



American Classical Education Tennessee

Board Minutes

August 21, 2025 at 6:30 p.m.

Tricia Stickel called the meeting to order at 6:32 pm.

Board members Michelle Garcia, Tricia Stickel, Jackie Archer, and Darrel Woodard were present. David Codeville was absent.

Phillip Schwenk, Yvonne Adkins, Tonya Iturri, Amy Mohan, Miranda Greer and Bryan Lewis, a parent interested in board membership were all present virtually.

Head of School, Phillip Schwenk read the school mission statement.

Public comment - No individuals signed up for public comment.

Board President Report

The Board reviewed the agenda. Minor corrections were noted to the July 17, 2025 Minutes (spelling of Darrell Woodard and Mr. Schwenk's name). Minutes were approved as corrected.

President Stickel began her report by acknowledging the resignations of Justin Greer and Joe Hale, both of which would be formally accepted later in the meeting.

She then announced the upcoming Board Governance Training, scheduled for August 27 and September 3, noting that it would be conducted virtually via Zoom. She also encouraged board members to attend the Hillsdale training in November, expressing her hope that all members could participate; if not, she would plan for a board retreat similar to the one held the prior year. Members expressed interest in attending.

President Stickel directed that monthly financial and compliance variance reports be provided to the Board in order to ensure close monitoring of contractual benchmarks. She closed her remarks by reminding both Board and staff members of the importance of documenting all conversations in writing.

Financial Report

The financial report was presented by Mr. Schwenk and discussed. Enrollment was reported at approximately 359 students, which was below the budgeted enrollment of 390. This will result in a shortfall in reduced revenue; however, staffing adjustments and reduced purchases of furniture and curriculum were expected to mitigate the deficit. The contingency fund was projected to remain at roughly \$200,000. The Board also reviewed CSP reimbursements, including PCR7 recently approved and PCR8, which was close to being ready submission.

Questions were raised regarding undocumented transactions, which were explained as largely related to payroll timing and subscription renewals. It was agreed that the budget should be adjusted promptly to reflect the lower enrollment and to avoid repeating prior mistakes where adjustments were delayed.

Operations & Compliance Matters

The Board next discussed operations and compliance matters. Challenges remain with the teacher licensure process in TNCompass, with many teachers currently permitted rather than fully licensed, though this is expected to be resolved within the semester. Special education staffing continues to be a challenge, as vendors have been unable to provide sufficient candidates. For healthcare compliance, the school is actively seeking a part-time nurse and is considering retired nurses and parents as potential candidates. Food service options are being explored, with a plan to implement a vendor-based, pre-ordered meal system by January 2026. The county has expressed understanding of the transition timeline. Additionally, the school is in the process of purchasing an AED to ensure compliance with safety requirements.

State of the School Report

Mr. Schwenk reported on academic performance and the recent framework appraisal were discussed at length. Several Board members expressed concern. Mr. Schwenk emphasized that, although baseline proficiency levels were low due to student demographics, many students demonstrated significant growth. He outlined plans to improve outcomes through stronger teacher training, expanded use of NWEA and AIMSweb data, targeted support for ELL and special education students, and the addition of instructional aides funded by afterschool program revenues.

Resolutions

President Stickel asked Ms. Adkins to read the list of resolutions for consideration, all of which had been discussed during the meeting. The following resolutions were read:

A RESOLUTION TO APPROVE MEETING MINUTES FROM JULY 17, 2025, with corrections

WHEREAS, the Board of Directors conducted a meeting on July 17, 2025, and it has accurately documented the business and resolutions approved at that meeting; and

IT IS THEREFORE RESOLVED that the Board of Directors does hereby approve the Minutes of the board meetings, with two minor spelling corrections and authorizes Yvonne Adkins to file the minutes in the school's permanent records.

A RESOLUTION TO APPROVE THE PROMISSORY NOTE AND RESTRICTED REPAYMENT PLAN

WHEREAS, American Classical Education- TN ("ACE-Tn") has received financial support from the American Classical Education Foundation ("ACEF") in the form of a zero-interest line of credit up to \$1,000,000 to support the startup and initial operations of American Classical Academy Rutherford;

WHEREAS, ACEF has disbursed \$469,545 to date under this agreement, and ACE-Tn has agreed to repay this amount according to the schedule outlined in the Promissory Note;

WHEREAS, the Promissory Note requires annual lump-sum repayments beginning in the 2025–2026 school year and continuing through the 2029–2030 school year;

