Grand Total	\$	1,560,353.00
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EXHIBIT A

EMKS Check Register January 1 - January 31, 2020 - By Credit Card

The following list includes the vendor detail for the Commerce Bank credit card purchases made in the time frame mentioned above.

Payee	Amount
AC HOTELS	\$ 146.08
ACT INC	\$ 82.00
AKKA KARATE	\$ 163.20
AMAZON	\$ 5,573.84
AMAZONCOM	\$ 20.98
AMERICAN AIRLINES	\$ 829.90
B AND D SKATE	\$ 375.00
BAILEY PAGE	\$ 257.98
BAMBOOHR	\$ 1,397.31
BERSERK ATHETICS	\$ 2,000.00
BOOKPAL	\$ 6,067.06
CAMPAIGN MONITOR	\$ 73.37
CANDACE WILSON	\$ 225.79
CHICKFILA	\$ 96.54
CHOICE INTERNATIONAL HOTELS	\$ 1,370.24
COLLEGE BASKETBALL EXPERIENCE	\$ 1,408.00
COLLEGE ENTRANCE EXAM BOARD	\$ 41.00
CONCUR TECH	\$ 1,625.75
CONSOLIDATED COMMUNICATIONS	\$ 1,054.52
COSENTINOS	\$ 43.64
COSTCO	\$ 60.00
CREATIVE CARNIVALS	\$ 250.00
DAVE AND BUSTERS	\$ 1,614.00
DELTA AIRLINES	\$ 1,532.31
DOCUSIGN	\$ 160.00
EMBASSY SUITES	\$ 3,702.46
EPIC SPORTS	\$ 38.29
FACEBOOK	\$ 15.00
FAMILY CARE REGISTRY	\$ 91.50
FAMILY DOLLAR	\$ 7.60
FBF ACTIVEWEAR	\$ 1,700.00
GOOGLE	\$ 72.00
GRAPEVINE	\$ 5,010.72
HANNAH LOFTHUS	\$ 874.82
HERTZ CARS	\$ 250.26
HOLIDAY INN	\$ 152.38
HOOTSUITE	\$ 0.73
HYVEE	\$ 120.08
IDEALIST.org	\$ 95.00
IDEMIA LLC	\$ 42.75
INDEED	\$ 270.96
JOSTENS	\$ 381.50
J's FISH & Chicken	\$ 84.00
KINGS BEAUTY SUPPLY	\$ 102.82
LINKEDIN	\$ 239.90
MACALESTER COLLEGE	\$ (75.00)
MARRIOTT HOTELS	\$ 302.54
MCDONALDS	\$ 40.00
MORGAN TILLET	\$ 20.96
PANERA	\$ 154.85
PAYPAL	\$ 569.08
PIZZAHUT	\$ 259.32
PRICE CHOPPER	\$ 55.68

EXHIBIT A

PROFORMA	\$	698.03
READING HORIZONS	\$	2,641.42
REDBOX LLC	\$	50.49
RIVER ROLLERSKATING	\$	1,167.50
RIVERCITY TSHIRTS	\$	512.00
STARBUCKS	\$	60.00
THE DUBLINER	\$	5,056.72
THE PERFECT SEASON	\$	893.50
TLOFT	\$	52.49
TRANSIMPEX	\$	248.00
UBER	\$	38.89
UNBAKERY	\$	93.48
USPS	\$	4.19
VERIZON	\$	9,836.48
WALDO PIZZA	\$	367.00
WALMART	\$	133.01
WASHINGTON UNIVERSITY	\$	610.30
WENDYS	\$	310.96
WEST UNIFIED COMMUNICATIONS	\$	342.11
WESTSIDE LOCAL	\$	30.76
Total	\$	64,196.04
Commerce Credit Card Statement Net Rebate	\$	(1,314.00)
Grand Total	\$	62,882.04

EXHIBIT B

Items for March 2020 Board Meeting

Headline	Summary
Personnel Policy: Payroll Policy	<ul style="list-style-type: none">• This policy documents payroll and payroll deduction policies and procedures that are already in place at EMKS and are being executed with fidelity.• There is no change in policy or procedure; rather, we are adding this language to our Personnel Policies Handbook to satisfy a documentation requirement of our authorizer, the Missouri Charter Public School Commission.

EXHIBIT B

Documentation of Existing Payroll Policies & Procedures

Payroll & Payroll Deductions

Accurate & Timely Payroll

The Director of Finance and Strategy, with support from the Human Resources Specialist, shall ensure that school employees are paid in accordance with School policies and applicable laws and rules.

