



Board Meeting (held via Zoom)
DRAFT Board of Trustees Meeting Minutes
February 28, 2024
6:00PM - 8:25PM

Members Present:

Hector Torres, Chair
Robbie Dean, Vice-Chair & Treasurer
Allison R. Kokkoros, Member
Ana Mejia, Secretary
Johan Uvin, Member
Larry Villegas-Pérez, Member (joined at 6:30pm)
Vilma Rosario, Member
Giovanni Delfino, Member
Yeshimebet Belay, Member (joined at 6:05pm via phone)

Members Absent:

John Goodman, Member

Staff:

Angela Medina, Chief Operations Officer
Chrissey Klockner, Chief of Staff
Dr. HollyAnn Fresno-Moore, Chief Academic Officer
Robert M. Skelton, General Counsel

Other:

Mike Mesterharm, EdOps
Jeri Fleming, RSM

Quorum: Yes

Welcome & Pre-Meeting Announcements

Board Chair Hector Torres provided opening comments and welcomed everyone to the meeting.

The meeting was called to order at 6:00pm.

Review of Agenda

Mr. Torres asked if there were any proposed changes to the agenda previously sent to the Board. Board members did not propose any changes to the agenda.

Public Comment Period by members of school community

Mr. Torres confirmed that no members of the public had signed up to give comments during the Public Comment Period.

Consent Agenda Approval

The following items were brought forward for approval as part of the Consent Agenda:

- Minutes of the Board's regular meeting held on December 6, 2023.

Mr. Dean moved to approve the Consent Agenda, and Ms. Rosario seconded the motion. Following the invitation for discussion on the motion, a roll call vote was conducted, and the Consent Agenda item was approved unanimously.

Mission Moment

Ms. Kokkoros then introduced Gigi Alvarado, Business Manager for the School. Ms. Alvarado started at the School in 1999 and was recently promoted to Business Manager. As an immigrant, she is very familiar with the challenges the students face. Ms. Alvarado shared an experience in which she was able to assist a student who wanted to drop her classes due to domestic violence. Ms. Alvarado was able to connect the student with resources to help her escape her situation so that she could continue with her classes. She also shared a second story about assisting a student who had been mugged. She closed by asking that the Board be grateful and not take things for granted, and keep students in mind when making decisions about the School.

Mr. Torres, Ms. Rosario and Mr. Dean thanked Ms. Alvarado for her presentation.

CEO Report

CEO Allison Kokkoros referred to materials shared in advance and noted the following highlights in her report:

- The School's audited enrollment for SY23-24 is 2109, which exceeds the budget. Ms. Kokkoros credited Dr. Freso-Moore and Ms. Medina for the successful registration process in the fall. The Board dashboard shows that enrollment is up to pre-pandemic levels. The enrollment ceiling under the charter agreement is 2200; the School will seek an amendment to permit enrollment for more students if needed to serve the community.
- The Student Services Team is providing civic and voting rights education to students, especially in light of the recent voting legislation in DC, which extended voting rights in local elections to non-citizens. The School is also hosting a candidate forum presented by the DC Latino Caucus that our students will be encouraged to attend and ask questions of the candidates. Ms. Kokkoros offered to share the live stream of the forum.
- The School has achieved \$16,000 per month in student data savings, plus greatly improved the time to start the student data plans to 24 hours from 3-4 days.
- There is a positive budget variance due to slightly higher revenue and lower expenses.
- The staff climate survey achieved 75% participation and 76% positive results. Many conversations are taking place among departments to absorb the results and to look for areas of improvement in collaboration and sustainability of work (work/life balance).
- Dr. Freso-Moore will discuss a midpoint academic performance report later in the meeting.
- DC's Mayor has recommended a 12.4% increase in the base rate for students and to fund adult schools at the full base rate. This may not be sufficient to cover the additional salary costs from the OSSE funding last year and to cover for the loss of pandemic funding. Many groups in DC are unhappy with the Mayor's budget proposal, and it will be critical to

proactively advocate for appropriate funding. April 5th is the budget hearing at the DC Council that all board members and students are strongly encouraged to attend. The School will be preparing testimony to submit to the DC Council.

- The Achieving the Dream 50th Anniversary Event, will be held on May 2nd at the Harvard Street Campus. Board members are encouraged to attend, bring guests, and to reach out to potential sponsors. Ms. Klockner will also provide information for outreach, including social media posts.
- Ms. Kokkoros updated the Board on the Faculty Working Group which addresses teacher's concerns, the DEIB Advocacy Group which has added new members to help implement the DEIB plan, and the board/staff relationship task force which is exploring ways to improve communications and relationships between the board and staff members. In addition, the compensation working group is creating an employee value proposition and compensation philosophy. EdFuel is assisting with the compensation working group.

The board took a break at 6:41pm.

Financial Report

Mr. Dean, accompanied by Mr. Mesterharm of EdOps, presented the financial report as of December 31, 2023.

- The audit process closed in January, and the School closed the books and cleaned up some remaining issues. Revenue is trending ahead of budget due to increased enrollment. The School is projecting to hit its fundraising and federal grant goals. A more recent update for investment gains is a positive \$154,000 variance. Expenses and salaries are a bit lower due to attrition and vacancies, as well as fringe benefits, which were budgeted conservatively. The cost of student devices and data plans have also improved. The school had \$31 million in cash at December 31, 2023 and cash is projected to be at \$26 million by the end of the fiscal year.
- After a loss in the first quarter of the fiscal year, the strong second quarter produced a 9.27% positive return in investments. The investment advisors will be adjusting the cash portion of the portfolio to reflect possible Federal Reserve action to reduce interest rates. The School's portfolio is well diversified to absorb economic changes.

