

2016 annual report
post oak

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A Montessori flash mob? Singing “Pack (w)Rap?” Using cardboard boxes and bubble wrap for musical instruments?

A score of furniture movers paused in their work. Music Specialist James Winslow led a roaming band of Elementary students in a rhythmic and hilarious rendition of Pack (w)Rap, a song written for the occasion. Every classroom and every office on both campuses was being boxed up, emptied out and stowed away. The cardboard box and bubble wrap instruments were a perfect reminder of the intense task at hand, and helped the students mock the disruption and stress brought on by change. That we could find humor and joy in that moment reminded us of the vision of what was to come, and clearly revealed a healthy community, one open to growth and change.

A significant portion of the Bissonnet building was to be gutted and renovated over the summer. The Middle School was relocating to its new home on the Museum District Campus beside the William Perkins III Center, the High School’s newly constructed building. At the same time, the long-standing head of school was retiring after twenty-one years along with several other highly respected staff who were also retiring or moving on.

Several days after the flash mob performance, the entire faculty and staff gathered at Enoteca Rossa for our annual end-of-school luncheon. It was my last time to address them and here’s what I said:

Today I have for you a meditation on change.

Our wifi and email are out of service. Our exquisitely prepared classrooms have been dismantled. There is chaos everywhere. The walls are down; the ceilings are down; the floors are ripped up. Middle School teachers have relocated to the Museum District Campus. We are all highly aware of the departure of people, including myself, who have put their stamp on the school over the past ten or twenty years.





My fear of change conjures up lines written by the Irish poet William Butler Yeats:

*'Turning and turning in the widening gyre
The falcon cannot hear the falconer,
Things fall apart;
The center cannot hold.
Mere anarchy is loosed upon the world.'*

But this reflects an old understanding of order and chaos: a static world; a photograph; preserving an unchanging order. We now understand that we inhabit a dynamic world of evolving systems; ruled by complexity, not simplicity. Analyzing what appears at first glance to be chaos, reveals instead complex and orderly systems.

Today I walked through the school. I saw remnants of our ideal classrooms in the east pod and the Lower Elementary: classrooms that will be used for summer school even as construction goes on. There I saw Miriam Winton at work with the summer school faculty, planning for the weeks ahead. In other rooms outside the construction zone temporary work spaces quickly emerged for administrative staff and faculty. There were clusters of people meeting, planning, coordinating, working together. Our new CFO, Kelly Vaughn, was having her first transition visit with Robin Lunsford. They took a hard-hat tour of the construction zone and witnessed the gutting of classrooms and administrative offices. They commented on the high degree of order apparent in coordinating the movements of two dozen workers and in handling the debris itself. They saw an example of 'creative destruction.'

A NEW HIGH SCHOOL BUILDING EXPANDS THE SIZE OF THE MUSEUM DISTRICT CAMPUS.

8,200

sq ft

Seeing Kelly and Robin together reminded me that each of us makes our contribution in the time we have to serve—and then move on, passing the torch. For Post Oak, the fundamental principles of Montessori education are the foundation—that which is unchanging in the midst of change. Buildings change; people change; new programs are added; but the Montessori principles are constant.

Ironically, some people look at a Montessori classroom and see only chaos. Some parents say, “My child needs a more structured environment.” We know that the Montessori classroom is highly structured. It is a complex structure, built to maximize freedom of choice for individual students learning to live within a creative and harmonious community; different from the simple structure of conventional classrooms centered on the teacher, who performs as ‘the sage on the stage.’

THE FIRST GRADUATING CLASS OF POST OAK HIGH
SCHOOL STUDENTS RECEIVED MERIT AND NEED BASED
SCHOLARSHIP OFFERS TOTALING MORE THAN

