



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

January 24, 2018 Special Board Meeting and Public Hearing of 2016-2017 Charter FIRST Rating

Date and Time

Wednesday January 24, 2018 at 6:30 PM CST

Location

1820 North Glenville Drive, 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 Special Open Meeting of the Board of Directors of International Leadership of Texas to conduct a Public Hearing 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 Simmenssen, For ILTexas' Board

Agenda

Purpose Presenter Duration

I. Opening Items

- A.** Record Attendance and Guests
- B.** Call the Meeting to Order

II. APPROVE MINUTES OF PREVIOUS MEETING

- A.** Discuss and Act on approval of Minutes of January 17, 2018 Special Meeting Approve Minutes

Consider and take action to approve minutes of January 17, 2018 Special Meeting.

Approve minutes for Board of Directors Meeting on January 17, 2018

III. Reports

- A.** Report of 2016-2017 Charter FIRST (Financial Integrity Rating System of Texas) Rating FYI Jerry McCreight

Public presentation of the 2016-2017 Charter FIRST (Financial Integrity Rating System of Texas) rating of International Leadership of Texas.

IV. Executive Session (Closed)

- A.** Authorization Discuss

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 and Act on Resignation of Board Member and Appointment of New Board Member Vote

Consider and take action on a resignation tendered by a Member of the Board. Consider and take action to nominate and appoint a new Member to the Board.

- B.** Discuss and Act on the Slate of Employee new Hires, Resignations and Terminations Vote Claudia Neira

Consider and and take action to approve the slate of employee new district hires, resignations and terminations as discussed in Executive Session.

VI. Closing Items

- A.** Adjourn Meeting Vote

Cover Sheet

Discuss and Act on approval of Minutes of January 17, 2018 Special Meeting

Section: II. APPROVE MINUTES OF PREVIOUS MEETING
Item: A. Discuss and Act on approval of Minutes of January 17, 2018
Special Meeting
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Board of Directors Meeting on January 17, 2018

DRAFT

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

Minutes

Board of Directors Meeting

Date and Time

Wednesday January 17, 2018 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 Simmenssen, For ILTexas' Board

Directors Present

Dr. Lynne Beach, Major General James Williams, Steve Hammerle, Tracy Cox

Directors Absent

None

Guests Present

Clayton Greenberg, Eddie Conger, Finn Simmensen, Jerry McCreight

I. Opening Items

A. Record Attendance and Guests

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 Jan 17, 2018 @ 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 Board of Directors Meeting on 12-20-17.

Steve Hammerle seconded the motion.

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

II. Executive/Closed Session

A. Authorization

The Board entered Executive Session at 6:34 p.m. and returned to Open Session at 8:41 p.m.

III. Board Action Items

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

Dr. Lynne Beach made a motion to approve the slate of Employee New District Hires, Resignations and Terminations.

Tracy Cox seconded the motion.

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

B. Discuss and Act on submission of Expedited Charter Renewal Petition

Steve Hammerle made a motion to Approve submission of Expedited Charter Renewal Petition.

Dr. Lynne Beach seconded the motion.

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

C. Discuss and act on approval of opening ILTexas Windmill Lakes HS and ILTexas Lancaster HS

IV. Closing Items

A. Adjourn Meeting

Steve Hammerle made a motion to adjourn the meeting.

Tracy Cox 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 9:00 PM.

Respectfully Submitted,
Finn Simmensen

Cover Sheet

Report of 2016-2017 Charter FIRST (Financial Integrity Rating System of Texas) Rating

Section: III. Reports
Item: A. Report of 2016-2017 Charter FIRST (Financial Integrity Rating System of Texas) Rating
Purpose: FYI
Submitted by:
Related Material: 2016-17 FIRST Rating Annual Report.pdf



International Leadership of Texas



Annual Financial Accountability Management Report

2016-17 Rating

2015-2016 Fiscal Year Data

Rating: A - Superior

Introduction

The primary goal of Schools FIRST is to achieve quality performance in the management of school districts' financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system. This is the 15th year of the School FIRST (Financial Accountability Rating System of Texas), a financial accountability system for Texas school districts developed by the Texas Education Agency in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The Schools FIRST report underwent sweeping changes under HB 5, Section 49, of the 83rd Texas Legislature, Regular Session, 2013. Those changes require the commissioner of education to include processes in the financial accountability rating system for anticipating the future financial solvency of each school district and open enrollment charter school. The Commissioner's Rule for School FIRST changes under HB 5 were finalized in August 2015.

