



**Meeting of the Board of Directors
Wednesday, June 6th, 2018 at 4pm
339 North 63rd Street, Philadelphia, PA 19139**

The meeting was called to order at 4:01 p.m.

Board Members in Attendance: Joe Conwell, Rebecca Davis, Marianne Dean, Eric Dobson, Steve Kempf, Will Kontes, Albert Oehrle, Sally Randolph, Noah Tennant, Bill Thorkelson, Elaine Wells

Board Members Joined by Phone: Steven Ujifusa, Torch Lytle, Jim Diehl

Board Members Excused: Andrew Addis, Isaac Ewell, Patrick South, Wes Wyatt, Matt Schuh, Wally Zimolong

Staff in Attendance: Ruth Gonzalez, Colleen Smith

Guests: Jenna Smalley (Kleinbard LLC)

I. Call to Order: *Bill Thorkelson*

Mr. Thorkelson calls the meeting to order, and encourages the board to attend Boys' Latin's upcoming high school graduation on June 12 at 4:00 p.m. at the Annenberg Center. Mr. Thorkelson describes the energy and enthusiasm of the event, and notes it is an unforgettable experience.

Mr. Thorkelson then welcomes Becca Davis as the board's newest trustee. Mr. Thorkelson reluctantly says good-bye to Torch Lytle and Marianne Dean, and thanks them for their incredible service to Boys' Latin.

There is a motion to approve the minutes of the April 11, 2018 board meeting, which is moved by Mr. Conwell and seconded by Ms. Dean. The motion passes unanimously.

II. CEO Report: *Noah Tennant*

Dr. Tennant begins by stating that Boys' Latin currently has an 800-student cap in its charter, and projects enrolling 820 students for the 2018-19 school year. Dr. Tennant begins a conversation about pursuing an increase in that cap via two routes: expand the cap with immediate intentions of using additional funds to expand or grow faculty

(which could be worrisome), or increase in increments over the next few years. Dr. Tennant explains that if Boys' Latin gets paid for 820 students, that is considerable revenue that the school could use. Dr. Tennant notes, however, that adding 20 students to Boys' Latin's cap would be a challenge, amidst other ongoing issues the school is facing with the Charter School Office ("CSO").

Dr. Tennant explains that Policy 406 is one front that Boys' Latin is currently fighting. Tennant refreshes the board's recollection on Policy 406, which is a charter amendment policy enacted by the School Reform Commission ("SRC") which puts constraints on what charters can do (i.e. changes to curriculum), and infringes on autonomy. Policy 406 would require charter schools to go through the CSO to make said changes. Excellent Schools PA is fighting a legal battle against Policy 406, and Boys' Latin is waiting to see how that litigation unfolds.

Continuing, Dr. Tennant describes another battle Boys' Latin faces: the charter amendment policy. Dr. Tennant states that Ms. Woodward has been at the table with the SRC negotiating the charter amendment policy, which would implement a standard set of indicators to determine the quality of a charter school—all charters would be judged equally. Boys' Latin believes that the vast majority of School District schools would not meet the standard of quality as currently set by the charter amendment policy.

There is a discussion on how state testing fits into the charter amendment policy framework, and how schools would be judged against their peer group selection. Dr. Tennant notes that Boys' Latin's mission is college, which represents only four points (out of 100) on the new framework. Standardized testing represents 80 points, with growth being factored in as well. Dr. Tennant explains that the SRC and CSO make quality determinations under this charter amendment policy.

There is further discussion regarding the Excellent Schools PA litigation, Policy 406, and the formation of the new nine-member Philadelphia School Board.

Continuing, Dr. Tennant discusses Boys' Latin's Class of 2018, which is comprised of 87 graduating seniors. 92 percent have been accepted into college, with three students going into job training, two students joining the armed forces, and two students undecided. Students have been accepted into schools such as Muhlenberg, Drexel, and Carnegie Mellon. The keynote speaker will be deputy city treasurer Christian Dunbar, who is a descendant of Harriet Tubman and whose grandfather was President of Liberia for 25 years. Dr. Tennant states that 140 students started in the Class of 2018, and 87 are graduating—which is up slightly from the first four years but down slightly from the past three years.

