

BOARD OF DIRECTOR'S MEETING

Date June 17, 2015
Time 6:00 – 8:00PM
Location KIPP Gaston

Board Members in Attendance

Randi Dikeman
 Bob Caudle
 Vershenia Moody
 Gail Worthington (phone)
 Curtis Wynn

Others in Attendance

Tammi Sutton
 Kevika Amar
 Ben Adams
 Dawn Arthur

SUMMARY OF MOTIONS	Moved	Seconded	Approved
Motion to approve agenda as written.	Moody	Caudle	Yes
Motion to approve May minutes with correction that correct date, May 20, is replaced through document.	Moody	Wynn	Yes
Motion to approve the list of recommended new hires as proposed.	Wynn	Moody	Yes
Motion to add Mr. Maddrey for the 2015-16 school year.	Caudle	Wynn	Yes
Motion to approve 2015-16 budgets.	Wynn	Worthington	Yes
Motion to approve DTW contract.	Wynn	Maddrey	Yes
Motion to approve the bus contract with a low interest loan.	Worthington	Moody	Yes
Motion to approve Tammi Sutton the authority to file federal grant applications for KIPP Gaston.	Wynn	Caudle	Yes
Motion to move into closed session at end of general agenda for the purpose of reviewing Executive Director performance and compensation.	Moody	Worthington	Yes
Motion to move into closed session at end of general agenda for the purpose of reviewing Executive Director performance and compensation.			
Motion to move back into open session at 8:22			
Motion to adjourn at 8:22.			

SUMMARY OF ACTIONS	Owner	Status
Check whether allowing proxy representation would require a change in our bylaws and/or enable a legal vote. Develop a proxy proposal for board. Answer is no.	Dikeman, Sutton	Complete
Confirm 8-29-15 as date of board retreat. Date confirmed and likely in Durham temporary space.	Dikeman	Complete
Schedule a special meeting wherein Halifax Construction progress can be reviewed with the project team. Include bus contract as an item in the meeting.	Arthur	Complete
Ask the state whether family members can be on a committee. Answer is yes family members can be on committees.	Dikeman	Complete

Meet with Bennett and Forte-Brown on new member milestones and targets; plan to meet over the next month. **Will meet together at board retreat.**

Moody

Open

OPEN SESSION NOTES

1. OPEN

- a. No public comments were offered.
- b. Opened at 6:14pm.
- c. Quorum obtained at 6:16pm.
- d. Motion to approve agenda as provided.
- e. Motion to approve May minutes with correction that correct date, May 20, is replaced through document.

2. SCHOOL REPORT

- a. Tammi Sutton discussed strategic goals and attached the School's Report.
 - i. Reviewed our goals to frame the board retreat discussion scheduled for August.
 - ii. We have received our final numbers for daily attendance; these figures are provided in the school report.
 - iii. All state testing data will be officially available at end of June and before board retreat.
 - iv. All juniors and seniors took an AP exam.
- b. **Durham**
 - i. Anders Campbell has completed the KIPP Fisher Fellowship.
 - ii. Facilities in the temporary space are on track and hoping to open July 10.
 - iii. History and science teachers have been put forward for approval tonight.
 - iv. Completed 67 home visits, with 99 on the enrollment list so far.
- c. **Halifax**
 - i. No movement yet on teacher licensure.
 - ii. See notes from school report
- d. **Gaston**
 - i. See notes from school report
- e. **Region & External**
 - i. Tammi Sutton was reappointed to the North Carolina governor's advisory board for another two years.
 - ii. Joel Medley resigns from the Office of Charter Schools, effective this month.
 - iii. Planning for instructional staff to attend KIPP School Summit in August. The KIPP Pride High band has been chosen to perform again this year.
 - iv. Motion to approve the list of recommended new hires as proposed.