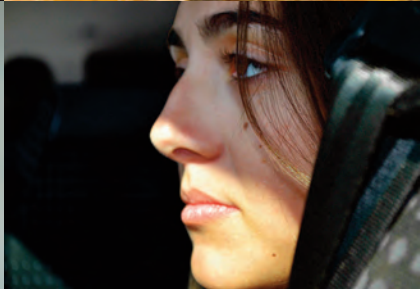
\$2,195,000

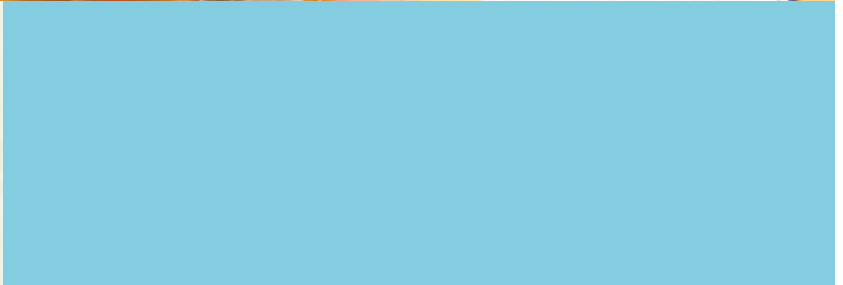
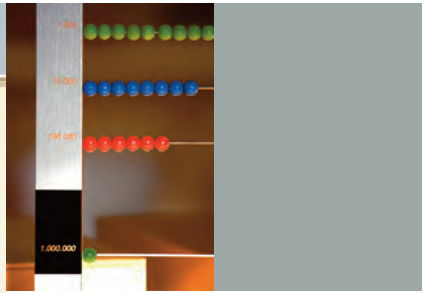
Yesterday I visited the High School. The Middle School teachers had already moved in and were waiting to claim the building for themselves and their students. At the same time, Houston Montessori Institute, our AMI teacher training center, was poised to transform the building for its own use over the summer. I sat in on a discussion led by High School Director James Moudry. He asked the High School faculty, “What is it that makes this high school, or any high school, a Montessori high school?” In the midst of the creative, dynamic first years of Post Oak’s High School, and of the development of the first cohort of high schools in the Montessori world, that question grounds us.

Much is changing at Post Oak, the culmination of years of work by many people—faculty, administration, trustees, parents, and students themselves; architects, contractors and consultants; our professional network including AMI, MPRC, ISAS, ISM, and IBO. This transition from one ordered state to another requires tremendous energy. Our strength, our success as a community, is our ability to take on this work with a sense of optimism. Congratulations to each of you for making your individual contribution to create such a community.

—John Long, *Head of School 1995–2016*









As you read this Annual Report and reflect on the major accomplishments of the 2015–16 school, year Post Oak is in the midst of several exciting transitions: High School students are enjoying their new state-of-the-art building; Middle School is adapting to life at the Museum District Campus; younger students at the Bissonnet Campus are making use of an enhanced library area, new classrooms, and the new music and performance space; and I am working to fill John Long's very big shoes. Actually, John and I agreed it would be wise for me to wear my own shoes coming into this role as Post Oak's new head of school.

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"I AM LOOKING FORWARD
TO BECOMING PART
OF THE POST OAK
COMMUNITY AS A
FELLOW TRAVELER."

I come to the Post Oak community when the school is at the top of its game. The school's beautifully designed classroom environments at every level for students ages 14 months through 18 years set the stage for academic excellence. Well-trained and dedicated faculty and staff are committed to their craft, giving their best to their students each day. Exceptional stewardship on the part of the Board of Trustees continues to ensure the health and sustainability of the school. Most importantly an extraordinarily committed community of parents actively supports the school throughout the year. My job could not be more exciting as I begin to guide Post Oak into its very bright future.

Post Oak is an established institution in Houston with a reputation for fully engaging students in the learning process. Curiosity, inquiry, discovery, and exploration are valued as drivers for a relevant, 21st century education that prepares students for their future role in society. The partnership between parents and the school nurtures the personal growth of each and every student. Post Oak graduates are life-long learners and problem solvers who promote cooperation, civility, and peace.

It's a great time to be at Post Oak! I look forward to all that the future holds for this incredible school.

—Maura C. Joyce, *Head of School*

Embracing Change

Major change makes you stop and reflect. A school, however, is in a continuous state of change—its young learners grow, and challenge, and push to learn all they can. Parents also change—watching and responding to their tiny toddler who makes decisions, starts to mature, and forms an adolescent’s personality. Families may stay for a few years, and many stay for 18. We understand and embrace change.

