

## Étoile Academy Board Meeting

**September 18, 2018**

**Start: 6:05 p.m. CST End: 8:15 p.m. CST**

Present:

Kevin Hardaway, Richard Baker, Ja'Milla Lomas, Shiroy Aspandiar, Nicole Morrissey (video dial in), Alim Adatia, Tabinda Ghani, Michelle He, Kayleigh Colombero (ex-officio)

Quorum met: yes

Guests:

Public comments: None stated

Previous Meeting Minutes

Meeting minutes were read. Minutes were approved.

Moved: Shiroy Aspandiar; Seconded: Richard Baker

**Vote:** 6-0. Approved

### Committee Reports:

- **Finance:**
  - Remaining balance in BBVA: 36,037.68
  - Days Cash on Hand: 21
  - Update on Cadence Bank: balance - 122,787.41
  - Update on Loan: \$50,000 loan still outstanding; Need to pay back now that state paid us on 9-14
  - Start-up grant drawdown: Charlotte (Region 20) is working on one now
  - Outstanding grant requests: 40,000 from Brown, 50,000 from Guill, 25,000 from Powell
  - Upcoming Facilities Costs: 20K for construction (Monday), Oct. 1 first month of rent (13,850), Nov. 1 two security deposits (13,850 each)
  - Budget Amendment from Region 20: Will be in line with our 60 student projections (currently we have 64)
  - Auditor recommendation for pre-audit?
  - If you contact Whitley Penn, I suggest you reach out to Celina Miller at (713) 386-1175, <https://www.whitleypenn.com/blog/bio/celina-cereceres-miller/>.
  - RSM (but Joel Perez in SA or Marc Sewell) are their main charter auditors
  - Two other Houston possibilities

**Financial position:** As of August we have spent 13.59% of the Start-up grant, and \$2,401.13 of Walmart grant based on Region 20 report. (in line with budget)

August Cash on hand as presented by Region 20 bank report \$58,764.25 (21 days COH).

### ***Next Steps:***

- a. Review Budget amendment
- b. KC to monitor our funds movement and keep the board informed
- c. Continue looking for a CPA & auditor

**Discussion:** Reading Board Reports (no detail and detail)

**Recommendations:** We wait until November to make the final decisions on this latest budget amendment.

● **Governance:**

- GC recommends splitting responsibilities –
  - a. having a person other than the Board Chair be the GC Chair and a person other than the Treasurer be the FC chair
  - b. However, Board Chair should still be on the GC Committee Call
- GC Check-in call with BES either October 3rd (lunch/evening) or 8th (lunch/evening)
- Scheduled Board Training: September 15th and October 13th from 8:30 am – 2:30 pm at Etoile and October 26th (conference)
- Richard has identified 3 candidates for additional Board Members; they each have a CPA background
- Continuing our efforts towards:
  - a. Growing the Board to 13 members – Chair to send e-mail communications to candidates
  - b. Identifying a Board communication platform – On hold due to enrollment number
  - c. Ensuring at least 75% participation in Board meetings and Committee calls – Recommend taking info from committee reports and rolling up into monthly dashboards
- Board Calendar has been drafted, please review and provide feedback

**Next Steps:**

- a. Facilitate On-Board training of new members
- b. Facilitate Board elections
- c. Finalize Board Calendar

**Discussion:**

Board Members Update: Jorge Lara has rolled off the Board.

○ **Recommendations:**

- a. Participate in training
- b. Provide feedback on Board Calendar
- c. Consider becoming a committee chair

● **Academic Achievement:**

- We have 64 students who are currently enrolled, with one more enrolling this past Monday
- Goal is to have 75 students to have a better financial situation.
- We will go into MAP Data to see how our students are doing.
- Two events to attend for the Board Members -
  - October 2 – Gulfton Night Out (6 p.m.) (Etoile will have a table)

- October 4 – Ribbon Cutting (6 p.m.)
- AAC will start sending out invites to Board Members as reminders
- When more student data comes out, we will share it with the Board.
- Employment Update: Marisol Diaz is no longer with us – she resigned on Monday,

**Next Steps:**

- Attend the upcoming events.

**Discussion:** None

- **Recommendations:** Literacy support is something Etoile needs. If Board members know of anyone with those qualifications who can volunteer to help our students read, that would be helpful. They could do Saturday Academy or After School Program (4:30 p.m. – 6:00 p.m.) or during Daily Literacy Intervention (2:30 p.m. – 3:30 p.m.)