3. FUNDRAISING

- a. The AJF Fletcher Foundation gave us \$50K, and Tom Russell Foundation gave us \$100K no-interest loan – all restricted to KIPP Durham at this time.
- b. Two private donors recently gave major gifts this month.
- c. Reviewed annual funds raised thus far.
- d. See Development Committee Report for more information.
- e. Would like to set up a series or advocacy breakfasts with business leaders and joint fundraiser events with TFA. Want to use these models to bring folks to Halifax and Gaston as well.

4. HALIFAX CONSTRUCTION

- a. Wait until more information is collected from our lending team. May need a July meeting.

5. GOVERNANCE

- a. Moody recommended that John Maddrey be added as a board member. Motion to add Mr. Maddrey for the 2015-16 school year.
- b. Reviewed board member and officer terms. This information will be reviewed at the board retreat.
- c. Randi Dikeman, our board chair, is choosing not to renew his term at the end of this year.

6. FINANCE

- a. Motion to approve 2015-16 budgets.
- b. Motion to approve DTW contract.
 - i. Manning is spending 19.2M on 650 K-5 kids for Manning Elementary
- c. Motion to approve the bus contract with a low interest loan.
- d. Motion to approve Tammi Sutton the authority to file federal grant applications for KIPP Gaston.

- 7. Motion to move into closed session at end of general agenda for the purpose of reviewing Executive Director performance and compensation.

8. ADJOURN

- a. Motion to move back into open session at 8:22.
- b. Approval of Tammi Sutton to return as KIPP ENC Executive Director. Board wants to collect market data over this year to determine salary structure.
- c. Motion to adjourn at 8:22pm.

Jun 17, 2015 Board Meeting - Proposed Resolutions or Actions

Instruction

1. TBD

Governance

1. Nomination of new board member - John Maddrey.
2. Review 2015-16 board member terms & officers.
3. Confirmation of board retreat date of 8-29-15.
4. Move to approve all proposed new hires below.

Name	College / Degree	Subject / Grade	Exp	Certification Status
Birdie Rodriguez	Duke University, BA Sociology	Durham, 5th History	2	SP1
Wendell Johnson	Fisk University, BA History and Psychology & Morgan State, MA African American Studies	KIPP Halifax, 6th Grade History		Praxis 1 certified
Renee Feggins	Virginia State, BA Music Performance & MA History	KIPP Halifax, 5th Grade Language Arts		
Britney Newton	NC A&T, BA English Secondary Education	KIPP Halifax, 6th Grade Language Arts		
Rhonda Holmes	ECSU, BA Studio Art Norfolk State, MA Visual Arts	Gaston Primary, Art K-4	11	NC certification
Abigail Monaghan	Bucknell University (PA), BA Elementary Education	Gaston Primary, Third Grade	2	NC and PA certification
Rebecca Thompson	UVA, BA Psychology	Gaston Primary	0	will obtain certification through TFA
Emily Ringler	Oberlin College (OH), BA History and French	EC Coordinator and Interventionist for Gaston and Halifax		NC certification in EC and HS History
Katie Ammann	Washington University (MO), BA Music and Anthropology	Gaston Primary, Music K-4	6	NC certification
Lydia Freeman		Gaston Middle, 6th ELA	2	NC Certification
Tymesia Butcher		Gaston Middle, 5th Math	14	NC Certification

KIPP:ENC

College Prep Public Schools

Teikeshia Delk	Elizabeth City State, BS Elementary Education Chapman University, Masters in Education Curriculum and Instruction	Durham, 5th Science	18	NC Certification
Myles Nicholson	Morehouse College, BS in Computer Science GCP Alum	High School Computer Science and Math	0	Not yet certified
Gianna Rivera	Hunter College, CUNY, BA in Political Science and Minor in Spanish TFA Corps Member	High School Spanish	0	Not yet certified

Proposed for June

1. Move to approve proposed KIPP ENC Public Schools budget for 2015-16.
2. Move that Tammi Sutton be granted the authority to file federal grants applications, such as Title I, for KIPP Gaston.
3. Move to approve that KIPP ENC Transportation continues to pursue the state contract and a low interest loan through First Citizens to purchase 8 new buses. *Reference June 11 discussion, and see forwarded information for more details.*
4. Move to approve DTW Architectural contract terms as proposed for the KIPP Halifax Project. *Note: our legal and real estate advisor has reviewed with Arthur. We have requested modifications and approve the current contents.*
5. Need signature on Local Wellness Policy for KIPP Halifax.

