



International American Education Federation, Inc., d/b/a International Leadership of Texas

Board of Directors Meeting

Date and Time

Wednesday August 30, 2017 at 6:30 PM

Location

IL Texas District Office - 1820 North Glenville Dr., Suite 100, Richardson, TX 75081

Meeting Notice & Mission Statement

In compliance with the Texas Open Meetings Act, the Texas Government Code, Chapter 551, timely public advance written notice (at least 72 hours before the scheduled time of the meeting) is given of the subjects the Board of Directors of International Leadership of Texas (the "Board"), and the Board will convene a Regular Open Meeting of the Board of Directors of International Leadership of Texas on the date and time and location set forth herein. It is the intent of the Board to have a quorum physically present at the above address. Board members not physically present may participate by live two-way video and audio feed in accordance with the Texas Open Meetings Act. If a quorum of the Board cannot be physically present at the above address, it is the intent to have the presiding officer physically present at the above address. The Board hereby certifies that this notice was posted on a bulletin board or on something akin thereto or at a place readily accessible and convenient to the public at 1820 N. Glenville Dr., #100, Richardson, TX 75081, as well as online at www.ILTexas.org. The items on this Agenda may be taken in any order. The mission of ILTexas is to prepare students for exceptional leadership roles in the international community by emphasizing servant leadership, mastering the English, Spanish, and Chinese languages, and strengthening the mind, body and character.

/s/ Finn Simmensen, For ILTexas' Board

Agenda

	Purpose	Presenter	Duration
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I. Opening Items

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| A. Call the Meeting to Order | | | |
| B. Record Attendance and Guests | | | |
| C. Approve Minutes | Approve
Minutes | | |

II. Public Comment (if any)

III. The Office of the Superintendent [Reports & Discussion]

A. Superintendent Report	FYI	Eddie Conger	15
B. CFO Report	FYI	Jerry McCreight	15
C. CAO Report	FYI	Dr. Laura Carrasco	15

IV. Executive/Closed Session

A. Authorization	Discuss	Board Information	30
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If during the course of the meeting covered by this notice, the Board should determine that a closed or executive meeting or session of the Board should be held or is required, then such closed or executive meeting or session as authorized by Chapter 551 of the Texas Government Code (the Open Meetings Act) will be held by the Board at the date, hour, and place given in this notice or as soon after the commencement of the meeting covered by this notice as the Board may conveniently meet in such closed or executive session concerning any and all subjects and for any and all purposes permitted by Section 551.071 through Section 551.084 inclusive of said Open Meetings Act.

V. Board Action Items

A. Discuss/Act on the Slate of New Employee Hires, Resignations and Terminations	Vote
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Consider and Take Action to Approve the Slate of Employee New District Hires, Resignations & Terminations, as discussed in Closed Session.

B. Discuss/Act on 2016-2017 Budget Amendment 3	Vote
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Consider and Take Action to Approve 2016 - 2017 Budget Amendment 3.

C. Discuss/Act on Approval or Ratification of the Office Lease	Vote
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Consider and Take Action to Approve the District to negotiate and enter into an Office Lease for approximately 6,645 rentable square feet at 1100 East Campbell, Suite 220, Richardson, TX

D. Discuss/Act on Approval or Ratification of the Warehouse Lease	Vote
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Consider and Take Action to Approve or Ratify the District entering into a warehouse lease for the facility located at 1601 Summit Ave 108/110 Richardson, Texas 75081.

E. Emergency Agenda Addendum 1 Discuss/Act on Emergency Relief Assistance	Vote
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This emergency agenda item is posted in accordance with Section 551 of the Texas Government Code. Due to Hurricane and Tropical Storm Harvey and historic flood event, severe damage has occurred to various facilities and properties of the school. Immediate work is needed to mitigate further damage and loss to public property, and repairs must be completed so as to restore the facilities to safe use by students as soon as possible so that school operations can resume. Hurricane and Tropical Storm Harvey presents (1) an imminent threat to public health and safety; or (2) a reasonably unforeseeable situation.

The circumstances were unforeseeable and unpreventable. This constitutes an emergency and an urgent necessity to serve the best interest of the students, facility and families.