● **Resource Development:**

- Progress to Goal
  - a. Goal - \$30,000. Raised - \$26,479 (88% to goal) FY18
  - b. FY18 Board participation: 100%
- FY19 Goal: \$30,000 with an additional \$150,000 needed from grants/ foundations
- Upcoming Proposals (*all submitted*)
  - a. Guill Family Foundation (\$50,000 – Kayleigh connection)
    - a. Voting in the “fall”. Have been in touch with two family members. One has visited school and another is scheduled to visit.
  - b. Brown Foundation (\$40,000 – Smith College alumna connection)
    - a. Brown deciding in October
  - c. Powell Foundation (\$25,000 – Smith College alumna connection)
    - a. KC had a meeting with Powell
  - d. Greater Houston Community Foundation panel discussion – Oct. 9<sup>th</sup>
    - a. Yes PREP, IDEA Schools and Etoile. We are privileged to have been invited. Shiroy will attend.
- Meet with new Board members regarding their individual gifts
  - a. Michelle B. will be reaching out to schedule a time to meet with Emmanuel and Tabinda.
  - b. Michelle B. will reach out to current members regarding their 2018-2019 gifts/ pledges.
- Ribbon Cutting event in October (see Next Steps)

**Next Steps:**

- a. Execute meetings with new Board members.
- b. Ribbon Cutting Ceremony on Tuesday, October 2, 2018 at 6:00 p.m.
  - a. Board, funders, families are welcome
  - b. Would like participants to sign a piece of the ribbon to frame
- c. Update Board member pledges and begin new invoicing
- d. Look for new Foundation application opportunities

**Discussion:**

- a. We need new members to join the Resource Development Committee. –  
*Immediate Action Required*
  - 1. Kevin is planning on joining the RDC (rolling off the Governance)
- b. Ribbon Cutting
- c. New pledge amounts

- **Recommendations:**

- a. Inviting people to tour the school. Please consider inviting a few of your contacts to come tour the school (in session if possible). This may motivate them to volunteer, give, or just spread the word

- **Facilities:**

- The SNDA is ongoing. KC met with the Landlord’s representative – Berzin – and brought up responsiveness of new attorney. The meeting went well. Landlord (Fred) does not want money tied up in escrow, which makes our SNDA a hurdle. However, they have personally (financially) guaranteed that we would be able to amicably settle the SDNA. We are trying to put together a practical solution that would work in an emergency event where we would have to move to another facility.
  - a. Suggested to get these conversations on the official record (a paper trail) just in case we do have to go to court, since they are technically in default. There is a current paper trail with emails communicating some of our negotiations.
  - b. Our next step would have to be serving them with a default letter. However, this still does not get us an SNDA.
  - c. The problem is that they can never provide us an SNDA. It would be the bank who would provide it and their lending bank is unwilling to do that. From the Landlord’s perspective, they have done everything in their power, in good faith, to get it but because the bank won’t allow it, they can’t do it. So their next solution is the personal financial guarantee to keep money in escrow.
  - d. Is there notice they have to give that they are in default? We would need to have that in the lease.

**Next Steps:**

- a. Berzin is open to have another meeting with KC, Alim and their representatives – without involving either parties attorneys.

**Discussion:** None

- **Recommendations:** None

- **School Director Update:**

- Hiring:

- a. CCM update
  - Marisol Diaz has resigned on good terms.
  - We will not refill it (opens \$55,000) – no funding
  - Does create more work for KC
  - Imperative to have more funds come in so that we can relieve the staff
- b. Everything is working well systems-wise
  - Visitors consistently say that Etoile feels like a year 5 school
  - Students are transitioning well into the new school year
- c. Staff Totals: 8
- d. Leadership: 2 (SD, OM)
- e. Office Manager 1
  - Elizabeth resigned today for family reasons. Left a \$35,000 opening.
  - We will not back-fill it once she leaves in 2 weeks.
  - That position is busiest in the middle of the school day.
  - We could look at making it a part-time position.
- f. Teachers: 5
- Facility:
  - a. SDNA discussion with Berzin
  - b. *(see above Facilities discussion)*
- Preparation for Opening:
  - a. 60 Student Contingency Budget – already operationalized
  - b. Budget Amendment (later in meeting)
  - c. \$50,000 from Cadence – paying back with Sep. 15 TEA payment
- Enrollment:
  - a. Please see chart in Report
- Other:
  - a. Powell Foundation application – Visited Foundation on September 10<sup>th</sup>
  - b. Guill Family Foundation application – Decision will be made in “Fall 2018”
  - c. Brown Foundation application – Visit in late September, waiting to hear outcome in October
- We have a \$90,000 gap at the moment in the budget.
- We are paying Cadence back the \$15,000 but it hasn’t cleared yet.
- Learning Lessons:
  - We should have opened 5<sup>th</sup> and 6<sup>th</sup> grade at the same time
  - BES (and research) pushed her to only open 1 grade.
  - But for families, it would have been better to have the option available for their children who are in multiple grades.
- Where are our families coming from?
  - Families Empowered brought in 40% of our students because these families have already expressed an interest in charter school.
  - Met a school representative - 21% (built a connection)
  - Friends or Family – 15%
  - Advertisement – 14%
  - District Schools – 80% Charters – 20% - so our students are coming from the schools that we are targeting (don’t want to take from other charters)