KIPP Halifax College Preparatory School Report June 17, 2015

Goal 1: To prepare our students for success in college and in life through high quality data-based instruction based on clear, ambitious goals that meet or exceed state requirements.

- 100% of our students meet or exceed the expectations on all state testing.
- 100% of students will meet or exceed their MAP Tests growth goals.

- There are members of the Pride who are completing testing or retesting over the next two weeks.
- All test score data will be completed and reported by the end of the month.
 - MAP Testing (results at the end of June)
 - 5th Grade Reading
 - 5th Grade Math
 - NC State Testing (results at the end of June)
 - 5th Grade Reading
 - 5th Grade Math
 - 5th Grade Science

KIPP ESSENTIAL QUESTION 3: Are our students progressing and achieving academically?

KIPP ESSENTIAL QUESTION 4: Are our alumni climbing the mountain to and through college?

Goal 2: To meet student enrollment targets and retention targets which align with our mission and with our budget.

- The school's daily attendance rate is at least 98%.
- At least 80% of our students qualify for free or reduced lunch.
- Our student attrition rate is 7% or less.

- Student Enrollment: 72
 - Goal: 90 5th Graders in 2015-2016
 - Goal: 90 6th Graders in 2015-2016
- Yearly Attendance Rate: 96.5%
- Free/Reduced: 87.32%

KIPP ESSENTIAL QUESTION 1: Are we serving the children who need us?

KIPP ESSENTIAL QUESTION 2: Are our students staying with us?

KIPP ESSENTIAL QUESTION 6: Are we building a sustainable financial model?

Goal 3: To develop, retain, and effectively manage a highly effective and motivated team with clear accountability measures.

- 100% of our teachers are highly qualified (meeting federal guidelines) and licensed by the state of NC.
- At least 80% of the teachers invited back, remain in the region.

- 1 of 4 full time teachers has a NC License.
 - 2 need to take the Praxis.
 - 1 has information pending at DPI.

KIPP ESSENTIAL QUESTION 5: Are we building a sustainable people model?

KIPP Gaston College Preparatory School Report June 17, 2015

Goal 1: To prepare our students for success in college and in life through high quality data driven instruction based on clear, ambitious goals that meet or exceed state requirements.

- 100% of our students meet or exceed the expectations on all state testing.
 - 100% of students meet or exceed their MAP Tests growth goals.
 - The junior and seniors' ACT scores meet or exceed the state and national averages.
 - 100% of the senior class is accepted into at least two universities or colleges.
 - At least 90% of our alumni matriculate to college within 6 years of completing 8th grade.
 - At least 75% of our alumni graduate from college within 6 years of graduating high school.
-
- 100% of the Pride of 2015 has earned acceptance into a least two colleges or universities.
 - There are members of the Pride who are completing testing or retesting over the next two weeks.
 - All test score data will be completed and reported by the end of the month.
 - MAP Testing (results in end of June)
 - 5th -8th Grade: Reading and Math
 - NC State EOC and EOC Testing (results at the end of June)
 - 5th-8th Grade Reading and Math
 - 5th and 8th Grade: Science
 - English II (Sophomores)
 - Biology (Sophomores)
 - Math I (8th Graders and 9th Graders)
 - NC State Final Exams (results at the end of June)
 - 5th and 7th Grade History
 - English I, English III and English IV
 - Environmental Science, Chemistry and Physics
 - World History and Civics
 - Math II, Math III, PreCalculus
 - AP Exams (results in July)
 - AP English
 - AP Calculus; AP Statistics
 - AP World History; AP US History; AP American Government
 - AP Environmental Science; AP Chemistry; AP Physics
 - AP Psychology
 - ACT Exams (results in July)

KIPP ESSENTIAL QUESTION 3: Are our students progressing and achieving academically?

