

APPROVED



IOTA Community Schools

Minutes

IOTA Board of Directors' Meeting: November 18, 2025

Date and Time

Tuesday November 18, 2025 at 5:00 PM

Location

We will meet at Wooddale Middle School in the Library. However, if you cannot attend, please join via the Google Meet link below.

Any participant requiring special assistance, or disability-related modifications, including auxiliary aides or services, in order to participate in this meeting can call Karen Payne at 901-201-7272. Notification 72 hours prior to the meeting, will facilitate reasonable arrangements to ensure accommodations and accessibility. Upon request, IOTA shall make available the meeting agenda and all other public records associated with this meeting in appropriate alternative formats for persons with a disability.

IOTA Board of Directors Meeting: November 18, 2025

Tuesday, November 18 · 5:00 – 7:00pm

Time zone: America/Chicago

Google Meet joining info

Video call link: <https://meet.google.com/kdm-xfgm-ega>

Or dial: (US) +1 515-884-8071 PIN: 393 283 409#

More phone numbers: <https://tel.meet/kdm-xfgm-ega?pin=8873939414311>

Directors Present

A. Allen (remote), E. Harris (remote), L. Neal, P. Egwuekwe (remote), P. Velasquez (remote), T. Young (remote)

Directors Absent

None

Guests Present

D. Penaranda (remote), J. Rodgers, K. Payne

I. Opening Items

A. Call the Meeting to Order

P. Velasquez called a meeting of the board of directors of IOTA Community Schools to order on Tuesday Nov 18, 2025 at 5:06 PM.

B. Record Attendance

C. Agenda

P. Velasquez made a motion to approve the minutes from 9/18/25 IOTA Board of Directors' Meeting: September 18, 2025 on 09-18-25.

L. Neal seconded the motion.

Modify the new agenda. Pedro motion; Larry seconded motion

Approval of Board meeting agenda

Approval of the adjustments to the F&A Policy.

The board approved a **motion to adopt the updated agenda**, modifying the order of items to be discussed, with no opposition from board members.

Discussion about the structure of the consent agenda confirmed that both the September 18th meeting notes and F&A policy changes would be considered together unless specifically removed for separate consideration.

Board member Larry questioned whether the F&A policy contained material changes beyond extending coverage to Arkansas. Toimeka clarified that changes primarily addressed **accounting treatment differences between Tennessee and Arkansas**.

The board **unanimously approved the consent agenda** which included the September 18th meeting notes and the updated Finance & Accounting policy extending to Arkansas operations.

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

D.

Vision, Mission, and Excellence

Jocquell shared our vision, mission, and excellence statements.

E. Mission Moment

Chronic absenteeism has been a key focus area for IOTA Community Schools this year. The organization ended last year with a **55.2% chronic absenteeism rate** but has made significant improvements through a restructured approach.

The attendance team (Steve Robinson, Arielle Boyd, and Yahira Torres) led by Teddrick Estes has implemented a **hands-on case management approach** where team members are responsible for specific schools and meet one-on-one with students.

Daniel Penaranda provided specific data: Current average daily attendance (ADA) is 90% with Bluff City at 92%, Kirby at 94.4%, and Wooddale at 92%. Overall chronic absenteeism rate is now **34.8% regionwide** (23.2% at Bluff City, 19% at Kirby, 29.1% at Wooddale).

Wooddale is experiencing **higher chronic absenteeism among Spanish-speaking students** due to community concerns. The team is working closely with these families to ensure they feel safe and supported at school.

Current chronic absenteeism rates are under 25% for most schools (except Hillcrest), representing the **lowest rates since before the pandemic**. The attendance team proactively contacted chronically absent students during summer break to address barriers.

F. Public Comment

There is no public comment for this meeting.

G. Consent Agenda

The board approved a **motion to adopt the updated agenda**, modifying the order of items to be discussed, with no opposition from board members.

Discussion about the structure of the consent agenda confirmed that both the September 18th meeting notes and F&A policy changes would be considered together unless specifically removed for separate consideration.

Board member Larry questioned whether the F&A policy contained material changes beyond extending coverage to Arkansas. Toimeka clarified that changes primarily addressed **accounting treatment differences between Tennessee and Arkansas**.

The board **unanimously approved the consent agenda** which included the September 18th meeting notes and the updated Finance & Accounting policy extending to Arkansas operations.

II. Strategic Priorities Updates

A. Academic Updates

Tatiyana Webb, Director of Curriculum, Instruction and Assessment, presented quarter one assessment data starting with Bluff City High School, which showed **strong performance in ELA and Geometry** with 66% of teachers reaching their Annual Measurable Objective (AMO) goals.

AMO goals were explained as targeted percentages set by the State of Tennessee indicating what percentage of students must meet or exceed expectations on state tests. These targets **vary by school, grade, and content area**.

Hillcrest data showed ELA 10 and Biology as the strongest areas of growth. Biology had many students in the "approaching" category, indicating they were **very close to meeting standards** - often just one or two questions away from the proficiency threshold.

Recognition of top-performing teachers included **Ms. Reese who achieved highest scores** in the district despite being in her first-ever teaching semester, demonstrating potential for newer faculty members.

Comprehensive intervention strategy implemented including professional development for teachers, assessment alignment, mandatory after-school tutoring, **tiered coaching support** (1-2x weekly based on need), and adaptive IXL platform during advisory periods to target improvement

III. Replicable Model

A. Fundraising Updates

B. FY26 Business Structure and Accounting Updates

Jovan presented the FY26 contingency budget, describing it as an annual refresh performed once the school year begins and more clarity exists around staffing and enrollment numbers, with inclusion of a small Arkansas budget.