Mr. Thorkelson explains that Boys' Latin is making progress towards finalizing its strategic plan, and thanks Mr. Ujifusa for undertaking the writing of the plan. Mr. Thorkelson expects that by the first fall meeting of the 2018-2019 school year, a draft of this strategic plan will be available for board review. Mr. Thorkelson states that the

plan is to improve upon which Boys' Latin does well: educating its students. Mr. Thorkelson notes there are six main areas which Boys' Latin hopes to address over a five-year timeline:

1. Full enrollment (capped at 800 students)—over the last two years, Boys' Latin has faced challenges fully enrolling the middle school, which has raised marketing questions, and potentially reconfiguring the size of the middle school versus the size of the high school.
2. Recruit, train, and retain high quality faculty.
3. Facilities review/evaluation—beyond facilities committee work, Boy's Latin wants to fix all areas that need repair and take a good, hard look at what the school wants its campuses to look like. This review will help inform decisions such as the first big building project, and whether that will be a community center at the high school or a gymnasium.
4. Execute at high level regarding fundraising and development—Boys' Latin will review the resources it has in place to determine what is further needed.
5. Sustain and build the Boys' Latin community—focusing on parent association related-organizations, student related-organizations, and family related-organizations, along with improving alumni relations.
6. Board Governance—how the board of directors can improve over a multi-year maturation.

Dr. Tennant thanks Ms. Woodward for her help in getting a draft of this strategic plan in place.

There is a discussion on the five-year financial plan being helpful in terms of fundraising, and the specific timeline of the five-year plan. Mr. Conwell describes how it is difficult to fundraise with lingering questions surrounding charter existence in Philadelphia.

Dr. Tennant concludes his presentation.

III. Board Committee Reports

a. Parent Liaison Report: Elaine Wells

Ms. Wells begins by describing an annual staff luncheon held on May 31, catered for the staff of both the middle school and high school. The staff is given certificates of appreciation, and a gift, as thanks for their hand work throughout the school year. Ms. Wells describes the luncheon as a success, as the staff enjoys the time to come together and chat with those they may not interact with regularly.

Ms. Wells is looking forward to meeting with Mr. McDaniel to revamp the Extended Family Network (“EFN”). Ms. Wells wants to get more parents involved, as over the past couple of years parent engagement has fallen off and meeting have been lightly attended. Ms. Wells wants to open the door for new parents to join leadership efforts,

bring in new ideas, and look at new solutions to unite the community at large. Ms. Wells is looking to re-institute the monthly EFN meetings to develop new ways for parents to give invaluable feedback. Ms. Wells notes that there have been issues with finding a set time for everyone to meet amidst busy personal schedules.

Ms. Wells is proud to announce that her two sons were selected to participate in the University of Pennsylvania Provost Mentorship Program—600 students applied, 100 were interviewed, and only 10 students were selected. Ms. Wells would like to set up a resource station at Boys' Latin so that parents and family members can be aware of such opportunities. Ms. Wells describes the resumes her sons submitted, which are bolstered by volunteerism, community service, education, and leadership opportunities from Boys' Latin. Ms. Wells believes that parent workshops will help show how to positively advocate for their students, and become a positive support system for staff and teachers.

There is a discussion on the board potentially interacting with the parent group, and any benefits this interaction could have on the school's strategic plan. Ms. Wells would love for parents to meet the board.

Ms. Wells concludes her presentation.

b. Finance: *Will Kontes*

Mr. Kontes begins by describing how Boys' Latin had a strong financial performance over the course of the 2017-2018 school year, and credits the staff and administration. Mr. Kontes notes that Boys' Latin did not have any major financial hurdles, and continued its efforts regarding attrition, improvements to the special education program, and revising the staff retirement plan. Mr. Kontes will lay out the 2019 budget for the board, and resolutions the board will vote on regarding the budget, a fund balance policy, and the school's rental reimbursement.