The subjects to be discussed or considered or upon which any formal action may be taken are as follows:

1. Emergency repairs to damaged school facilities from Hurricane/Tropical Storm Harvey;
2. Counseling and/or other support resources for students and staff;
3. Housing Staff in District facilities and providing monetary or any other support deemed necessary to Staff affected;
4. Budget amendments; and/or
5. Implementing and approving a new leave policies or emergency leave policies to provide additional financial assistance to certain affected employees, and potential re-assignment of job duties for certain affected employees.

An emergency or urgent public necessity exists that requires immediate action of the Board or an imminent threat to public health and safety or a reasonably unforeseeable situation exists, as follows:

1-4. The unexpected, unforeseeable and unpreventable damage to the campuses from Hurricane/Tropical Storm Harvey, the need to discuss further operations of ILTexas' schools, and any resulting emotional trauma of students and staff in response to this emergency.

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Government Code, Chapter 551, Subchapters D and E or Texas Government Code section 418.183(f). Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

The Board resolves that the District may utilize public resources in relief efforts for ILTexas' staff (and families) and students (and families) due to the emergency presented by Hurricane/Tropical Storm Harvey, and finds that doing so does not violate Article III, Chapter 52 of the Texas Constitution as follows:

- (1) The purpose of the payment is to accomplish a public purpose, not benefit a private party
- (2) The entity must retain public control over the funds to ensure the public purpose is accomplished and the public's investment is protected; and
- (3) The entity must ensure that it receives a return benefit.

F. Emergency Agenda Addendum 2 - Vote
Discuss/Act on TEA Missed School
Day Waiver

This emergency agenda item is posted in accordance with Section 551 of the Texas Government Code. Due to Hurricane and Tropical Storm Harvey and historic flood event, severe damage has occurred to various facilities and properties of the school. Hurricane and Tropical Storm Harvey presents (1) an imminent threat to public health and safety; or (2) a reasonably unforeseeable situation. The effects of Hurricane Harvey continue to be felt in a large portion of the state, impacting ILTexas. Damage from high winds, heavy rains and ongoing flooding conditions have forced the cancellation of classes over an extended period of time. The TEA Commissioner has authorized: "Districts and charter schools in the 58-county disaster declaration area closed due to the hurricane are eligible to apply for a Missed School Day waiver for any scheduled instructional days missed from Friday, Aug. 25, 2017, to Friday, Sept. 1, 2017." As a result of this waiver, school systems in disaster counties that have missed school days as referenced above due to the hurricane will not have to make up those days on the school calendar.

The circumstances surrounding Hurricane and Tropical Storm Harvey were unforeseeable and unpreventable, which has caused ILTexas' Houston-area schools to be shut down and closed since August 25, 2017 . This constitutes

an emergency and an urgent necessity to serve the best interest of the the District and its students. The aforementioned emergency or urgent public necessity exists that requires immediate action of the Board or an imminent threat to public health and safety or a reasonably unforeseeable situation exists, as follows:

Consider and take action to approve the District to submit the Missed School Day waiver using the TEAL waiver application.

VI. Closing Items

A. Adjourn Meeting

Vote

Cover Sheet

Approve Minutes

Section: I. Opening Items
Item: C. Approve Minutes
Purpose: Approve Minutes
Submitted by:



International American Education Federation, Inc., d/b/a International Leadership of Texas

Minutes

Special Board Meeting

Date and Time

Wednesday August 23, 2017 at 6:30 PM

Location

1820 N. Glenville Dr., #100 | Richardson, TX 75081

Meeting Notice & Mission Statement

In compliance with the Texas Open Meetings Act, the Texas Government Code, Chapter 551, timely public advance written notice (at least 72 hours before the scheduled time of the meeting) is given of the subjects the Board of Directors of International Leadership of Texas (the "Board"), and the Board will convene a Regular Open Meeting of the Board of Directors of International Leadership of Texas on the date and time and location set forth herein. It is the intent of the Board to have a quorum physically present at the above address. Board members not physically present may participate by live two-way video and audio feed in accordance with the Texas Open Meetings Act.

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/s/ Finn Simmensen, For ILTexas' Board

Directors Present

Curtis Donaldson (remote), Dr. Lynne Beach, Major General James Williams, Steve Hammerle, Tracy Cox

Directors Absent

None

Guests Present

Clayton Greenberg

I. Opening Items

A. Record Attendance and Guests

Curtis Donaldson attended via live video and audio feed.

