



## **Meeting Minutes: July 11, 2016**

A special meeting of Northside Education Inc. dba Atlanta Classical Academy was held on July 11, 2016 at 6 p.m. at 3260 Northside Drive, the Chairman being in the chair and the Secretary being present. In attendance: Matthew Kirby, Scott Yates, Dudley Franklin, Cat McAfee, Morgan Hamilton, Dr. Lee Friedman, and Mark Carlson.

*The board unanimously approved a motion to adopt the agenda. The minutes of the June 16, 2016 meeting (regular and executive session) were approved.*

### **Reports**

The Chairman made an introductory presentation to familiarize the Board with Policy Governance<sup>®</sup>, a globally recognized governance approach by John Carver. The Chairman asked the Board to read excerpts from Carver's book, and he expressed his intent to ask the members to formally consider adopting the approach at a meeting in the near future.

The Development Committee leader reported that commitments to the *Building on Purpose* campaign exceed \$2.6M. The Engagement Committee leader/Board Chairman reported that the FY16 end of year survey will be addressed at an upcoming special meeting. The Treasurer reported that FY16 end-of-year financials are not complete, and that the audit is underway. The Committee on Directors leader reported that he will confirm the FY17 board training requirements in the near future, and that incremental costs related to mandatory training requirements is not likely to exceed \$1,000.

### **Board Action**

*Motion to approve cleaning contract with Ellsworth Office Cleaning, LLC.*

Moved: Matthew Kirby  
Second: Cat McAfee  
Vote: Unanimous approval

*Motion to acknowledge and affirm the contents of NECH memo dated June 28<sup>th</sup>, 2016, as amended.*

Moved: Matthew Kirby  
Second: Cat McAfee  
Vote: Unanimous approval

**Executive Session**

*The board unanimously approved a motion to enter Executive Session. Upon the conclusion of Executive Session, the meeting adjourned at 7:10 p.m.*

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Matthew Kirby". The signature is stylized and cursive.

Mr. Matthew Kirby, Board Chairman

Northside Education Charitable Holdings Inc.  
1380 West Pace Ferry Road, Suite 2140  
Atlanta, Georgia 30327

Date: June 28, 2016

From: Scott Yates, Treasurer

To: Whom it may concern

Subj: Accounting Matters

The purpose of this memo is to document the process by which donations and expenses of Northside Education Charitable Holdings Inc (NECH) are reconciled with the donations and expenses of Northside Education Inc d/b/a Atlanta Classical Academy (ACA).

In November 2015, the board of ACA formed NECH to use charitable donations to acquire, develop and invest in real assets on behalf of ACA. A bank account for NECH was opened with Atlantic Capital Bank on November 10, 2015. The ACA board decided that all donations from the capital campaign launched in November 2015 should be deposited into an ACA bank account and that ACA could transfer charitable donations associated with its capital campaign to NECH. However, in late March 2016, the ACA board made the decision that NECH would not be used at this time and that that ACA would purchase the real estate.

Between the time NECH was formed and the ACA board made its decision in late March, a deposit of \$3,000 was made on November 25, 2015 - a donation from Leona S. Hudson Charitable Foundation Inc. Further, one check was made payable to U.S. Treasury in the amount of \$850.00 on December 29, 2015. The purpose of the check was the Tax Exempt Application prepared by Lamb & Braswell, LLC for NECH.

On February 22, 2016 (prior to the ACA board's March 2016 decision), \$75,000 was transferred from an ACA bank account to the NECH bank account. The ACA board approved this transfer during its public board meeting on February 19, 2016. On April 12, 2016, NECH transferred \$75,000 back to ACA, effectively canceling the transaction.

From November 2015 through May 2015, a total of \$3.43 of interest earned has been credited to the NECH bank account and a total of \$34.85 of bank fees have been debited to the bank account. Thus, the balance of the NECH bank account on June 23, 2016 is \$2,118.58 ( $3,000 + 3.43 - 34.85 - 850$ ).

As the donation from Leona S. Hudson Charitable Foundation Inc. was for the capital campaign and all expenses were in support of ACA, NECH will transfer the balance of \$2,118.58 to an ACA bank account, and ACA will post the NECH donation and expenses on its books consistent with its financial policies and procedures. Thus, there would be effectively no cash activity associated with NECH for the fiscal year ending June 30, 2016.

Sincerely yours,

A handwritten signature in black ink, appearing to read "SD Yates", with a long horizontal flourish extending to the right.

Scott D. Yates  
Treasurer, Northside Education Charitable Holdings Inc

#### Attachments

- NECH Bylaws
- NECH Bank Statements (November 2015 through May 2016)
- NECH Transaction Summary November 1, 2015 through June 23, 2016
- Deposit November 25, 2015
- Check December 29, 2015
- NECH IRS Tax Exempt Application