

## KIPP CHARLOTTE BOARD MEETING – MAY 2020

The scheduled meeting of the KIPP Charlotte Board of Directors was held on May 15, 2020, via video conference due to the COVID-19 Stay at Home Order in place in North Carolina.

**Board members in attendance:** Michelle Connley-Gore, Kevin Zhao, Becky Winkler, Adam Smith, Emily Phillips, Dinesh Chopra, Lisa McMillan, Karin McGinnis, Alice Schulte, Matthew Bohlen, Meka Turner, Jon Morris, Kimberly Green

**Board members absent:** DeAnthony Hill, Zach Manis, LaTanya Bowman

**Others in attendance:** Anokhi Saraiya (Head of Schools), Stacy Johnson (Chief of Staff), Heather Moeller (Director of Development), Christian Drake (Director of Finance and Operations), John Kalafatas (KIPP Foundation Relationship Manager), Brad Angst (Stifel), David Adams (Stifel)

**Welcome:** Becky Winkler welcomed all in attendance and called the meeting to order at 10:04 AM.

**Inspiration:** Anokhi Saraiya started with a photo of a KIPP Change student practicing meditation as a part of a virtual physical education class with a reminder to all to remember to stop and breathe deeply throughout this crisis we are all facing.

**Approval of agenda:** Dinesh Chopra moved to approve the agenda. Lisa McMillan seconded the motion. The agenda was approved unanimously.

**Approval of minutes:** Becky Winkler moved to approve the April meeting minutes. Alice Schulte seconded the motion. The April minutes were approved unanimously.

**Board Chair Report:** Becky Winkler wished Head of Schools Anokhi Saraiya a happy birthday, and wished board member Kevin Zhao a happy wedding weekend. Several board members shared positive health reports from members of their families. Ms. Winkler updated the board that based on the survey data, meetings would continue to take place on Fridays from 10AM-12PM and would be at Elliot Davis again once in person meetings can resume. Dates for the meetings will be shared at the next board meeting.

**Schools Report:** Anokhi Saraiya shared reflections with the board regarding the successes and challenges of remote learning. In looking forward, KIPP Charlotte is focused on determining what the fall will look like, including questions of when it will be safe and practice to re-open school buildings, what excellent remote instruction can and should look like, and where and how KIPP Charlotte can collaborate and align with KIPP ENC to work together. The board asked about engagement levels, and Stacy Johnson responded that approximately 80% of students are participating in remote learning in some capacity, with 60% participating to the level KIPP Charlotte desires. Discussion also included the benefits of including more live lessons and synchronous learning to improve student engagement while also remaining mindful of the increased flexibility this requires of families. Possible education models for the fall were also discussed, with the conclusion that remote learning would be a part of any model that is adopted.

**Finance Report:** Becky Winkler introduced two guest from Stifel Financial Corporation, Brad Angst and David Adams, who provided an update on the progress made on the bond financing project. Mr. Angst and Mr. Adams offered clarification on the challenges that the unexpected pandemic created with

securing bond financing as well as the anticipated ratings KIPP Charlotte might expect to receive. While the timeline was adjusted to allow for the addition of Tim Saintsing as Executive Director, the goal for securing financing is July 31, with a ratings meeting taking place on May 27.

Christian Drake then shared the financial reports, including the budget versus actual spending through March, the projected cash flow, and the bank account balances to date. Projected and actual expenses are lower due to school closures, thus eliminating the deficit that was previously predicted.

Mr. Drake also confirmed that KIPP Charlotte did receive Payroll Protection Program funding which will be used between now and the end of June for payroll costs as well as rent and facilities costs. Acadia will be tracking all expenditures related to the PPP funding to ensure that all funds are used appropriately for what they were intended. The question of loan forgiveness was raised and remains unclear at this time. The finance committee will be meeting next week to discuss the 2020-21 budget and ensure that plans are in place to repay the PPP funds as required.

Mr. Drake shared that KIPP Charlotte has made the decision to freeze salaries at their current levels instead of providing the 3% cost of living raise historically provided. This decision was based on the uncertainty regarding public funding for next year. Jon Kalafatas also offered that part of the budget considerations for next year includes determining the minimum bottom line KIPP Charlotte would need to demonstrate to be able to sell the bond package to investors.

Finally, Mr. Drake shared the contract renewals for Acadia Northstar, which were negotiated to remain the same as the previous year. Matthew Bohlen moved to approve the contracts. Alice Schulte seconded the motion. The contracts were approved unanimously.

**Governance Report:** Alice Schulte shared with the board the updated Conflict of Interest and Nepotism policies, which contained some changes in language that were requested by DPI. As there were no questions or concerns regarding the updated policies, Alice Schulte moved to approve both revised policies. Karin McGinnis seconded the motion. The updated policies were approved unanimously. The governance committee continues to work on updates to the manual and will share more at the June meeting.

**Development Report:** Heather Moeller shared that KIPP Charlotte has raised \$173,000 to date for COVID-19 relief, purchasing 400 chrome books for students. Four thousand dollars were also raised during Giving Tuesday, and board members expressed praise and gratitude for the KIPP Charlotte tank tops gifted to contributors. Ms. Moeller reminded board members that the deadline for meeting the get/give/save requirement as well as the personal gift requirement is June 30<sup>th</sup> and encouraged board members to reach out for assistance in meeting these requirements if needed. Ms. Winkler added that new board members who were not with KIPP Charlotte for the entire year are not held accountable to these requirements until the following year and clarified that it is vital for 100% of board members to make some form of personal contribution to demonstrate maximum board engagement to potential donors, reiterating that the deadline is fast approaching. Ms. Moeller clarified that the Trivia Night event, previously postponed to June, has now been cancelled. The Memorial Day brewery event is still taking place and requires a few volunteers if interested. Planning is now underway for the fall fundraising event, which may be in person or virtual, yet to be determined. A celebrity guest is needed regardless, so Ms. Moeller asked all board members to reach out to their contacts.

**Strategic Planning Report:** Becky Winkler shared that Attuned Educational Partners has been hired to assist with Tim's transition and exploration of a potential KIPP NC merger. As this work continues, a merger task force will be formed with members of the strategic planning committee, former board member Steve Willen, and ENC board members. In addition, Tim has already started discussions with DPI to ensure there are no road blocks to merging at the state level. John Kalafatas shared that the law firm of Akin Gump has agreed to provide merger legal work pro bono, and the KIPP Foundation has agreed to cover remaining merger costs on behalf of both regions. Becky Winkler recognized the work John Kalafatas and John Alford have done to support KIPP North Carolina nationally.

**New Business:** None

**Adjournment:** Becky Winker moved to adjourn the meeting at 11:44 AM. Alice Schulte seconded the motion. The motion passed unanimously.