KIPP ESSENTIAL QUESTION 4: Are our alumni climbing the mountain to and through college?

Goal 2: To meet student enrollment targets and retention targets which align with our mission and with our budget.

- The school's daily attendance rate is at least 98%.
- Our student attrition rate is 7% or less.
- At least 80% of our students qualify for free or reduced lunch.

- Total Enrollment: 1044
- Yearly Daily Attendance Rate: 96.34%
 - K: 95.86%
 - 1st: 95.54%
 - 2nd: 97.35%
 - 5th: 97.84%
 - 6th: 96.8%
 - 7th: 96.34%
 - 8th: 96.49%
 - 9th: 95.52%
 - 10th: 95.62%
 - 11th: 96.43%
 - 12th: 95.75%

- Free/Reduced: 74%
 - PS 80%
 - MS 74%
 - HS 68%

- A lottery was held on April 2nd for grades K-10. Here are the projected enrollment numbers at each grade:
 - Primary School: 480
 - Middle School: 425
 - High School: 360

KIPP ESSENTIAL QUESTION 1: Are we serving the children who need us?

KIPP ESSENTIAL QUESTION 2: Are our students staying with us?

KIPP ESSENTIAL QUESTION 6: Are we building a sustainable financial model?

Goal 3: To develop, retain, and effectively manage a highly effective and motivated team with clear accountability measures.

- 100% of our teachers are highly qualified (meeting federal guidelines) and licensed by the state of NC.
- At least 80% of the teachers invited back remain in the region.

- Currently 69% (43 out of 62) of our full time teaching staff has a NC teaching license.

- Primary School
 - 71% (12 out of 17) teachers have NC licenses
 - 1 has to take Praxis and/or Pearson.
 - 4 have paperwork pending at DPI.
 - 1 has a Virginia license and is working to transfer it.

- Middle School
 - 84% (16 out of 19) teachers have NC licenses
 - 2 have to take Praxis.
 - 1 has paperwork pending at DPI.
- High School
 - 58% (15 out of 26) teachers have NC licensee
 - 3 have to take Praxis.
 - 4 have paperwork pending at DPI.
 - 3 have an expired license and have paperwork pending at DPI.

KIPP ESSENTIAL QUESTION 5: Are we building a sustainable people model?

KIPP Durham College Preparatory School Report June 17, 2015

Leadership Training:

- Anders has completed the KIPP Fisher Fellowship. ☺

Facilities:

- Renovations to the Holloway Street Gym continue and are on track.
- The projected completion date for the Gym is July 10.
- Upon completion of the gym, renovations to the building will begin.

Staffing:

- We will recruit 100% of our staff by May 1, 2015.
 - Positions Filled: Office Manager, English Teacher, History Teacher, Science Teacher, PE Teacher
 - Position To Be Filled: Math Teacher
 - We have final candidates and sample lessons and interviews happening this week and next.

Student Recruitment:

- We will recruit 100% of our Pride of 2023 by April 2015.
 - 99 students are currently on the enrollment list. We are approved for funding up to 90.
- We will enroll 100% of our Pride of 2023 by July 30, 2015.
 - We have completed home visits with 67 of our Founding Families.
- At least 80% of our Pride will qualify for free or reduced lunch.
 - 66 of the 67 students (98%) qualify for free or reduced lunch.

Community and Political Efforts:

- Tammi has been reappointed by the Governor to serve on the NC Charter School Advisory Board.
- We are working with the KIPP Foundation to make NC Central a KIPP Partner School. This would be the first HBCU in the state of NC. (Carolina, Duke and Davidson)
- Ben, Anders and Tammi continue to meet regularly with members of the Durham community.

