



Regular Meeting of the Board of Directors of Citizens of the World Kansas City

Date: Thursday, June 17th, 2021, 6:00pm

Proposed Minutes

1. Call to Order

Mr. Norris called the meeting to order at 5:35 p.m.

Mr. Norris welcomed the members of the public in attendance and gave an overview of the meeting order.

2. Roll Call by Board Chair

Present:

Ms. Brandi Finocchiaro
Mr. Jim MacDonald
Mr. Miguel Meneses
Mr. Derrick Nelson (6:05 pm)
Mr. Luke Norris
Mr. Jeff Phillips

Absent:

Ms. Maria Salcedo

Mr. Norris determined that with 5 of 7 (later 6 of 7) Board Members present, a quorum is established for purposes of holding the meeting and voting.

Prospective Board Members Dr. Sarah Hicks and Ms. Selena Rios were also in attendance.

3. Review & Consideration of Proposed Agenda

The Board did not have any comments regarding the proposed agenda.

Mr. Phillips moved to approve the agenda as proposed and Ms. Finocchiaro provided a second to the motion. The motion was unanimously approved with none abstaining.

4. Public Comments

Mr. Norris introduced himself, thanked the public on the call, and provided an overview of the public comment process and guidelines. Mr. Norris then invited public comment; no public comment was made.

5. Review & Consideration of minutes from the May 20th, 2021 regular meeting of the Board

The Board did not have any comments regarding the proposed minutes from the May 20th, 2021 Regular Meeting of the Board.

Mr. Phillips moved to approve the minutes as proposed and Mr. Meneses provided a second. The motion was unanimously approved with none abstaining.

6. Board Business (Board Diversity Committee)

- a. Review & Consideration of appointing Dr. Sarah Hicks to the vacant seat on the Board of Directors, expiring March 2022.

Mr. Meneses confirmed that, as shared last month, Dr. Hicks has completed the onboarding process and Mr. Meneses recommends her for appointment to the Board.

Dr. Hicks shared her excitement to join the Board.

Mr. Meneses moved to appoint Dr. Sarah Hicks to a 3-year term on the Board of Directors, filling Ms. Sutton's vacant seat, and expiring in March 2022. Mr. MacDonald provided a second. The motion was unanimously approved with none abstaining.

The Board welcomed Dr. Hicks.

Mr. Nelson joined at 6:05pm.

- b. Review & Consideration of appointing Ms. Selina Rios to the vacant seat on the Board of Directors, expiring March 2024.

Mr. Meneses confirmed that, as shared last month, Ms. Rios has completed the onboarding process and Mr. Meneses recommends her for appointment to the Board. Mr. Nelson affirmed this recommendation.

Ms. Rios introduced herself and shared her excitement to join the Board.

Mr. Meneses moved to appoint Ms. Selena Rios to a 3-year term on the Board of Directors, succeeding Dr. Gilbert's expired term, and expiring in March 2024. Mr. Nelson provided a second. The motion was unanimously approved with none abstaining.

The Board welcomed Ms. Rios.

7. Monthly Finance Report (Mr. Jeff Phillips)

- Finance Committee Report

Mr. Phillips reported that the school's cash position is down slightly from last month and now stands at \$608k. Further, Accounts Payable is appropriate and the final payment on the start-up CWCS loan was made in June.

Year-to-date Revenue is coming in at \$5.6m against a budget of \$6.2m. The variance is primarily in area of grants/donations; the committee does expect the majority of this to come in as planned in June, although some will bleed over in July. Year-to-date Expenses stand at \$5.5m against a budget of \$6.0m. The variance continues to be due to being in the virtual environment for the majority of the year. During the latter months of the year, those expenses ticked back up to budgeted levels.

Projected revenue is on target to \$6.8m, with a shortfall in state funding made up for in federal emergency funds. Projected expenses total \$6.1m against a \$6.5m budget. This results in a projected Net Income of \$477k, about \$400k over budget.