The changes to the School FIRST system implemented by the Texas Education Agency in August 2015 are being phased-in over three years. During the phase-in period, the new School FIRST system has separate worksheets for rating years 2014-2015, 2015-2016, and 2016-2017 and subsequent years. The worksheet for rating year 2014-2015 contains only 7 indicators as opposed to the 20 indicators used in 2013-2014. The worksheets for rating years 2015-2016 and 2016-2017 increases to 15 indicators. Also, the worksheet for rating year 2016-2017 will require higher scores for select ratings compared to the worksheet for rating year 2015-2016.

Legislative rules require the district to present a FIRST management report, which covers any business-related issues. The district must advertise and hold a public meeting to discuss the report. The district's School FIRST rating is based upon an analysis of data reported for the 2015-2016 school year. This information is submitted through the district's annual PEIMS (Public Education Information Management System) submissions.

The financial accountability rating of the district is based on its overall performance on certain financial measurements, ratios, and other indicators established by the commissioner of education with the financial accountability rating worksheet.

For the current rating year, 2016-2017, the district is once again rated as **"A – Superior"** with a score of 100 out of 100. This report briefly focuses on how this passing rating was achieved.

School FIRST Annual Financial Management Report

International Leadership of Texas

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner's Rules Concerning Financial Accountability Rating System, Section 109.1001(o). Effective 8/6/2015. The template has been established to help the charter schools in gathering their data and presenting it at their School FIRST hearing. The template may not be all inclusive.

Superintendent's Current Employment Contract

A copy of the superintendent's current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the charter school may choose to publish the superintendent's employment contract on the charter school's Internet site. If published on the Internet, the contract is to remain accessible for twelve months.

Reimbursements Received by the Superintendent and Board Members

For the Twelve-Month Period Ended August 31, 2016	Board Member Curtis Donaldson		Board Member Jorge Flores		Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Description of Reimbursements	Superintendent	Donaldson	Flores						
Meals	\$ 398	\$	\$						
Lodging	\$ 518								
Transportation	\$ 2,024	\$ 620	\$ 289						
Motor Fuel									
Other	\$ 1,178								
Total	\$ 4,118	\$ 620	\$ 289	0	0	0	0	0	0

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported.

Items to be reported per category include:

Meals – Meals consumed out of town, and in geographic-boundary meals at area restaurants (outside of board meetings, excludes catered board meeting)

Lodging – Hotel charges.

Transportation – Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls).

Motor fuel – Gasoline.

Other: Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services

For the Twelve-Month Period
 Ended August 31, 2016
 Name(s) of Entity(ies)

Amount Received
 \$

Total	0
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Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to charter school business.

**Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any)
 (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)**

For the Twelve-Month Period
 Ended August 31, 2016

	Superintendent	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Total	0	0	0	0	0	0	0	0

Note – An executive officer is defined as the superintendent, unless the board of trustees or the charter school administration names additional staff under this classification for local officials.

Business Transactions Between Charter School and Board Members

For the Twelve-Month Period
 Ended August 31, 2016

	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7
Amounts	0	0	0	0	0	0	0

Note – The summary amounts reported under this disclosure are not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.



User: Public
User Role: Public

Rating Year: CDN: [Help](#) [Home](#) [Exit](#)

2016-2017 Ratings Based on Fiscal Year 2016 Data - Charter School Status Detail

Charter School Status Detail [Indicator Detail Summary](#) Determination of Ratings

Size-Dependent Indicators

INTERNATIONAL LEADERSHIP OF TEXAS (ILT)(057848)

Status	Indicator Num	Indicator Description	Updated	Score
P	†1 1	Was the complete annual financial report (AFR) and charter school financial data submitted to TEA within 30 days of the November 27 or January 28 deadline depending on the charter school's fiscal year end date of June 30 or August 31, respectively?	7/21/2017 10:36:02 AM	YES
P	†1 2A	Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)	7/21/2017 10:36:02 AM	YES
	2B	Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)	7/21/2017 10:36:02 AM	-
P	†1 3	Was the charter school in compliance with the payment terms of all debt agreements at fiscal year end? (If the charter school was in default in a prior fiscal year, an exemption applies in following years if the charter school is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)	7/21/2017 10:36:02 AM	YES