DPI:

- Dr. Joel Medley, Director of the Office of Charter Schools, will serve his last day on June 30, 2015.
- We are working with the Office of Charter Schools to update our data that was incorrectly uploaded into the new Performance Framework.

KIPP Foundation:

- Emily Cook is participating in curriculum training in Newark this week.
- Kaya Stone will be visiting Gaston on Friday.
- We are planning to take the majority of our Instructional staff to the KIPP School Summit in Anaheim, California during the first week in August.

Teacher Recruitment:

Overview of Applications Received as of June 2015:

The data below was generated from our on-line recruiting system, Vidcruiter and applications submitted through KIPP Careers. Incomplete applications are sent reminder emails to continue applications and later rejected. Data is reflective from May 18, 2015-June 12, 2015.

June Application Data	
Number of Interested Applicants for KIPP GCP Primary	15
Number of Interested Applicants for KIPP GCP Middle	44
Number of Interested Applicants for KIPP Pride High	31
Number of Interested Applicants for KIPP Halifax	18
Number of Interested Applicants for KIPP Durham	35
Number of Resumes received for KIPP ENC via KIPP Careers	56
Total Number of Teacher Resumes received for KIPP ENC via Vidcruiter	167

Finance and Facility Committee Report

June 17, 2015

Urgent and Important Items

For approval TODAY

- Regional Budget
- DTW Contract
- Transportation – new bus purchases and First Citizen financing
- Direction on KIPP Halifax
- Title I filing status for Gaston

July – September

- Decision on KIPP Halifax loan - construction
 - CT Wilson Construction contract
 - Loan documents and proposal
- KIPP Durham Child Nutrition contracts or services
- KIPP Durham and SST retirement program
- *Buyout of state retirement for KIPP Halifax (if passed in senate and affordable)*
- KIPP Gaston growth plan
- Regional budget adjustments and financial metrics
- Review board policies and publish online
- 2015-16 development goals and plan

This Year

- Long term strategic plan, i.e. number and location of new schools; quality parameters
 - School quality plan and how we achieve our goals
 - Development and fundraising plan
 - People strategy – development, retention
 - Financial sustainability and management plan

Region – Budget

Notes on Regional Budget

- Each school has been well involved in the budget creation process. Teacher salaries were increased regionally this year, and school level budgets have been separated to support school level autonomy and resourcing.
- The bottom lines for each budget are lean at this time, and current cash balances are provided to show possible cash contingencies
- We have (and want to keep) a significant regional cash pool to support regional growth needs, e.g. more schools, and emergencies.
- The Shared Service Team (SST) fee is based on a per pupil recommendation suggested by our auditors. At this time, the total cost of the SST is \$694K and is 80% (\$554K) paid for by schools, \$50K paid for by a grant and \$90K paid for by CSGF.

Risks Inherent within Budget

- Like KIPP Halifax this past year, KIPP Durham will be entering its first year, which means unknown / uncertain revenue and expense categories. We have predicted the strongest budget model that we can based on leveraging current school data and researching in Durham.
- Under enrollment remains a risk for all of our newest schools.
- The KIPP Halifax loan has not been finalized, which means the equity and interest expense are estimated only. The total value of these costs could be higher, though unlikely, than predicted.

Budget Strengths

- School level involvement and management should ensure that selected supplies, equipment and staffing best support student needs.
- Gaston will close the grade gap this year and become a full K-12 model, which should allow more coverage of its debt and better data to draw future conclusions and comparisons.
- The predictive nature of KIPP Halifax's budget should be stronger as the school is in its second year.

Next Steps on Budget

- Convey bottom line and highlights to full board.
- The Finance Committee should meet to review long term strategic plan and financial model.
- Determine key risk triggers and monitor.
- Provide approved data to schools and systems to support self-management of own budget.
- If at risk mid-year, consider cutting KIPP Summit or other variable expense items.