Further, the school's expected Days of Cash on Hand is 71 (slightly up from April); with a year-end cash position projected at \$1.2m (compared to FY20's was \$577k / 36 days on hand). Mr. Phillips affirmed the school is in good shape and above the recommended 60 days of cash on hand.

Mr. MacDonald asked what the requirement for cash on hand is; Mr. Phillips replied that the recommendation is 60 days on hand. Mr. Norris added that the state-required requirement is 3%, but MCPSC's request is 60, if not 90, days on hand.

- Review & Consideration of Monthly Financials (May 2021), including Check Register

Mr. Phillips presented the May check register without notation; the Board had no comments.

Mr. MacDonald moved to approve the check register as proposed and Mr. Nelson provided a second. The motion was unanimously approved with none abstaining.

- Review & Consideration of 2021-2022 Proposed Budget

Mr. Greenwood gave an overarching view of the FY22 budget, with comparison to the FY21 budget. The budget plans for flat, but reallocated, revenue – one of the schools' strategic goals is to lower dependence on private grants/donations; this budget reflects a step in that direction. FY22 expenses are slightly higher, but similar to FY21. Again, there is a shift in allocation – specifically FY21's CWCS loan payment is being rolled in to FY22 operating expenses. This results in a projected \$2k net income – essentially a break-even budget. Looking further at revenue, the budget shows state revenue growing to 70% from 64% (to offset the decrease in local revenue going from 16% to 11%). Salaries continue to be the highest expense (50% compared to 47% FY21) and all other expenses are close to FY21 levels. A projected break-even year will result in an unchanged year-end cash balance, but it will lower Days of Cash on Hand to 66 days (due to daily cost increase).

Mr. Hile gave a further outline of budget assumptions, as follows:

- Enrollment target of 551 students with an attendance target of 91%
- WADA payment set at \$8200 (less than FY21 and intentionally conservative)
- Summer ADA of 22
- FRL% of 60% and an ELL% of 4%.
- Decreased reliance on philanthropy, in line with the Strategic Plan
- Does not account for any of the additional ESSER-III funds the school will receive (projected at \$1.4m over 3 years).
- It does account and assume an extension of the KCPS MOU for funding equity.

Mr. Greenwood further shared that the enrollment target is beginning to approach capacity/scale. He also underscored that a WADA of \$8200 is less than the current payment level and is therefore conservative. However, the risks associated with a projected WADA are the size of the collective KC student population changing from June to August and property tax values increasing in a 2-year lag. Add: Realistic summer ADA target...conservative and reflects historical (and as a function of total WADA, relatively small). Additionally, FRL and ELL percentages are reflective of historical, but lower than prior budget numbers.

Mr. Phillips further shared that the step-down on philanthropy continues to be a long-term strategy on how to continue to wean without decreasing services...focus on self-sustainability. His recommendation was not putting ESSER-3 in budget, but rather give the school flexibility to use it in a transformative way. Lastly, he shared that although the budget does assume a successful conclusion to the KCPS MOU, KCPS is in that approval process now.

Mr. MacDonald asked Mr. Hile to remind the Board about "funding equity;" Mr. Hile replied with an overview that due to outdated statute, charter students do not receive the same per-student funding that district students do. For the past few years, KCPS has worked with charters to "level the playing field," which underscores the need to find funding equity via statute.

On the expense side, Mr. Hile shared that:

- As in previous years, staffing costs are the biggest increase
- Non-staff costs are flat as the school grows to scale
- Transportation costs are set back to pre-pandemic levels
- Targeted investments are in DEI capacity, attendance support, and student support

By and large, Mr. Hile reported, it is a conservative budget with the goal to assess our students, see where they are, and invest accordingly.