Mr. Kontes then walks the board through the balance sheet, which shows approximately \$1.6 million in operating cash as of April 30, and approximately \$659,000 in reserve cash. Mr. Kontes describes Boys' Latin as in a good financial position, and how approaching the budget in a business-like manner has resulted in a favorable variance for the school. Mr. Kontes notes that donations are a major factor in evaluating the health of the school, and thanks Boys' Latin's phenomenal development program.

Mr. Kontes states that finance committee met on May 29 and reviewed the April 30 financial results. Mr. Kontes explains that Boys' Latin is looking at a substantial surplus this year, which is primarily driven by a favorable variance in total revenue cost-controls implemented over the last several years, and the robust development program. Dr. Tennant adds that Boys' Latin obtained a new special education director, which put the school in compliance and resulted in a retroactive reimbursement.

Mr. Kontes then directs the board to the 2019 budget handout, which will be further amended—those additional adjustments will be submitted to the board via email over the summer. Mr. Kontes does not expect these adjustments to be significant. Mr. Kontes states that the present draft budget is predicated on 800 students and displays \$152,000 in net income, which will primarily be given to facilities.

There is a discussion on conservative initial enrollment, the revised budget, future planning, the property tax increase, and the special education rates per pupil. Dr. Tennant adds that rates are \$8500 per student, and special education students are nearly three times that amount. Mr. Kontes states that the finance committee has considered a “rainy day” fund to address gaps in funding, along with a retained cash policy. A further discussion follows on how to achieve this contingency, and where donation funds are deposited.

Mr. Kontes then takes the board through the budget page-by-page, and notes that the 2019 budget prioritizes special education and facilities. Dr. Tennant adds that special education is an important investment, as new positions were put in place to help serve students while decreasing liability on contracted services. Dr. Tennant states that this budget allows Boys’ Latin to address points of interest, such as retention of talent and offering competitive starting salaries to new teachers.

There is a discussion on the conservative nature of the budget, as contributions are shown to drop from \$1.39 million to \$1 million in 2019. Ms. Smith adds that the single largest driver of development is the annual event—though it has been a historically successful event, potential factors such as donor fatigue and reduced attendance are factored into the budget as a way to stay conservative.

Continuing through the budget, Mr. Kontes notes that Boys’ Latin has hired a full-time SAT tutor—part of this role is to teach SAT prep for all students, including special education students. Dr. Tennant clarifies that no Teach for America applicants were brought on board last year, as Boys’ Latin is focusing on acquiring teachers with experience, but that the school will look to Teach For America this year with its special education hires. Mr. Kontes lists other factors considered in the 2019 budget, such as department supplies; summer and after-school programs (such as the Warhood Initiatives program); events; college counselors; student support (Mr. Meeks was hired as a full-time student support officer); athletics; technology; administration; development; and business finance operations.

Ms. Dean thanks Mr. Kontes and the finance committee for their efforts in drafting the 2019 budget. There is a discussion on facilities expenditures, as Mr. Kontes states that Boys’ Latin hired a full-time building engineer to repair facilities. Mr. Conwell does not believe there are hazardous materials in Boys’ Latin’s buildings, but additional inspections will confirm building safety.

There is a motion to adopt the fiscal year 2019 budget as presented, with the understanding that the finance committee will submit small revisions to the board by the end of the summer, which is moved by Mr. Oehrle and seconded by Mr. Kempf. The motion passes unanimously.

Mr. Kontes notes that the 2019 budget reflects the hard work on behalf of the administration. Mr. Thorkelson thanks the finance committee, along with Mr. Kontes.

Continuing, Mr. Kontes presents the board with a fund balance policy, which outlines the goal to have 45 days of operating cash on hand. Mr. Kontes states that the CSO recognizes this policy as standard, and is considered to be a best practice adoption.

