

## **Twin Cities International Elementary School**

**Minutes of the Special School Board Meeting held on Friday, March 18, 2011, at 2:21 pm, at the International Education Center, 277 12<sup>th</sup> Avenue North, Room 120, Minneapolis, MN, 55401.**

**Board Members Present:** Mr. Abdikarim Mohamed, Ms. Kristin Kjolsing, Mr. Abdirashid Warsame, Ms. Jessica Wroblewski, Ms. Christena Pulver, Mr. Abdisamad Ibrahim and Mr. Ibrahim Aden.

**Absent:** Mr. Osman Mohamed and Ms. Wesam Shaker.

**Ex-Officio Members Present:** Dr. Randal Eckart, Director of Twin Cities International Elementary School.

**Ex-Officio Members Absent:** Authorizer Representatives, Dr. Jim Gross and Mr. Tom Black of Century College. Mohamed Egeh, Business Manager for Twin Cities International Elementary School.

**Also Present:** Board Clerk Ms. Bethany Forsberg, Mr. Ali Muse, Mr. Abdullah and Ms. Kelli Wilson.

### **1.0 Open Meeting**

Chair opened the meeting at 2:21 pm.

Chair acknowledged those present and thanked them for attending the meeting.

### **2.0 Approve Agenda**

Time was given to review the agenda for the meeting.

Ms. Jessica Wroblewski made a motion to approve the agenda.

Ms. Christena Pulver seconded.

Motion Carried.

### **3.0 403B Plan**

#### **3.1 Discussion to change status of current 403B plan.**

#### **3.1 Discussion to give across the board compensation of 4% to all employees retroactive to the first day of the pay period, March 16, 2011.**

Dr. Eckart noted:

TIES' current 403B plan has been in effect for the last 10 years since the school has been in session. Under this plan, people have had the choice of receiving

their employer's contribution or opting out of the program which is the present status for some of the employees at TIES.

However, in 2009, federal laws regarding the plan changed and under the new Erisa laws, if TIES offers the 403B plan then all employees are required to set up an account regardless if they previously chose to opt out of the program.

This required TIES to make a choice between the following two options:

Option 1 was to keep the current 403B plan as is and require all employees to set up an account.

Option 2 was to change the current 403B plan from an employer's contribution to an employee's contribution.

Under the second option, the 403B plan would still be offered; however, employees would be responsible for setting up and depositing money into their own account.

In order to compensate for the 3.3% loss of the employer's contribution, TIES would add a 4% increase to the base salary of its employees' salaries retroactive to the first day of the pay period which was March 16, 2011. By doing this, employees would still receive roughly the same amount of money but it would be shifted from a retirement account contribution to an increase in salary. If option 2 was chosen, contract amendments would need to be issued and signed by all employees regarding the shift in the pay schedule.

The sense of urgency in making this decision comes from the possibility of a new law being passed which would cease and desist all raises and contributions, including insurance and retirement plans, in the state of Minnesota.

The bill is currently under review and could be passed at any time. This would mean that TIES might not be able to offer option 2 in the future even though it is a shift in money instead of a raise.

Presently, 13 people are choosing not to enroll in the 403B plan which would change if the board chose option 1.

Mr. Abdirashid noted that it will be very difficult to convince the people who have opted out of the program to enroll under the new requirements.

Mr. Abdisamad remarked that TIES is a fortunate school to be financially and academically sound at this time since many other schools are facing adverse conditions in the state of Minnesota.

#### **4.0 Action Items**

##### **4.1 403B Plan Change**

Discussion followed and board voted on action item.

Ms. Jessica Wrobleski made a motion to keep the current 403B plan as is and require all employees to set up an account.

Ms. Christena Pulver seconded.

Motion carried.

#### **5.0 Adjournment**

Ms. Christena Pulver made a motion to adjourn the meeting at 3:14pm.

Mr. Abdisamad seconded.

Motion carried.