APPROVED

Bridge Preparatory Charter School

Minutes

Special Meeting - Board Strategy Session

Date and Time
Tuesday July 18, 2023 at 4:00 PM

Location
Bridge Preparatory Charter School
715 Ocean Terrace
Staten Island, NY

Trustees Present
Amanda Wolkowitz, Geena Kuriakose, George Winn, Heba Nassef-Gore, Laurel Gyimesi, Mark Harmon-Vaught, Rebecca Peters

Trustees Absent
None

Ex Officio Members Present
Tim Castanza

Guests Present
Josh Moreau, Kathy Baldassano (remote), Maria Casale (remote), Rose Kerr (remote), Traci Frey (remote)

I. Opening Items

A. Record Attendance

Board members Maria Casale, Rose Kerr and Traci Frey are attending remotely via videoconference from locations not posted on the public meeting notice/agenda and

therefore not open to the public; they are not counted toward quorum or eligible to vote at this meeting.
However, there are 7 board members attending this meeting in-person which is sufficient to meet quorum for this meeting.

B. Call the Meeting to Order

Geena Kuriakose called a meeting to order on Tuesday Jul 18, 2023 at 4:05 PM.

II. Board Strategy Session

A. Financial Planning & Cash Management Strategy

L. Gyimesi thanked everyone for their attendance at today's meeting and said that part of the reason for this meeting is recognizing that we have money in our budget and savings accounts and to talk about what to do with the money to improve and enhance our school for the benefit of our students. During our charter renewal process we may need to answer questions regarding our future plans for this money; there are also restrictions and limits on how to spend the funds. She then introduced Josh Moreau, the CFO and COO of boostED Finance to share his knowledge and advice on what can and should be done with our school funds.

J. Moreau lead a discussion on the following:

- Bridge Prep has generated operational surpluses every year (partially because there is no need to pay rent and because many students qualify for additional subsidies due to special education [IEP] designation); as a result the school has savings of approximately $6.3 million. How can we spend this money without being wasteful?
- The difference between operational surplus vs. savings (operating funds are based on a single year, and must be balanced against expenditures every year; the funds left after expenses become savings which accrue over time as accumulated cash surplus. Cash surplus can be used either for school operations or for capital expenditures.
- We are already spending $4,000 to $5,000 more per pupil than the NYC Department of Education spends per pupil.
- Each year's school budget is built so that we fund every need that we expect to have - with the operational surplus used for additional funding to each budget line; we have never been unable to fund what we needed; but is there a future area or goal that we want to fund? And how would we pay for that? How can we use accrued savings to subsidize other parts of our operating budget?
- We needed to create a 5-year budget proposal to include in our charter renewal application; our current 5-year budget model uses conservative assumptions on per-pupil revenue growth; and even with increased staffing and program changes,

we still have a $2 million operational surplus in the first year and will continue to have a smaller surplus each year through all 5 years.

- Is there any area that we can solidify and strengthen with this available funding? What direction do we want to move in? What can we use savings for and what can we use operating funds for? What is the best practices for using this money? Should we fund a capital project like a computer lab or library?
- Although we are very fortunate to be recently permanently co-located in a DoE building, should we someday buy a building of our own in the future? Or lease a building for our Teachers' Institute/Practicum program? Would that need us to forma a separate corporation?
- What will NYSED find that we have not yet accomplished based on our charter? The Teachers' Institute/Practicum has not yet been fully accomplished; and student growth and proficiency on state tests needs to be addressed. Funds could be directed to these 2 areas so that we can say we have made inroads in implementing our full charter as promised.
- The mission of a charter school is to be a laboratory for the entire educational community. Perhaps more AIS in classrooms would help increase student achievements. Since a charter school mission is to figure out the best ways to educate children and spread knowledge, that could be a direction to focus our money and energy; aside from buying a building, what else can we do with the large amount of cash surplus available to us? Create a computer lab, replace classroom furniture or install white boards in each classroom; upgrading internally is some of the uses for operational surplus funds. Teachers can let us know what is needed in their classrooms.
- Perhaps in the future we can look into purchasing or leasing another building to expand into middle school. First we need to get through this 5-year charter renewal period; we can look at adding middle school later at some point.
- The next 5 years of staffing is important; our teachers (not UFT) want to know how the new UFT contract will affect them; our teachers are comparing their salaries to the UFT member salaries; we can't afford to lose teachers due to salary. There is no point in offering teacher training and professional development only to have teachers leave us for higher salaries somewhere else. We need to be able to compete against other schools in hiring the best teachers. We need to invest in our human capital, our teachers and staff. Teachers' surveys regarding what they value indicate time and salary. We already offer teachers retention bonuses and have increased their health benefits; but we need to offer a base salary to match UFT/DoE pay scale. The board would like to view the DoE salary scale and discuss this topic further; salary is not the only advantage offered by DoE which also offers longevity bonuses; but DoE also has salary caps, which Bridge Prep does not have. Since we are not regulated by the UFT contract, we can be more flexible in all aspects for our teachers.
- Investment policy vs. investment strategy *(strategy reflects policy):* the Board of Trustees needs an investment policy due to the amount of our available cash - and to direct the use of the funds. Some other charter schools receive donor funds or