In the development office there were quite a few changes last year: New POPA Chairs, Stacey Martin and Alison Wong, brought spirited energy and enthusiasm to our parent organization; smart and fresh ideas flowed from each of the different event chairs; Book Fair leadership even changed venues after many years to better align with Post Oak’s culture. New and seasoned volunteers worked hard to make even the tiniest details happen for our students. Our volunteer leadership is listed in the back of this report. Take a look, and if you see these folks around please say thanks.

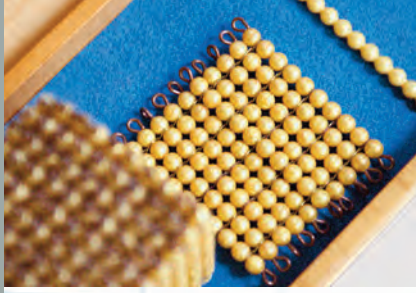
A record breaking Post Oak Fund, chaired by Lucinda and Javier Loya, brought much joy and gratitude. With 94 percent parent participation, we felt a swell of support from the whole Post Oak community. Continued thanks go to each class captain and our chairs for leading such a successful effort.

One major end-of-year event marked a significant change, John Long’s retirement as head of school after 21 years. A big shindig was held in his honor and The John Long Research Fund was established to acknowledge his leadership and all he has done for Post Oak. Our thanks go to those who contributed to furthering research of Montessori outcomes.

Change happens, but things that stay the same are also worth mentioning: the smiles of students walking through a beautiful environment, parents on campus helping in a variety of ways, Bearkat school spirit, and the generosity of our community. For this and for all that the Post Oak family does in support of the school, thank you.

—Christina Kopanidis-Cantu, *Development Director*





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Income Statement

				2015 – 2016 Total	Percent
	Operating Fund	Temporary Restricted	Endowment		
Revenue					
Tuition Based Revenues	\$ 9,954,655	\$ —	\$ —	\$ 9,954,655	88.4%
Other Hard Income	372,061	—	—	372,061	3.3%
Other Income (Loss)	—	—	(29,461)	(29,461)	-0.3%
Annual Giving	347,538	—	—	347,538	3.0%
Special Events (Net)	12,163	—	—	12,163	0.1%
All Other Giving (Net)	—	608,041	—	608,041	5.4%
TOTAL REVENUE	10,686,417	608,041	(29,461)	11,264,997	100%
Net Assets Released from Restriction	22,085	(22,085)	—	—	
Total Revenue	\$ 10,708,502	\$ 585,956	\$ (29,461)	\$ 11,264,997	
Expenses					
Salaries and Benefits	\$ 6,347,749	\$ —	\$ —	\$ 6,347,749	61.6%
Financial Aid	1,036,980	—	—	1,036,980	10.0%
Other Program Expenses	1,035,888	—	—	1,035,888	10.0%
Plant Expenses	999,234	—	—	999,234	9.7%
General Administration	881,253	—	6,644	887,897	8.6%
Total Expenses	10,301,104	—	6,644	10,307,748	100%
Transfers In/Out	(16,750)	—	16,750	—	
Change in Fair Value of Derivative Agreement	(458,586)	—	—	(458,586)	
INCREASE IN NET ASSETS	\$ (67,938)	\$ 585,956	\$ (19,355)	\$ 498,663	

Consolidated Balance Sheet

				2015 – 2016 Total
	General Fund	Temporary Restricted	Endowment	
Assets				
Total Cash and Investments	\$ 5,613,455	\$ —	\$ 1,853,032	\$ 7,466,487
Net Student Receivables	42,984	—	—	42,984
Other Pledges and Receivables Net	—	1,005,764	—	1,005,764
Prepaid Expenses and Other Deposits	242,563	—	—	242,563
Interfund Payables/Receivables	4,686	1,697,834	—	1,702,520
Total Current Assets	5,903,688	2,703,598	1,853,032	10,460,318
Total Fixed Assets	15,150,638	—	—	15,150,638
TOTAL ASSETS	\$ 21,054,326	\$ 2,703,598	\$ 1,853,032	\$ 25,610,956
Liabilities				
Accounts Payable	\$ 774,864	\$ —	\$ —	\$ 774,864
Accrued Salaries and Benefits	302,416	—	—	302,416
Deferred Income	2,501,233	—	—	2,501,233
Interfund Payables/Receivables	1,697,834	—	4,686	1,702,520
Other Accrued Expenses	522,401	—	—	522,401
Notes Payable	4,552,180	—	—	4,552,180
Fair Value of Derivative Agreement	458,586	—	—	458,586
TOTAL LIABILITIES	\$ 10,809,514	\$ —	\$ 4,686	\$ 10,814,200
Fund Balance				
Net Assets	\$ 10,244,812	\$ 2,703,598	\$ 1,848,346	\$ 14,796,756
TOTAL LIABILITIES AND FUND BALANCE	\$ 21,054,326	\$ 2,703,598	\$ 1,853,032	\$ 25,610,956