There is a discussion on the wording of the policy, the background of the policy, and the need for the policy. Ms. Smith adds that the goal is have the board approve how funds will be designated, to make it clear that Boys' Latin is not hoarding cash.

The board does not feel comfortable adopting the policy with the current wording that outlines how Boys' Latin will reserve the cash. Dr. Randolph suggests that the board should consult with Ms. Woodward on the phrasing, and then vote on the fund balance policy after re-submitted via email.

No vote is taken on adopting the fund balance policy as presented, with a vote to follow after consulting with Ms. Woodward.

Continuing, Mr. Kontes states that the Commonwealth of Pennsylvania provides \$135,000 in lease reimbursements and the board must vote on whether or not Boys' Latin wants to receive this reimbursement. There is a motion to accept the \$135,000 lease reimbursement from the Commonwealth of Pennsylvania, which his moved by Mr. Kempf and seconded by Ms. Dean. The motion passes unanimously.

Mr. Kontes concludes his presentation.

c. Facilities: *Joe Conwell*

Mr. Conwell begins by directing the board to the year-end cash position and spending initiatives handout relating to facilities. Mr. Conwell describes how the facilities committee met with administration several times to collaborate on a goal to improve the maintenance of facilities, along with its physical appearance. Mr. Conwell states that Boys' Latin has hired a certified building engineer, who begins on July 1. Boys' Latin has increased the general repairs and maintenance budget of both the middle school and high school, and drafted a list of improvements and needs for the school (both immediate and long-term).

Mr. Conwell describes four priorities that the facilities committee has landed on: (i) instructional and IT spending; (ii) concrete work; (iii) flooring; and (iv) a Fine Arts Building and/or computer lab. Mr. Conwell notes that the \$150,000 anticipated for

concrete work is not a set number, and explains how sidewalks are a huge liability issue for Boys' Latin. The sidewalks will be addressed this summer, and the facilities committee hopes to have quotes for both campuses soon. Mr. Conwell anticipates that 10,000 square feet of sidewalk will be replaced.

There is a discussion regarding additional facilities projects that will need to be done, and the possibility of adding contingency funds to the concrete line item. Mr. Conwell agrees with adding a concrete contingency, as the goal is to bring the school into compliance. Mr. Conwell notes that not all sidewalks will be replaced, just those in need of repair. Mr. Conwell explains that the facilities committee agreed to table the chemistry lab project to ensure that Boys' Latin does not take on more than what it can handle at this time.

There is a motion to approve the expenditure of monies on the four priority projects, with a provision that the executive committee is authorized to make increases in approved amounts of expenditures, which is moved by Mr. Conwell and seconded by Mr. Kempf. The motion passes unanimously.

Mr. Conwell concludes his presentation.

d. Development: *Marianne Dean, Kerry Woodward*

Ms. Dean begins by describing how Boys' Latin is ending the schoolyear on a good note, as the school has currently raised \$1.43 million in contributions—exceeding the budget by 41 percent. Ms. Dean adds that most of these contributions comes from EITC, individual giving, and the annual event. Ms. Dean thanks the board for its generous support.

Ms. Dean notes that the fundraising event at Marion Golf sold out, and the event raised \$400,000. Ms. Dean thanks Dick and Janine, along with Ms. Woodward and Ms. Smith, for their tireless efforts in creating a successful event. The music was great, and Ms. Dean received much positive feedback. The development committee has already met to plan the next event, and are open to feedback from the board. Ms. Dean explains that Mr. South will take over development, who will hopefully bring in a younger generation of donors.

Ms. Dean states that it has been a pleasure to work with the board, who are great leaders. Mr. Kempf remarks how Ms. Dean will be missed, and the board gives Ms. Dean a round of applause for her years of hard work.

Ms. Dean concludes her presentation.

Mr. Thorkelson reminds the board to obtain their tickets to the graduation, and that board participation should be at 100 percent in terms of annual giving.

With there being no need for Executive Session, the meeting adjourned at 6:13 p.m.

Respectfully submitted,

Sally Randolph, Secretary