Strategic Planning and Oversight Committee

Mr. Uvin and Dr. Fresno-Moore noted the following:

- Overall progress is positive, although there are some areas of concerns.
- The School is on track on progress toward our charter contract goals. There were issues with CASAS testing due to a server failure at the vendor. The Charter School Board is aware of the problem and will not penalize the School for the issues. The School's overall attendance rate is 68%. The attendance goal is 69%, and the School is monitoring attendance closely to ensure that the School achieves the goal.
- Student promotion rates are based on the internal TEAAL assessment. The goal is 70%; however, due to the lingering effects of COVID, the School is below that goal but the rate has been trending up. The School has seen a 10 percentage point difference in promotion rates between hybrid and virtual ESL programs, with hybrid 7% below the target and virtual 17% below the target.

- The new Performance Management Framework is called ASPIRE, and as the School looks at the new performance system, the School has provided significant additional support to the virtual ESL program, to support an increase in student achievement. The Faculty Working Group is also focusing on the hybrid program. In response to a question from Mr. Torres, Dr. Fresno-Moore noted that students prefer to learn in person, and that managing the classroom is more difficult in a virtual environment. However, it is important to have an option for students who cannot physically come to the campus.
- Mr. Villegas-Pérez asked about the process for following up with students who are not attending classes, especially with additional employment pressures in the spring. Dr. Fresno-Moore noted that virtual program attendance is higher than hybrid program attendance, and students have access to class materials asynchronously on-line. Teachers and supervisors also reach out to students and may refer them to student services for additional supports.

Finance & Development Committee

Jeri Fleming from RSM, the School's auditing firm, noted the following regarding the FY23 Audit:

- RSM met with the Finance and Development Committee to discuss in detail three reports that were produced – one for the School, one for Community Capital Corporation, and the consolidated report for the two entities.
- Rental payments are treated differently under the new auditing standards, and now show up as a separate line on the balance sheet. This change in presentation does not affect the overall financials of the School.
- A federal audit was not required since the school accepted less than \$750,000 in federal funds.
- The auditors issued findings in the audit that reconciliations and journal entries were not completed properly or on time due to the transition of personnel in the Finance Department. Management has adopted the recommended action plan to correct the issues.
- Mr. Torres thanked Ms. Medina and her team for their efforts in correcting the issues.

Mr. Torres then requested a motion to accept the audit report. Mr. Uvin moved that the board accept the audit report, and Mr. Delfino seconded the motion. A roll call vote was conducted to accept the audit report. The Board voted unanimously to accept the audit report, with Ms. Belay abstaining.

Mr. Delfino then noted the following:

- **Financial Analysis Report (FAR) FY22 Report:**
 - The Finance and Development Committee has reviewed the School's FY22 FAR report which was recently completed by the DC Public Charter School Board. The FAR report is essentially a financial report card for the School and is done annually for every PCSB school. Key takeaways of our financial performance during the first year of the pandemic:
 - Most key financial indicators reflect a strong financial position and performance, especially our long-term indicators.

- Our revenues decreased significantly in the FY22 school year due to decreased enrollment during the pandemic.
 - At the same time, we had an increase in expenses due to increased staffing, bonuses, and increased professional fees from outsourced operation functions, and a return to in-person learning.
 - Overall, Carlos Rosario remains in a strong position financially, but should take care to align expenses to revenue on an annual basis so as to not further erode our cash position.
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- **Finance Team updates:**
 - Ms. Medina noted that the School has recently experienced some capacity challenges and changes within the finance team. The team has thoughtfully put in place a strong plan of action to mitigate these challenges to best support the School's needs, including promoting our Accounting Manager Sylvia Ludvig to Interim Finance Manager, and engaging with EdOps, a finance and accounting firm that serves many peer DC schools and organizations, to support our in-house finance team. Ms. Medina anticipated that the Finance Department will be back on track with financials in early 2024.
 - However, Ms. Medina noted that there will be a delay in the normal budgeting process. The Finance and Development Committee is planning to meet on June 3 to approve the budget, and there will need to be an additional board meeting scheduled shortly thereafter in mid to late June for the Board to approve the budget, which must be submitted to the DC Charter School Board by July 1.

Closed Session

Mr. Torres noted the next item on the agenda is slated for closed session, citing the DC Code provision for doing so:

- Discussion in closed session pursuant to DC Code § 2-575(b)(11) – trade secrets and commercial or financial information.

Ms. Rosario made a motion to approve entering the closed session for the stated purposes. Mr. Dean seconded the motion. A roll call vote was conducted to approve entering the closed session as proposed. The Board voted unanimously to enter closed session, with Ms. Belay abstaining. Following the vote, the Board entered closed session.

Following the closed session, the Board returned to the open meeting at about 8:20pm. Mr. Uvin left the meeting at 7:56pm. Due to technical difficulties, Mr. Torres and Ms. Rosario were unable to rejoin the open session.

Open Session

Mr. Dean thanked everyone for a good discussion during the closed session.

New Business

- There was no new business.

Adjourn

Mr. Dean adjourned the meeting at 8:25pm.

Respectfully submitted by Ana Mejia, Board Secretary

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