WHEREAS, the ACE-Tn Board of Directors desires to ensure fiscal discipline and transparency by setting aside monthly payments of approximately \$8,600 into a board-restricted account until each annual payment is made to ACEF;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board hereby approves the Promissory Note between ACE-Tn and ACEF, effective upon execution by both parties.
2. The Board affirms the repayment schedule as outlined in the Note, totaling \$469,545.73 over five school years.
3. The Board directs that monthly payments of approximately \$8,000 be deposited into a board-restricted account beginning September 2025, with the full annual payment to ACEF made by June 30 of each respective school year.
4. The Board further requires that unaudited quarterly financial statements be submitted to ACEF within 15 days of each quarter's close, demonstrating compliance with the restricted fund provision.

RESOLVED, this resolution shall be entered into the official minutes of the Board and shall remain in effect until the full repayment obligation is satisfied.

A RESOLUTION TO AMEND THE AMERICAN CLASSICAL EDUCATION CONFLICT OF INTEREST POLICY

WHEREAS, American Classical Education (“the Corporation”) maintains a Conflict of Interest Policy to safeguard institutional integrity and ensure that decisions made by directors and officers are free from personal interests that could compromise the Corporation’s mission;

WHEREAS, the Board of Directors of the Corporation has reviewed the current Conflict of Interest Policy, as last amended in 2023, and finds it necessary to clarify and reinforce governance boundaries regarding internal directorships and familial relationships;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby amends the Conflict of Interest Policy by inserting the following section from pg. 18 of the Employee Handbook titled “Internal Directorships”.

Internal Directorships

It is the policy of the school, and consistent with the School’s Bylaws, that employees may not serve on the School’s Board of Directors. Similarly, employees of the school should not be related, within the second degree of affinity or consanguinity, to any of the School’s Directors.

BE IT FURTHER RESOLVED, that this amendment shall take effect immediately, and the revised policy shall be distributed to all current and incoming directors and officers, with the updated Conflict of Interest Disclosure form reflecting this addition.

A RESOLUTION TO ACCEPT MR. GREER'S RESIGNATION AND JOE HALE FROM THE BOARD OF DIRECTORS

WHEREAS, the Board of Directors has received a letter from Mr. Greer resigning from the Board and a resignation letter from Joe Hale; and

IT IS THEREFORE RESOLVED, that the Board of Directors acknowledges and appreciates the interest and support for the school and hereby accepts the resignation as presented by Mr. Greer and Mr. Hale.

A RESOLUTION TO APPROVE THE JULY FINANCIAL REPORT

WHEREAS, the Board of Directors has heard the financial update for the school as presented for July 2025; and

IT IS THEREFORE RESOLVED, that the Board of Directors hereby accepts the financial reports for the school, as presented by Prestige Solutions.

A RESOLUTION TO ACCEPT THE STATE OF THE SCHOOL REPORT

WHEREAS, the Board of Directors has heard the State of the School updates for the month including enrollment, student and operational performance, compliance, and marketing as presented by Phillip Schwenk; and

IT IS THEREFORE RESOLVED, that the Board of Directors hereby accepts the State of the School Report, as presented.

A RESOLUTION TO APPROVE HANDBOOK (PARENT STUDENT AND EMPLOYEE HANDBOOK)

WHEREAS, the Board of Directors has reviewed and considered updates to the parent student handbook and the employee handbook as recommended by the Head of School;

BE IT RESOLVED, that the Board of Directors approves adoption Family Handbook and the Employee Handbook once in a format acceptable to Board President and Counsel.

APPROVAL OF THE STAFFING LEVELS AND POSITIONS

WHEREAS, the Board of Directors has reviewed the staffing as presented by Head of School, Phillip Schwenk; and

RESOLVED, that the Board of Directors approves following completion of the 2025-2026 Staffing plan and positions.

With a motion made by Jackie Archer and seconded by Darrell Woodard, the above resolutions were unanimously approved as written.

Adjournment

There being no further business, Ms. Stickel moved to adjourn the regular portion of the meeting of the Board of Directors and enter into executive session to discuss an employee contract. Ms. Garcia seconded the motion, and after a roll call vote in approval, the Board went into executive session to discuss an employment contract at 7:30 p.m.

The Board left executive session, entering back into open session and adjourning with no further business to come before the board at 8:30 p.m.

CERTIFICATION

The foregoing are true and correct minutes of the Governing Authority of the School at a public Board meeting dated August 21, 2025.

American Classical Academy Rutherford

Tricia Stickel, Board President