B. Call the Meeting to Order

Major General James Williams called a meeting of the board of directors of International American Education Federation, Inc., d/b/a International Leadership of Texas to order on Wednesday Aug 23, 2017 @ 6:31 PM at 1820 N. Glenville Dr., #100 | Richardson, TX 75081.

C. Approve Minutes

Tracy Cox made a motion to approve minutes from the Special Board Meeting on 08-16-17.

Curtis Donaldson seconded the motion.

The board **VOTED** unanimously to approve the motion.

II. Board Action Items

A. Discuss/Act on the Slate of New Employee Hires, Resignations and Terminations

Tracy Cox made a motion to Approve the Slate of New Employee District Hires, Resignations & Terminations, as discussed in Closed Session.

Dr. Lynne Beach seconded the motion.

The board **VOTED** unanimously to approve the motion.

B. Nominate/Act on Officers of the Board of Directors

Nominations

- President: Gen. Williams was nominated by C. Donaldson
- Vice-President: Dr. Lynne Beach nominated C. Donaldson
- Secretary: Tracy Cox nominated C. Donaldson

Tracy Cox made a motion to Accept the following slate: - President: Gen. Williams was nominated by C. Donaldson - Vice-President: Dr. Lynne Beach C. Donaldson - Secretary: Tracy Cox C. Donaldson.

Steve Hammerle seconded the motion.

The board **VOTED** to approve the motion.

Roll Call

Tracy Cox	Aye
Major General James Williams	Aye
Curtis Donaldson	Aye
Dr. Lynne Beach	No
Steve Hammerle	Aye

C. Discuss/Act on Amended Board Policy PG 3-UMF (Charge/Courtesy Meals)

Dr. Lynne Beach made a motion to Approved the amended and revised Board Policy PG 3-UMF (Charge/Courtesy Meals).

Tracy Cox seconded the motion.

The board **VOTED** unanimously to approve the motion.

III. Closing Items

A. Adjourn Meeting

Tracy Cox made a motion to adjourn the meeting.

Curtis Donaldson seconded the motion.

The board **VOTED** unanimously to approve the motion.

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:58 PM.

Respectfully Submitted,
Curtis Donaldson

Cover Sheet

CFO Report

Section: III. The Office of the Superintendent [Reports & Discussion]
Item: B. CFO Report
Purpose: FYI
Submitted by:
Related Material: Financial Statement Report.pdf

INTERNATIONAL LEADERSHIP OF TEXAS
STATEMENT OF FINANCIAL POSITION
AS OF JULY 31, 2017

ASSETS	AUDITED	
	<u>August 2016</u>	<u>July 2017</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 18,263,076	\$ 13,336,912
Due from TEA	4,196,428	3,992,996
Accounts receivable, net	183,490	5,336,874
Deferred expense	-	-
Total Current Assets	<u>22,642,994</u>	<u>22,666,782</u>
Capitalized bond issuance costs	739,887	739,887
PROPERTY AND EQUIPMENT		
Land	9,433,537	9,433,537
Buildings	83,103,863	83,103,863
Furniture and equipment	5,677,677	8,642,466
Vehicles	1,138,143	1,303,143
Less accumulated depreciation	<u>(5,214,041)</u>	<u>(8,882,517)</u>
Total Property and Equipment	<u>94,139,180</u>	<u>93,600,493</u>
Total Assets	<u>\$ 117,522,061</u>	<u>\$ 117,007,161</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	1,572,747	1,991,472
Due to student groups	-	-
Due to other governments	129,201	-
Deferred revenue	1,162,378	961,545
Accrued wages payable	2,232,764	1,711,588
Payroll deductions and withholdings	518,720	73,076
Accrued expenses	-	498,287
Other Liabilities	-	145
Current portion of capital lease payable	-	-
Current portion of long-term debt	575,488	575,488
Total Current Liabilities	<u>6,191,298</u>	<u>5,811,602</u>
LONG-TERM LIABILITIES		
Loans	-	2,198,019
Long-term debt	<u>111,991,068</u>	<u>111,619,949</u>
Total Long-Term Liabilities	<u>111,991,068</u>	<u>113,817,969</u>
Total Liabilities	<u>\$ 118,182,366</u>	<u>\$ 119,629,570</u>
NET ASSETS		
Unrestricted	(708,903)	(636,616)
Temporarily restricted	48,598	2,621
Permanently restricted	-	(26,310)
Revenue/Expenses	-	(1,962,104)
Total Net Assets	<u>(660,305)</u>	<u>(2,622,409)</u>
Total Liabilities and Net Assets	<u>\$ 117,522,061</u>	<u>\$ 117,007,161</u>