P	†1	4	<u>Did the charter school make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?</u>	7/21/2017 10:36:02 AM	YES
P	†1	5	<u>Was the total net asset balance in the Statement of Financial Position for the charter school greater than zero? (If the charter school's change of students in membership over 5 years was 10 percent or more, then the charter school passes this indicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have a 10 percent growth in students year over year until it completes its fifth year of operations. After the fifth year of operations, the calculation changes to the 10 percent increase in 5 years.)</u>	11/3/2017 7:55:00 AM	YES
		6	<u>Was the number of days of cash on hand and current investments for the charter school sufficient to cover operating expenses? The calculation will use expenses, excluding depreciation. For government charter schools, pension expense will be excluded.</u>	7/21/2017 10:36:02 AM	10
		7	<u>Was the measure of current assets to current liabilities ratio for the charter school sufficient to cover short-term debt?</u>	7/21/2017 10:36:02 AM	10
		8	<u>Was the ratio of long-term liabilities to total assets for the charter school sufficient to support long-term solvency? (If the charter school's change of students in membership over 5 years was 10 percent or more, then the charter school passes this indicator.) (New charter schools that have a negative net asset balance will pass this indicator if they have a 10 percent growth in students year over year until it completes its fifth year of operations. After the fifth year of operations, the calculation changes to the 10 percent increase in 5 years.)</u>	11/3/2017 7:55:00 AM	10
		9	<u>Did the charter school's revenues equal or exceed expenses, excluding depreciation? If not, was the charter school's number of days of cash on hand greater than or equal to 40 days? The calculation will use expenses, excluding depreciation. For government charter schools, pension expense will be excluded.</u>	7/21/2017 10:36:02 AM	10
		10	<u>Was the debt service coverage ratio sufficient to meet the required debt service?</u>	7/21/2017 10:36:02 AM	10
		11	<u>Was the charter school's administrative cost ratio equal to or less than the threshold ratio?</u>	7/21/2017 10:36:02 AM	10
		12	<u>Did the charter school not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the charter school will automatically pass this indicator.)</u>	7/21/2017 10:36:02 AM	10
		13	<u>Did the comparison of Public Education Information Management System (PEIMS) data to like information in the charter school's AFR result in a total variance of less than 3 percent of all expenses by function?</u>	7/21/2017 10:36:02 AM	10
		14	<u>Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)</u>	7/21/2017 10:36:02 AM	10

12/7/2017

Charter School Status Detail

15	Did the charter school not receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds as a result of a financial hardship?	7/21/2017 10:36:02 AM	10
			100 Weighted Sum
			1 Multiplier Sum
			100 Score

†1: must pass 1, 3, 4, 5 and 2A

Options

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charterfirst 3.0.3.0



User: Public
User Role: Public

Rating Year: CDN:

2016-2017 Ratings Based on Fiscal Year 2016 Data - Charter School Status Detail

[Charter School Status Detail](#) [Indicator Detail Summary](#) [Determination of Ratings](#)

Size-Dependent Indicators

Name: INTERNATIONAL LEADERSHIP OF TEXAS (ILT) (057848)	Publication Level 0: 11/3/2017 7:55:16 AM
Status: PASSED	Publication Level 1: 11/3/2017 9:44:28 AM
Rating: A - Superior	Publication Level 2: 11/3/2017 9:44:31 AM
Charter School Score: 100	
Passing Score: 60	Last Updated: 11/3/2017 9:44:31 AM

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User: Public
User Role: Public

Rating Year: CDN:

2016-2017 Ratings Based on Fiscal Year 2016 Data - Charter School Status Detail

Charter School Status Detail Indicator Detail Summary Determination of Ratings

Size-Dependent Indicators

A: Did The Charter School answer 'No' To indicators 1,2A,3,4,5 ? OR Did The Charter School answer 'No' to both ? If so, the Charter School's rating is Substandard Achievement.

B: Determine rating by applicable range for summation of the indicator scores (INDICATORS 10-9)

Rating	Points
Suspended	0-0
Undetermined	0-0
A - Superior	90-100
B - Above Standard	80-89
C - Meets Standard	60-79
F - Substandard Achievement	0-59

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User: Public
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Rating Year: CDN:

2016-2017 Ratings Based on Fiscal Year 2016 Data - Charter School Status Detail

Charter School Status Detail Indicator Detail Summary Determination of Ratings

Size-Dependent Indicators

Indicator 11

ADA Size:	≥ 1,000	500-999	< 500	Points
	≤ 0.1401	≤ 0.1561	≤ 0.2645	10
	> 0.1401 and ≤ 0.1651	> 0.1561 and ≤ 0.1811	> 0.2645 and ≤ 0.2895	8
Threshold	> 0.1651 and ≤ 0.1901	> 0.1811 and ≤ 0.2061	> 0.2895 and ≤ 0.3145	6
Ratio	> 0.1901 and ≤ 0.2151	> 0.2061 and ≤ 0.2311	> 0.3145 and ≤ 0.3395	4
	> 0.2151 and ≤ 0.2401	> 0.2311 and ≤ 0.2561	> 0.3395 and ≤ 0.3645	2
	> 0.2401	> 0.2561	> 0.3645	0

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