School employees shall be paid:

- In United States currency;
- By a written instrument (e.g. check) issued by the employer that is negotiable on demand at full face value for United State currency, or by the electronic transfer of funds to the employee's bank pursuant to a direct deposit agreement signed by the employee.

Paydays

All team members will receive compensation on the 15th and last day of each month. When a payday falls on a weekend or bank holiday, funds are deposited on the business day prior to the weekend or bank holiday. When a payday falls on a Kauffman School holiday that is not a bank holiday, funds will be deposited on the normal pay date.

Payroll Deductions

All Kauffman School employees shall be members of the Kansas City Public School Retirement System and subject to its requirements. The Board shall deduct and expend for teacher retirement and compensation an amount that reflects the requirements as outlined in Missouri State Statute and Department of Elementary and Secondary Education regulation.

All Kauffman School employees shall have taxes deducted from their paychecks in alignment with state and federal requirement and with their elections on their W4 Form, which is completed as of their first day of employment and updated at the employee's discretion.

Kauffman School employees who elect to enroll in the School's benefits programs, including insurance benefits and the 403b retirement plan, shall have premiums or contributions deducted from their paychecks in alignment with their annual elections.

Withholding of Wages

The Director of Finance and Strategy, with support from the Human Resources Specialist, shall ensure that the wages of school employees are not withheld except in the following situations as permitted by applicable laws and rules:

- The school is ordered to withhold wages by a court of competent jurisdiction;
- The school is authorized to withhold wages by state or federal law; or
- The school has written authorization from the employee to deduct or withhold part of the wages for a lawful purpose.

**MINUTES OF SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF
EWING MARION KAUFFMAN SCHOOL, INC.**

March 30, 2020

A special meeting of the Board of Directors of Ewing Marion Kauffman School, Inc., a Missouri nonprofit corporation exempt from federal taxation under Internal Revenue Code § 501(c)(3), was held at its headquarters in Kansas City, Missouri on March 30, 2020, pursuant to public notice provided at least 24 hours in advance.

Participating via Zoom technology such that all could hear and be heard and see and be seen were Aaron North, chair; Mayra Aguirre; Joe Allen; Kristin Bechard, treasurer; Tracy McFerrin; Gloria Jackson Leathers; and Maurice Watson.

Also present from the School were John Tyler, Secretary and General Counsel; Hannah Lofthus, Chief Executive Officer; and Tim Racer, Deputy General Counsel.

Present from the community was Robin Wahby from the School's sponsor the Missouri Charter School Commission.

Mr. North chaired the meeting and Mr. Tyler served as secretary. Mr. North called the meeting to order at 8:32 am, welcomed those in attendance, reported all in attendance, and previewed the agenda.

Mr. North expressed the board's appreciation for the update from Ms. Lofthus on the School's transition to virtual learning, food distribution, and otherwise in light of the COVID-19 pandemic and local orders that businesses close and people stay at home.

Ms. Lofthus provided a further update on steps being taken and results of that work, including that 100% of high students have been active online and middle school students are receiving weekly work packets. She also expressed her appreciation to the board, Robin and the sponsor, the teachers and other staff, and the School's students.

Ms. Lofthus explained the circumstances about having acquired and distributed Chromebooks to every high school. There is a need to acquire technology for middle school students to enhance the substance and efficiency of learning, especially for the remainder of the current school year. She described her work to acquire Chromebook inventory this week ASAP for the middle school, as long as the order was made today, for a purchase order in the amount of \$217,200 with an additional amount of up to \$32,800 for a total of up to \$250,000.

Mr. Watson moved that the School's leadership be authorized acquiring up to 800 Chromebooks and related accessories and services from Riverside Technologies, Inc. in an amount of up to \$250,000.

Discussion followed about protocols and procedures re this vendor and contract, including that the School has used this vendor in the past with consistency and high quality, and there is an emergency situation exemption within the procurement policy to cover circumstances such as are currently the case. Discussion continued about the School's history with this vendor.

Ms. Jackson Leathers seconded the motion.

After discussion and pursuant to a roll call vote of each board member, the board unanimously (North, Aguirre, Allen, Bechard, Jackson Leathers, McFerrin, Watson) authorized the School's leadership to incur expenditures of up to \$250,000 to cover acquisition of Chromebooks and related accessories and services from Riverside Technologies, Inc.

Community Forum

Ms. Wahby reported that the Commission is meeting with each charter school's board during this pandemic. She was complimentary of the School's leadership and team, including its work to meet non-academic needs such as food. She further complimented the board for its readiness for this type of situation including policies that have exigent, emergency exceptions. Ms. Wahby encouraged that the board and leadership consider how academic progress will be measured and assessed in the absence of normal testing.

There being no further business, the meeting adjourned at 8:49 am.

John Tyler, Secretary