

The Summit Preparatory School Board of Trustees

July 23, 2020 Retreat, 9:15-3:30, Board Meeting scheduled for 10:30 a.m.

Walnut Lawn Campus, Music Room for live/in-person participants and Webinar for remote participants due to COVID-19 pandemic

Meeting Minutes – BOARD APPROVED, EDIT TO POST

Attendees:

Presiding: Missy Gelner, Chair

Board Members: Dave Bishop, Kristen Bright, Rachel Gerken, Charlie Rosenbury, Dana Thomas, Judy Thompson, and Jennifer Newman

Ex Officio Members: Katie Heet, Susan Miranti, and Shelley Beall

Administration/Faculty: Emma Smith, Vince Currao, Kristin Walker, and Amy Maas

Meeting called to order by Susan Miranti at 11:04 a.m.

- Celebration – Past Chair and Treasurer Mark Sharp was recognized for his Six (6) years of service on the Board of Trustees with a plaque and gift.
- Financial Report and Financial Statements were distributed prior to the meeting. Kristin Walker presented the Financial Report.
 - The Balance Sheet was current as of June 30, 2020 and is more than cash flow at this time last year. However, the current Cash/Cash Equivalent includes the amount of the PPP loan. The Cash/Cash Equivalent would be less than last year without the assistance of the PPP loan. The goal is for the PPP loan to be forgiven especially in light of decreased enrollment.
 - The school has applied for the Economic Injury Disaster Loan (EIDL), Small Business Association (SBA) loan for school operations.
 - Enrollment for the 2020-2021 school year has decreased but is in line with national norms.
 - Administration expenses are a timing issue on the balance sheet. Three (3) employees are not returning for the 2020-2021 school year. Those employees were paid final paychecks in May, 2020 so there will not be expenses associated with those Three (3) employees in June and July of 2020.
 - Profit/Loss margins look really good. The school is still showing growth.
 - Budget for 2019-2020 was spot on despite incurring additional building expenses.
 - Received another \$30,000.00 in contributions that is not yet shown on the balance sheet.

MOTION: Missy Gelner moved to approve the Financial report as presented. Charlie Rosenbury seconded. Motion was approved.

- Budget for 2020-2021 presented by Kristin Walker.
 - 113 Full-Time Equivalency (FTE) students is a conservative number at this point.

- Contributions are anticipated to be the same for the 2020-2021 school year. The school has projected no growth in contributions, which seems reasonable at this point given the global pandemic and the decreased enrollment.
- There were some additional expenses incurred directly as a result of COVID-19. A new copier was purchased for the first floor. Additional furnishings and items were purchased for safety and sanitizing measures, including smaller tables and individual desks for classrooms as well as cleaning supplies. Additional expenses are currently in the budget for the 2020-2021 school year, but the school is attempting to obtain funding coverage for these purchases related to COVID-19 through The Coronavirus Aid, Relief, and Economic Security (CARES) Act. The school is budgeting for these additional expenses for the entire 2020-2021 school year.
- Guaranty Bank re-negotiated the terms of our loan. The new loan terms are now included in the revised school budget.
- Personnel costs are slightly higher this year. This reflects the raises for faculty and administration. There are no assistants in the Early Learners' program, but there are Two (2) teachers for the combined class. The budget also reflects an assistant for communications and enrollment.
- Growth Fund is not budgeted to exceed \$1,300.00.
- The budget predicts a surplus after adding in depreciation values, net cash earning less principle payments and with loan considerations (PPD and EIDL loans).

MOTION: Dave Bishop moved to approve the proposed 2020-2021 budget. Rachel Gerken seconded. Motion was approved.

- Guaranty Bank debt consolidation was discussed. Guaranty Bank is willing to consolidate loans with an interest rate of 4.0% for Three (3) years or 4.256% for Five (5) years. Discussion held with regard to a Three (3) year versus Five (5) year loan rate. Maximum term of loan will not exceed 25 years.

MOTION: Missy Gelner moved to allow the school to negotiate the best loan rate (up to 4.25%) and term up to Five (5) years to lock in the best rate consistent with the approved budget. Kristen Bright seconded. Motion was approved.

- Following the Board's approval for the loan rate, Kristin Walker will negotiate the terms of the Guaranty Bank loan as long as the loan amount is within the school's approved 2020-2021 budget.
- Tuition Assistance for 2020-2021: There is One (1) year financial tuition assistance being made available to returning Summit families eligible for re-enrollment for the 2020-2021 school year. The funding is anticipated to come from an existing donor. This is One (1) year financial assistance only to assist families being affected by COVID-19 and who may not have the ability to return to Summit without this assistance. A short application and narrative will be part of the process to apply for the COVID-19 financial assistance.

MOTION: Missy Gelner moved to allow the Summit administrative team to initiate an application for One (1) year COVID-19 financial assistance for families returning to Summit for the 2020-2021 school year. Judy Thompson seconded. Motion was approved.

CONSENT AGENDA (Status Reports)

The following reports were submitted to the board in advance of the meeting.

1. Development Report – Vince Currao
 2. Head of School Report – Dr. Katie Heet
 3. Faculty Report – Emma Smith
 4. Marketing Report – Amy Maas
 5. Admissions Report – Amy Maas
- Development Report - Vince Currao announced that the Fall 2020 in person GALA has been cancelled.

***Lunch Break was taken from 12:51 p.m. to 1:32p.m. Meeting resumed at 1:32 p.m.

- Strategic Planning and school to take measures to focus on Diversity, Equity, and Inclusion. Proposed Strategic Plan discussed.

MOTION: Charlie Rosenbury moved to approve the Consent Agenda, and Dave Bishop seconded the motion. Motion carries unanimously.

- APPROVAL OF MINUTES FROM JUNE, 2020 BOT MEETING
- JUNE, 2020 Board Minutes were distributed before meeting.

MOTION: Missy Gelner made a motion to approve the June, 2020 BOT minutes as distributed. Charlie Rosenbury seconded; Motion carries unanimously.

CURRENT BUSINESS

KOLR TV Interview with Dr. Heet.

- Re-Entry Plan was discussed.
- STEM Lab – School is awaiting to receive more refined numbers from architect Billy Kimmons.

NEW BUSINESS

- School Handbook is in the process of being updated and revised for the 2020-2021 school year. Revisions were included in the Head of School Report.

MOTION to adjourn was made by Dave Bishop and Rachel Gerken seconded the motion.

Meeting adjourned at 1:53 p.m.

Meeting minutes respectfully submitted for approval by BOT Secretary, Jennifer Newman on August 10, 2020.