2015-2016 Financial Report

The financial stability of The Post Oak School continued during the 2015–2016 school year as we enrolled our fourth class of ninth graders in the High School. Our audited financial statements for the 2015–2016 school year resulted in an increase in net assets of \$498,663. The school experienced an overall increase in enrollment to 474 in 2015–2016 from 469 students the previous year.

Overall financial success for the year was driven by positive budget variances in the operating budget, an extremely successful annual fund as well as donations of more than \$600,000 to our capital campaign. The school continued to rebuild cash reserves during 2015–2016. The school maintains a strong working capital position throughout the year due to collection of tuition and fees in advance of need for operating funds. In keeping with our commitment to The Post Oak School Endowment, the school was able to transfer \$16,750 at the close of the year.

The investment policy of The Post Oak School Endowment directs a long-term investment approach. The current asset allocation target is 20 percent cash and fixed income, and 80 percent equities to maximize long-term returns. More than 80 percent of the portfolio is invested in low cost institutional asset class mutual funds managed by Asset Management Advisors. The combined portfolio experienced a 1.9 percent investment loss for the year ending June 30, 2016. However, the portfolio experienced an 88.7 percent gain since inception. The market value of the endowment accounts were \$1,853,032 as of June 30, 2016.

In 2014, the school completed a master plan for both campuses with assistance of Gensler Architects and Forney Partnership. Gensler was selected to continue work on design and construction drawing development for both the new High School building and renovation of the main campus. Mission Construction was contracted to build both projects. Tax exempt bond financing in the amount of \$8.5 million was secured through BBVA Compass Bank at a favorable interest rate. This allowed us to refinance our current mortgage on the Museum District property at a lower rate and to supplement the capital campaign for the construction costs of both campuses. A portion of this loan will be termed out at the end of the project.

The school's continued fiscal discipline as well as the generosity of our donors has allowed us to expand our world renowned Montessori program as well as the training of Montessori teachers.

In August 2015, the school secured the Museum District Campus building permit from the City of Houston and broke ground on the new High School building. The building was completed in time for the start of the 2016–17 school year. Construction on the Bissonnet Campus began in June 2016 and was completed in September.

College Admissions

Our first Post Oak School graduating class of 13 students was accepted to the following colleges and universities.

Appalachian State University	Mount Holyoke College
Austin College*	Northeastern University
Babson College*	Oberlin College
Barnard College of Columbia University*	Oklahoma State University
Baylor University	Parsons School of Design— The New School*
Brandeis University	Pepperdine University
California State University, Monterey Bay	Rhodes College
Champlain College	Southern Methodist University*
College of Wooster*	Southwestern University* *
Colorado School of Mines	St. Edward's University
Colorado State University	Texas A&M University
Dickinson College	Texas Christian University
Elon University	Trinity University* *
Evergreen State College	Tulane University
Franklin and Marshall College	University of Alabama
Hamilton College	University of Colorado, Boulder
Hanover College	University of Connecticut
High Point University	University of Hawaii, Manoa
Indiana University	University of Houston— Honors College*
Lawrence University	University of Mississippi
Lewis & Clark College	University of South Carolina
Louisiana State University, Roger Hadfield Ogden Honors College	University of Southern California*
Marquette University	University of Tennessee, Knoxville
Mary Baldwin College	University of Texas*
	University of the South (Sewanee)
	University of Vermont
	Willamette University

*Denotes school attending