The proposed FY26 budget is essentially **break-even with just \$12,000 net income** overall, showing a \$300,000 net loss at home office (including the new LLC), \$300,000 net income in the Tennessee region, and break-even for Arkansas operations.

Key challenge identified was a **325 student enrollment decrease** resulting in approximately \$3.8 million shortfall in TiSA (state) funding compared to original budget projections.

The revenue shortfall is largely offset by **\$3.7 million in additional grant funding** that wasn't included in the original budget, a pattern consistent with previous years where significant grant money becomes available later.

IOTA Community Schools reported **\$13.1 million of cash on hand** at the start of the fiscal year, with expectations to maintain that same amount by year-end.

The organization received **\$700,000 in prior year true-up funds** from state and local sources, helping to mitigate the 3.8 million decline in TiSA (Tennessee Investment in Student Achievement) funding caused by lower enrollment.

School Transitions and Property Management

Enrollment was identified as the **biggest risk factor** given upcoming changes in the next fiscal year, including the loss of Hillcrest and Kirby schools and introduction into the Arkansas region. This will determine staffing levels at the home office.

Maintaining staff levels at Hillcrest and Kirby is critical for the remainder of the fiscal year. Similar to previous approach with Fairleigh, **retention stipends** were provided to teachers and staff to ensure academic continuity for students.

Jocquell received an invitation to attend a **transition meeting in December** with Memphis Shelby County Schools, which will provide the first concrete information about plans for the schools. The future of Hillcrest remains uncertain, while Memphis Shelby County Schools were more definitive about Kirby.

IOTA is working to recruit students currently enrolled at Kirby to attend Wooddale, including **exploring transportation options** to facilitate this transition. The organization is also trying to find placements for students at Hillcrest.

After completing the purchase of Wooddale Middle School, IOTA plans a **\$600,000 investment** in modernization, renovation, beautification, and CTE structures to position the 186,000 square foot facility as a community beacon in Hickory Hill Parkway Village.

Assets and liabilities for Wooddale (building value and fixed assets) and Bluff City (loan, fixed assets, and lease) are being **transferred to Gamma Properties**, which will charge back costs to the schools with the exception of depreciation expenses.

C.

Finance

The organization presented its restructured legal entity framework, transitioning from IOTA Community Schools 501(c)(3) with Home Office (309), academic part (302), and four schools to a new structure with **three LLCs under the main 501(c)(3)**.

The new structure includes **Gamma Property LLC** (209), IOTA Community Schools Arkansas with newly created regional office and two schools, and IOTA Community Schools Tennessee LLC where the former home office academic unit (302) now serves as the TN Regional Office.

All LLCs are single-member LLCs with IOTA Community Schools as the sole member. They are classified as **disregarded entities for federal reporting**, with all financial information rolling up to the 501(c)(3), while maintaining individualized reporting at the state level.

The presentation outlined IOTA's complex organizational structure with **multiple legal entities**: Gamma Properties, IOTA home office, Tennessee regional office with four schools, and Arkansas operations, showing how resources flow between them.

The shared service fee structure allocates **10% to the national home office and 4.5% to the Tennessee regional office**. The home office will provide a reduced gift-in-kind to Bluff City of \$600,000 this year, down from the historical \$1 million subsidy.

Arkansas Expansion

A preliminary **\$180,000 budget** was proposed for Arkansas startup costs covering legal services, travel, advertising, enrollment-related expenses, and materials and supplies. This is considered a gap-filler budget until January when a complete budget will be presented.

The Arkansas expansion has **\$2.4 million in CSP funds** ($\$1.2M \times 2$) available that must be used by October. The organization is working with Arkansas authorities to potentially extend this funding through a new grant that would increase the limit to \$2M per fund and reset the timeline.

The Year Zero budget focuses primarily on purchasing equipment and supplies needed for school startup (computers, desks, etc.). Limited staffing is planned for Year Zero, with a **principal hiring earlier** but most staff not starting until Year One (July).

Daniel Penaranda is leading the Arkansas project with primary goals to secure loans and properties in Arkansas, finalize the Bluff City loan situation, and secure the Wooddale purchase with appropriate financing. An **Arkansas working group** meets weekly with representatives from marketing, communications, and enrollment teams.

Management will return in January/February with a **complete 'Year Zero' budget for Arkansas** when new funds are realized. Any spending in the updated Arkansas budget will be offset by new revenue sources.

Enrollment Challenges and Strategy

IOTA schools experienced a **significant enrollment decline** this year, described as "the worst we've had in a very long time." The organization is down 251 students, which exceeds the citywide decline of 8-9% in Memphis.

Leadership is investing **\$500,000 for enrollment strategies** in Tennessee, which includes engaging external partners for door knocking and recruitment services from nationally recognized organizations recommended by CSGF.

Multiple factors were identified as contributing to enrollment challenges, including **new charter schools opening in the area** such as Power Center's new K-8 in Hickory Hill, and the typical 10% enrollment drop when schools transition from ASD to the charter commission.

The organization identified Tennessee enrollment as the biggest risk factor, with a drop of almost 300 students this year. Particular challenges were noted **between sixth and seventh grade** at Wooddale, prompting outreach to families to understand why they didn't return.

Three different organizations are being contracted to address enrollment issues through: 1) **database analysis of neighborhood demographics** and viability of recruitment plans, 2) rework of enrollment recruitment plans, and 3) revision of marketing and advertising strategies.

D. Vote on Resolution

P. Velasquez made a motion to Approve the Presented Resolution.

T. Young seconded the motion.

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

IV. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:34 PM.

Respectfully Submitted,
K. Payne

Documents used during the meeting

- 2025_09_18_board_meeting_minutes (1).pdf
- Updated_FY26_Finance_and_Accounting_Policies_Combined (5).docx
- FY26BC TN Resolution Income Statement - Summary.pdf