***Internally Prepared Financial Statements

**INTERNATIONAL LEADERSHIP OF TEXAS
STATEMENT OF ACTIVITIES - BUDGET TO ACTUAL
FOR THE ELEVEN MONTHS ENDED JULY 31, 2017**

	<u>Approved Budget</u>	<u>July 2017</u>	<u>Percent</u>
REVENUE			
Local Revenue:			
Foundations, Other Non-Profit Organizations, Gifts and Bequests	\$ 6,985,740	\$ 6,424,485	91.97%
SSA-Local Revenue from Member Districts	\$ -	-	0.00%
Food Service Activity	\$ 548,072	703,984	128.45%
Athletic Activities	\$ -	4,295	0.00%
Other Revenue from local sources	\$ 2,700,000	2,565,316	95.01%
Total Local Revenue	10,233,812	9,698,079	94.77%
State Program Revenue:			
Foundation School Program Act Revenue	\$ 81,878,653	75,014,836	91.62%
State Program Revenue Distributed by TEA	\$ 1,460,522	904,038	61.90%
State Program Revenue Distributed by other than TEA	\$ -	750	0.00%
Total State Program Revenue	83,339,175	75,919,624	91.10%
Federal Program Revenue:			
National School Breakfast and Lunch Program	\$ 1,600,671	1,687,335	105.41%
Federal Program Revenue Distributed by TEA	\$ 2,600,000	2,242,074	86.23%
Federal Program Revenue Distributed by other than TEA	\$ -	-	0.00%
Total Federal Program Revenue	4,200,671	3,929,409	93.54%
Net Assets Released from Restrictions:			
Restrictions Satisfied by Payments	-	-	-
Total Revenue	\$ 97,773,658	\$ 89,547,112	91.59%
EXPENSES			
Program Services:			
Instruction	\$ 48,755,503	43,091,039	88.38%
Instruction Resources and Media	\$ 376,581	360,879	95.83%
Curriculum and Instructional Staff Development	\$ 2,064,309	1,627,928	78.86%
Instructional Leadership	\$ 649,071	560,736	86.39%
School Leadership	\$ 6,402,426	6,059,143	94.64%
Guidance, Counseling, and Evaluating Services	\$ 3,028,589	2,593,296	85.63%
Health Services	\$ 1,030,902	918,176	89.07%
Student Transportation	\$ 608,447	546,547	89.83%
Food Services	\$ 2,348,743	2,857,642	121.67%
Extracurricular Activities	\$ 1,551,236	2,354,263	151.77%
General Administration	\$ 3,876,193	3,530,903	91.09%
Facilities Maintenance and Operations	\$ 16,362,964	15,986,144	97.70%
Security and Monitoring Services	\$ 1,141,746	905,766	79.33%
Data Processing	\$ 2,843,854	2,585,143	90.90%
Community Services	\$ 1,670,767	1,428,504	85.50%
Debt Service	\$ 7,000,000	6,091,688	87.02%
Fundraising	\$ -	-	0.00%
Other	\$ 15,000	11,422	76.15%
Total Expenses	99,726,332	91,509,216	91.76%
CHANGE IN NET ASSETS	(1,952,674)	\$ (1,962,104)	

***Internally Prepared Financial Statements

**INTERNATIONAL LEADERSHIP OF TEXAS
STATEMENT OF CASH FLOWS
FOR THE ELEVEN MONTHS ENDED JULY 31, 2017**

RECONCILIATION OF CHANGE IN NET ASSETS TO NET	<u>July 2017</u>
CASH PROVIDED BY OPERATING ACTIVITIES	
Change in net assets	\$ (1,962,104)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	3,668,476
(Increase) decrease in due from TEA	203,432
(Increase) decrease in accounts receivable	(5,153,384)
Increase (decrease) in accounts payable	418,725
Increase (decrease) in due to other governments	(129,201)
Increase (decrease) in deferred revenue	(200,833)
Increase (decrease) in wages payable	(521,175)
Increase (decrease) in payroll deductions and withholdings	(445,644)
Increase (decrease) in accrued expenses	498,432
Increase (decrease) in short-term debt	-
Net Cash Provided (Used) by Operating Activities	<u>(3,623,276)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of land, buildings, and equipment	<u>(3,129,789)</u>
Net Cash Porvided (Used) by Investing Activities	<u>(3,129,789)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Issuance of long-term debt	2,221,449
Principal payments on debt	<u>(394,549)</u>
Net Cash Provided (Used) by Financing Activities	<u>1,826,901</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,926,164)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>18,263,076</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 13,336,912</u></u>