Mr. Norris asked if the biggest driver on staff increase was 3% raises or 3% overall staff growth? Mr. Hile answered both. By virtue of Middle School growth, we have had to add staff, primarily at the Middle School faculty and Elementary Special Education levels. This complimented 2% COLA, plus benefit cost increases for existing staff.

Mr. Phillips reminded the Board that the Board had discussed previously about any committee funding allocation needs and asked for Board input.

Mr. Norris shared that, in conversation with the state, a few things arise that the Board needs to stay aware of. First, the school's biggest line item (staffing) increases every year while the biggest revenue line item (state revenue) decreases every year. Many schools solve that philanthropically;

the schools that succeed at the highest levels have a high level of philanthropic giving...is the school at a point now in size where the school would benefit from a fund-raising coordinator as an institutional role? Mr. Phillips reported that Mr. Greenwood presented comparative data (from peer schools) to the Finance Committee that they are synthesizing (as a percentage of budget and per-student levels). Staffing will be relatively close to that mark, but he does expect that the facility cost burden will begin to decrease in the future.

Mr. Norris affirmed that the budget is among the most significant policy levers that the Board has to ensure that the school achieves its goals. He thinks it is important that the Board understands how the organizational structure changes - how many staff are changing? How many are being added? How are they aligned to our strategic plan?

Mr. Greenwood also interjected that this is a unique opportunity, especially with the ESSER-3 funding. The Finance Committee is focused on leveraging a transformative experience and aligning to strategic goals.

Mr. Norris requested from Mr. Phillips that, in the future, any budget reforecasts, changes, or annual budget proposals also be supplemented by an organizational chart that supports strategic plan alignment.

Mr. Phillips shared excitement about the upcoming year and shared appreciation and gratitude for Mr. Hile, Mr. Greenwood, and Mr. Brennan for their work in budget formation.

Mr. MacDonald moved to approve the FY22 annual budget as proposed and Ms. Finocchiaro provided a second. The motion was unanimously approved with none abstaining.

8. Board Committee Reports

a. Review & Consideration of 2021-2022 Board Meeting Calendar

Mr. Norris proposed that the Board continue the "3rd Thursday of the month" schedule, except July (annual retreat) and August (in deference to the First Day of School).

Mr. Phillips moved to approve the meeting calendar as proposed and Mr. Meneses provided a second. The motion was unanimously approved with none abstaining.

b. Formal Acknowledgment of Executive Director Review Completion Schedule

Mr. Norris affirmed and shared that the Executive Director's annual review is scheduled with CWCS for Wednesday, June 23rd with a copy of that review to be on file with the Board by June 30th.

He reminded the Board that this is the last year that the Executive Director's review will be completed by CWCS before transitioning to Board supervision on July 1st.

For this year's review, he reminded the Board that each member received an email from Ms. Furlong (CWCS staff) with access to a survey and an opportunity to provide feedback from a Board perspective. He asked all Board members to prioritize completion.

c. Review of Missouri Charter Public School Commission Performance Contract

Mr. Norris reminded the Board of the charter renewal process: the school had a public hearing in October 2020, MCPSC's Board gave renewal approval in December 2020, and the Missouri State Board of Education gave final renewal approval in April 2021. The Board Chair will need to sign the official renewal contract after the meeting.

Mr. Norris shared that he and Mr. MacDonald discussed this contract with Ms. Wabby (Executive Director of MCPSC) and reminded the Board that the performance contract is our "north star" and is the singular document the school is held accountable to. He encouraged the Board to increasingly become aware of, monitor, and manage towards it.

d. Governance Committee

i. Review & Consideration of Board By-law updates

In Ms. Salcedo's absence, Mr. Norris shared the following recommendations of the Governance Committee, after having received feedback from Mr. Durphy (Board attorney), and CWCS.