KIPP Halifax

KIPP Halifax Loan Progress & Notes

- KIPP Foundation approved a \$1M credit enhancement Tuesday for the KIPP Halifax project.
- LISC visits our campus Thursday to discuss options for lending and learn more about our schools.
- Self Help, LISC and CSGF meet today to work out details of a loan structure.
- Self Help intends to take the loan package to its credit committee on July 1.
- Key risks within the loan deal include:
 - 1-3 year ability to cover debt service given how we enroll / grow
 - Potential under enrollment
 - Potential lack of strong leaders / teachers to support **high quality** growth

Next Steps on Halifax Loan

- Verify current project timelines and design complete date.
- Finalize loan details, specifically what Self Help and USDA will do for the loan.
- **Decide whether we want to build the KIPP Halifax building by next summer (2016) or the following (2017).**
IF
 - 2016, then
 - We need to finalize and close on the loan as expeditiously as possible.
 - Approve of the metal building design and proceed with mid-July site work.
 - Approve of CT Wilson's construction contract.
 - Ensure we fundraise or allocate funds to cover this year's interest.
 - 2017, then

KIPP:ENC

College Prep Public Schools

- We need to close on the loan later in the year, so as not to incur early interest.
- Approve of CT Wilson's construction contract in time for later start date.
- Find or plan on a contingency space – church, another school, modular units.
- We can afford to support this building this year, though the risks are given above.
- Waiting one more year will give us more flexibility in the construction schedule.
- Interest payments and construction draws can begin as soon as the loan closes.

KIPP Durham

- Holloway temporary space scheduled to be ready by July 10
- First year lease has been signed, and rent will be \$90K
- Holloway permanent design and permitting is well underway
- \$125K deposit has been made with \$100K more to go
- \$50K has been deposited toward Hardee, and this is all that's needed for some time
- Self Help is still finalizing final lease terms for review by KIPP team and board.

KIPP Gaston

- Mature revenues and expenses give sense of future debt capacity and growth potential.
- Gaston will need to consider long term growth and facility needs to accommodate current and future (Halifax students).
- Schools currently want to add a new gym, bathrooms and classroom spaces.

Addendum

Questions Posed to Charlie Wilson for KIPP Halifax Construction

1. How does your company verify what materials are appropriate for schools in terms of health and safety? As we cut costs on the project, how can we know that the quality and safety of the building is not being compromised?

Answer: We make sure all of the materials we use are safe and appropriate for a school. We work with Robert to select all materials and design elements are appropriate for a school and nothing that was not safe would be allowed by NC Building codes. There will be many options that we will review during the pricing phase such as no VOC paints, urea free doors and casework that will go above and beyond code requirements that we can evaluate. We would never recommend any cost savings options that would compromise the health and safety of the occupants of the building.

2. In terms of financing, what is the upper cost limit to us, if we cannot close on our loan until September 1? October 1? What work would this bill include?

Answer: In order to meet the schedule the most critical items are getting the metal building design started (this will be required to get a permit and have DOI review the plans). The cost for this is 30,000 and would only be charged if the project is cancelled after the design work has been done. The other critical schedule item is to get the sitework started so the building pad is ready to start the footings as soon as the permit is approved. The rough cost to do the grading and associated sitework is around 600,000 which would allow us to be ready to start the building construction as soon as the permit is issued.

3. Would you be willing to share your databank of subcontractors or the overall process for bidding out work? We would like to grow more comfortable with how costs will be lowered or maintained?

KIPP:ENC

College Prep Public Schools

Answer: We can send you the database of subcontractors we will invite to price the project but it will include over 1000 sub-contractors and suppliers. We approach the entire process with an open book philosophy so you will be able to see all of the estimates and sub-contractor quotes as we get pricing. We will prepare detailed scope of work packages to make sure all of the items that each subcontractor needs to include in their scope of work are covered and we don't have any surprises after all of the subcontractor bids are evaluated.