*****Internally Prepared Financial Statements**

Cover Sheet

Discuss/Act on 2016-2017 Budget Amendment 3

Section: V. Board Action Items
Item: B. Discuss/Act on 2016-2017 Budget Amendment 3
Purpose: Vote
Submitted by:
Related Material: Budget Amendment 3.pdf

**INTERNATIONAL LEADERSHIP OF TEXAS
BUDGET AMENDMENT #3 FOR AUGUST 30, 2017 BOARD MEETING**

	Original Budget	Budget Amendment #1	Revised Budget as of 1/2017	Budget Amendment #2	Revised Budget as of 6/2017	Budget Amendment #3	Proposed Budget
Revenue	2,148,743	0	2,148,743	0	2,148,743	1,150,000	3,298,743
	2,148,743	0	2,148,743	0	2,148,743	1,150,000	3,298,743
5700 - Local	3,235,740	0	3,235,740	6,450,000	9,685,740	0	9,685,740
5800 - State	92,345,524	(6,545,926)	85,799,597	(3,920,944)	81,878,653	5,300,000	87,178,653
5900 - Federal	0						
Revenue	95,581,264	(6,545,926)	89,035,337	2,529,056	91,564,393	5,300,000	96,864,393
	97,730,007	(6,545,926)	91,184,080	2,529,056	93,713,136	6,450,000	100,163,136
35- Food Services	2,148,743	0	2,148,743	0	2,148,743	1,150,000	3,298,743
	2,148,743	0	2,148,743	0	2,148,743	1,150,000	3,298,743
11-Instructional Svcs	50,507,360	(3,934,641)	46,572,719	(859,000)	45,713,719	3,296,067	49,009,786
12-Library & Media Svcs	172,859	168,722	341,581	35,000	376,581	100,000	476,581
13-Curriculum & Staff Develop	1,303,214	(136,775)	1,166,439	337,100	1,503,539	290,000	1,793,539
21-Program Admin	325,582	258,938	584,520	(18,000)	566,520	60,000	626,520
23-Campus Admin	5,229,790	618,116	5,847,906	553,500	6,401,406	500,000	6,901,406
31-Counseling & Assessment	1,807,187	645,677	2,452,864	305,700	2,758,564	5,000	2,763,564
33-Health Services	1,054,888	(11,986)	1,042,902	(12,000)	1,030,902	140,000	1,170,902
34-Transportation Svcs	271,500	286,447	557,947	50,500	608,447	125,000	733,447
35-Food Svcs	200,000	0	200,000	0	200,000	0	200,000
36-Extra Curricular Activity	1,260,749	(55,512)	1,205,236	346,000	1,551,236	(350,000)	1,201,236
41-District Admin	2,204,984	1,418,691	3,623,675	213,500	3,837,175	60,000	3,897,175
51-Maintenance & Operation	20,039,964	(7,000,000)	13,039,964	3,323,000	16,362,964	1,387,494	17,750,458
52-Security Svcs	846,043	191,203	1,037,246	104,500	1,141,746	(90,500)	1,051,246
53-Networking & Technology	1,012,783	483,445	1,496,228	1,324,100	2,820,328	(130,000)	2,690,328
61-Community Svcs	1,141,691	271,749	1,413,440	215,500	1,628,940	0	1,628,940
71-Debt Service	8,262,924	0	8,262,924	(1,262,924)	7,000,000	(100,000)	6,900,000
99-Assets	0	250,000	250,000	(235,000)	15,000	0	15,000
	95,641,518	(6,545,926)	89,095,591	4,421,476	93,517,067	5,293,062	98,810,129
Expenses	97,790,261	(6,545,926)	91,244,334	4,421,476	95,665,810	6,443,062	102,108,872
	(60,254)		(60,254)		(1,952,674)		(1,945,736)
					Depreciation (Non-cash Expense)		(5,100,000)
					Anticipated Expense Less Depreciation		97,008,872
					Net Cash Revenue to Expense		3,154,264