- Set a range of required Board members from between 7 to 11. This allows for Board needs and volunteer capacity to change, ebb, and flow while ensuring sufficient capacity.
- Establish a term limit of three consecutive three-year terms with no Board member serving longer than nine consecutive years. This will balance new perspectives with institutional knowledge.
- Committees are established by the Board, both standing and ad hoc.
- Creating a adding an Audit Committee to review and present the annual audit. This is at the request of the Board Treasurer for specific separation and accountability.
- Create the role of Chair-Elect. The Board will have to take action on this role each year. While the goal is to have a Chair serve multipole years, as the Board identifies that the Chair will term/transition out, the Board will self-manage and appoint a Chair-Elect to serve a year to collaborate with the existing Chair to ensure a smooth leadership transition.
- Establish officer terms as no more than five, one-year terms.
- Align the school's academic goals to the goals in MPCSC's performance contract to ensure the two documents do not conflate or conflict.
- More clearly define the goals, objectives, and roles of each standing committee.

Mr. Meneses moved to approve the bylaw revisions as proposed and Mr. Nelson provided a second. The motion was unanimously approved with none abstaining.

e. Board Diversity Committee (Mr. Miguel Meneses & Mr. Derrick Nelson)

i. Review & Consideration of Board Officers

Mr. Nelson reminded the Board that the following officers are proposed to serve from now through March 2022:

- Chair: Jim MacDonald
- Chair-Elect: Brandi Finocchiaro
- Vice-Chair: Maria Salcedo
- Secretary: Derrick Nelson
- Treasurer: Jeff Phillips

Dr. Hicks and Ms. Rios had no additional comment.

Mr. Norris moved to approve the bylaw revisions as proposed and Dr. Hicks provided a second. The motion was unanimously approved with none abstaining.

Mr. Hile acknowledged Mr. Norris' amazing leadership over the past 6+ years. While there will be another time to acknowledge and express appreciation, this is a huge moment in the school. Mr. Hile looks forward to Mr. Norris being a great Board member as well!

Mr. Norris expressed gratefulness and shared that leading this Board has been one of his most favorite personal and professional endeavors. He is excited and confident in the Board and in Mr. MacDonald.

9. Executive Director's Report (Mr. Jon Hile)

Mr. Hile shared that he does not have a dashboard update as it was unchanged from last month – data was locked in.

a. CWC Kansas City Fall Reopening Committee

Mr. Hile shared that the Fall Reopening Committee is comprised of Ms. Finocchiaro and Mr. Nelson (CWC Board Members), Mr. Hile and Ms. Friend (CWC Staff), and an open request for at least three parents, one teacher, and an additional staff member to join.

Objectives will be:

- Review current CWCKC mitigation strategies against CDC recommendations
- Review legal guidance around vaccinations for staff and students
- Review any operational changes necessary to accommodate full buildings
- Assess with external experts current strategies and identify any areas of improvement
- Bring any recommendations for changes to the Board as soon as possible.

Committee work is beginning and the Committee will keep the Board updated throughout the summer.

Mr. MacDonald asked when the first days for teachers and students will be. Mr. Hile answered that teachers report August 2 and students' first day is August 19.

Mr. Norris asked what the current vaccination rate for staff is. Mr. Hile answered that he will ask Ms. Friend and send that out to the Board.

b. Summer School Update

Mr. Hile reported that 230 students are enrolled in Summer School with attendance steady around 90%. There are four remaining weeks and after-school plans are underway and adjusting. The biggest adjustments are around our after-school program. Initial planning involved ending at 1p, but in the interest of increasing equity for all students, added 2 options (Upper Room onsite and Campfire offsite) that extend the day until 6p and all-day on Friday. He is evaluating both programs and adjusting supports as needed. Even though these are our partners, we want to make sure we're doing all we can to make sure our students are given a great experience.