- Three Target zip codes in this area – 59% (KIPP Connect just set a new goal for 40%) ← *Friends and Family resource*
- Transportation – 22 students utilize it
- New students we're getting at this point are because families are encouraging them to attend Etoile

### **OLD BUSINESS**

- Board Training with TCSA (Conference registration) (Kevin, Ja'Milla, Alim and Tabinda attended). Bruce Marchand and Laura were the facilitators.
  - Do we want to do a web-based training for the second half of the training instead of an in-person training? KC thinks it's a reasonable request.
    - Yes we do. October 13<sup>th</sup> training will be shifted to an online training.
  - October 26 Conference will be for the next group of Board Members
  - One big item that came out of the training is that all Board Members should have an "etoile academy" email address. This is for our protection in case there is a Public Information Request.
  - Building Grant (Instructional Facilities Allotment) information was brought up in the training. That will be very useful if we were to win the grant.
  - Student Attendance – 95% is the goal. Etoile is above 95%.
  - We need to post our budget information.

### **NEW BUSINESS**

- Written Declaration of Participation in CACFP (Child Adult Care Food Program)
  - Would like to participate in the CACFP; will follow federal guidelines for evening service.
  - Board Members need to sign a form that says we will follow the guidelines for feeding children.
  - They work with DOD, DOS, government contracts, US Embassies, etc.
  - Discussed security issues and what they can do.
  - Will interview our neighbors to see if there are problems (i.e. break-ins).
  - Would set-up a schedule of mock-up trials for active shooter trainings
- Vote for Officers
  - Nominations for Officers
  - Chair:
    - a. **Shiroy (by Nicole) – accepts**
      - Vote: 6 – 0
  - Vice Chair:
    - a. **Richard (by Ja'Milla) – accepts**
      - Vote: 6 – 0
  - Treasurer:
    - a. **Michelle He (by Alim) – in abstentia**
    - b. Alim (by Shiroy) – *declined*

- Vote: 6 – 0
  - Secretary:
    - a. Emmanuel (by Ja'Milla) – *accepts*
    - b. Ja'Milla (by Kayleigh) – *declined*
  - Vote: 6 – 0
- Committee Chair Structure
  - Proposal: One person will be the GC Chair who is not the Board Chair; The person who is the FC Chair will not be the Treasurer.
    - a. Richard has volunteered to be the GC Chair
    - b. Alim has volunteered to be the FC Chair until we onboard someone who has a CPA background.
    - c. Will need to make sure that we remain under quorum (q: 6) for the Committee Chair meetings (Chair, VC, GC Chair, FC Chair, AAC Chair)
  - Finance – Michelle He (Chair)
    - a. Alim Adatia
  - Governance – Richard Baker (Chair)
    - a. Tabinda Ghani
    - b. Michelle Bair
    - c. Emmanuel Enriquez
  - Academic – Ja'Milla Lomas? (Chair)
    - a. Nicole Morrissey?
    - b. Emmanuel Enriquez
  - Facilities – Alim Adatia (Chair) (Ad hoc)
    - a. Kevin Hardaway
    - b. Ja'Milla Lomas
  - Resource Fund Development – Michelle Bair
    - a. Kevin Hardaway
    - b. Shiroy Aspandiar
- Budget Amendment
  - We have a \$409,000 drop in revenue because of the low enrollment. Our actual anticipated state revenue is \$577,428 (doesn't include federal or special education IDEA or the special facilities allotment).
  - We need to make up a gap of \$400,000+, even though we have reduced KC's salary and have reduced our employment/ hiring numbers.
  - At this moment, reducing staff further would be a hardship. Could reduce KC's salary again. We don't have to amend the budget right at this moment, but it might be best for us to think about it now, even with the possibilities of the grants coming through.
  - IDEA, SPED, Title I - \$50,000 coming in November
- Charter Amendment with new Non-Profit Fiscal Date (Bylaws)
  - Changing the end of year date from August 31 to June 30 to match the academic year.
  - All Board Members signed a document to agree.
- Dashboard review (ADA and MAP data)
  - Reviewed monthly dashboard

## Étoile Academy, Inc. Board Meeting Minutes

- School Director Evaluation Tool (Year 1)
  - Table discussion until October 2018 meeting

Motion to Adjourn: Shiroy Aspandiar

Seconded to Adjourn: Alim Adatia

### **Adjourn**

Adjourned at 8:15 p.m. CST.