Mr. Norris asked how the school is assessing these contracted providers? What is our feedback to ensure they are providing service? Mr. Hile responded that this is the school's first experience with contracted after-school partners; senior leadership is doing daily walk-throughs to evaluate specific points (health/masks, student/staff engagement/involvement, care given to the building, etc.). Then Mr. Hile is giving daily feedback to both programs and he is also looking forward to parent feedback (via survey) for the school as well as the partners.

c. 2021-2022 Student Recruitment Update

Mr. Hile reminded the Board that two months ago, the Board had a direct conversation about enrollment concerns. The school was sitting at 500 projected students and specifically 35 projected Kindergarteners. He is pleased to report that the school has seen tremendous growth recently, now reflected in a total projection (accepted + registered students) of 552.

His biggest excitement comes from the growth in Kindergarten: 37 (April) to 38 (May) to 50 (June). While the school is now just above the budget target of 551, staff will certainly continue forward to account for first day no-shows and attrition. Mrs. Reed has worked exceptionally hard both broadly and on a personal level. She has also hosted a few successful in-person meet-and-greet events. He is thrilled with the numbers and where the school is, but also knows there is still room to grow.

Mr. MacDonald shared encouragement and gratitude, and asked if we still have line of sight to other SchoolAppKC schools and how the trends compare? Mr. Hile responded that he will ask ShowMeKC Schools for an update.

Dr. Hicks asked what are the enrollment caps? Mr. Hile replied that each K-5 grade level capacity is three classes of 24, plus 6 over-enrolled students for a cap of 78 knowing we'll have no-shows. Mr. Norris confirmed to Dr. Hicks that the school has a Board policy on over-enrollment for lottery and throughout the enrollment season.

Mr. Meneses asked Mr. Hile to share appreciation to Mrs. Reed; the Board broadly agreed.

10. Closed Session

Pursuant to § 610.021(2) & (13) RSMo, the Board of Directors of CWC Kansas City will enter into closed session to discuss matters related to contracts and individually identifiable personnel records.

Mr. MacDonald invited Mr. Hile into Closed Session.

Mr. Meneses moved to go into Closed Session and Mr. Phillips provided a second. The motion was unanimously approved with none abstaining.

11. Return from Closed Session; report on any action taken as required.

Mr. MacDonald welcomed members of the public back into Open Session and reported that discussion related to facilities and identifiable employees. Three actions were taken that require reporting, as follows:

Mr. Meneses moved to accept the CWCS Services Agreement as presented and requested the Executive Director to develop a schedule for regular updates as to the successful completion of these services. Mr. Nelson provided a second and a roll-call vote was taken:

- Mr. MacDonald Aye
- Ms. Finocchiaro Aye
- Mr. Nelson Aye
- Mr. Phillips Aye
- Mr. Meneses Aye
- Mr. Norris Aye
- Dr. Hicks Aye
- Ms. Rios Aye

The motion was unanimously approved with none abstaining.

Mr. Norris moved to approve a facility MOU with KCPS. Mr. MacDonald provided a second and a roll-call vote was taken:

- Mr. MacDonald Aye
- Ms. Finocchiaro Aye
- Mr. Nelson Aye
- Mr. Phillips Aye
- Mr. Meneses Aye
- Mr. Norris Aye
- Dr. Hicks Aye
- Ms. Rios Aye

The motion was unanimously approved with none abstaining.

Mr. Norris further volunteered to remain the point person on continued discussion with KCPS.

Mr. Norris moved to ask the Governance Committee to draft a response to the Charter School Growth Fund. Mr. Nelson provided a second and a roll-call vote was taken:

- Mr. MacDonald Aye
- Ms. Finocchiaro Aye
- Mr. Nelson Aye
- Mr. Phillips Aye
- Mr. Meneses Aye
- Mr. Norris Aye
- Dr. Hicks Aye
- Ms. Rios Aye

The motion was unanimously approved with none abstaining.

12. Adjourn

Mr. Nelson moved to adjourn and Ms. Rios provided a second. The motion was unanimously approved with none abstaining. The meeting was adjourned at 8:22 pm.

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