use fundraising methods; donor funds are not subject to certain state regulations that we are subject to.
- Bridge Prep is the smallest charter school on Staten Island and the only charter school that doesn't have their own school building.
- Back-to-the-Future protocol - what do we want our school to look like in 2028 and what steps do we need to take now in 2023 to get there; perhaps operational or capital planning or raising salaries, opening a teacher center, or creating a leadership structure for staff; the funding needs will be determined by the structures we need to put in place to get the future we want.
- Two decisions needed: one is a technical decision on how to deploy our funds, how much cash to have on hand and how to invest the money we have. The second set of decisions are strategic decisions; where do we want to be long term and work backwards from there; we have to build out our core. Are there special projects or expansion efforts we want to invest in? We need to have the larger plans in place before we can attach dollar signs to the efforts being discussed today.
- We need to demonstrate to NYSED what we will accomplish over the coming years; we can show what we plan to do to address any area in which NYSED believes we need improvement; we know we need to improve student proficiency and have taken steps to address that already. While investing our cash surplus, we will also need to put aside a certain amount of funds to be available for any corrective action. NYSED will let us know in which areas we need to improve and that will also help to direct our decisions on future spending. The Teachers' Institute/Practicum, student outcomes and programming are what we need to be prepared to talk about with NYSED during our renewal process.
- We need to establish investments that will provide both long-term growth and short-term growth. A long-term ultimate goal could be obtaining Bridge Prep's own space, but it's fine to stay in the co-located space now and have surplus funds but not need to use them. We should be very thoughtful about not rushing out of the co-located space we were just given, it was meant for our long-term residence; it took a lot of personal/human capital getting to this point; we could look for a building or space for something specific, like an early childhood center for Pre-K and Kindergarten, or for the Teachers' Institute/Practicum.

CONCLUSIONS:

1. The *Finance Committee* will look into recommending an investment policy to the board; how to manage our assets; policy determines what is allowed to be done with funds; our policy won't be very complex.
2. Keep $1 million* set-aside (in investments) for emergency triage regarding whatever NYSED says is needed immediately to correct a situation - while we continue to think about what we want to do with the rest of the surplus *(*the $1 million set-aside may need to be voted upon by the board according to policy and procedures - the Finance Committee will look into this);*

3. The board will compare our teachers' salaries to the UFT/DoE salary model and will decide if we want to follow that scale or do something different, such as a longevity bonus or salary-step after a certain amount of time on the job. Perhaps we can look into funding TRF pensions for our teachers?
4. We need to meet our charter goals proactively; to move forward when the *Academic Committee* receives data on our students' state test scores; when we know which grades need more support, we can direct funds to those grades: extra teachers, smaller classes, or coaches. We may take action immediately and don't need to wait to hear from NYSED to address student proficiency.

B. Break

C. Board Development & Fundraising Plan

M. Harmon-Vaught offered a presentation on fundraising and lead a discussion on how that will impact board development. The following points were covered:

- Our board has not yet been active in fundraising and may wish to hold off on doing so until a later time, but since the school is currently doing more of this work, specifically with grants on the corporate/foundation side, it may be worth thinking about this strategically from a board aspect.
- According to the *NYC Charter School Center*, board members are the primary champions and supporters of all aspects of the charter school—including its fundraising. In fact, one of the primary responsibilities of an effective charter school board, beyond governance issues, is
  to ensure the fiscal viability of the school through continual fundraising and development efforts. They should be relentless advocates for the school in asking for financial donations from the many people they know in their professional and personal networks.

Questions the board needs to consider:

- What is our actual funding need?
- What is our philosophy on use of public and private dollars to run the school?
- What is the board's appetite for assuming formal fundraising responsibilities in some capacity?
- What is the board's fundraising role? How would we operationalize this effort effectively and equitably? How might we go about it?
- Some boards have a written or unwritten minimum give or give-get expectation from all board members. Some CMOs separate fundraising from their school boards due to NY State requirements of public bodies. We could form an advisory board for fundraising *(per Bylaws Art III, §H)* or create a "patrons group".
- Should we formally or informally adopt a philosophy of using per-pupil public dollars to support the core instructional mission and school operations? And use private philanthropic dollars to support growth initiatives, capital projects, shared

services/overhead, and student success programs? We already pursue private funding from corporate and foundation donors and small-scale private donor support from families and community members (e.g. dinners and special events).
- While sizable financial gifts from individual donors are always welcome, is that what our school needs right now?
- Should our board fundraising strategy focus on grant-seeking and other corporate/foundation gifts?
- Would we seek philanthropic gifts to support operating expenses or strategic initiatives, capital projects, and growth (e.g. teacher training academy)?
- Should we form an advisory committee?

Assuming we want to move forward we would need to:
1. Work with the school to articulate a case for support and an external resource development plan that determines the key fundraising channels the school will pursue.
2. Codify our philosophy for and mechanisms of fundraising .

At this point, M. Harmon-Vaught welcomed feedback and questions from the attendees.

- A question was raised about whether donations from sitting board members might be considered nepotism if an ineffective board member was contributing money that could cause the board member to be retained simply because of the donations possible. The response was that situation might be a concern, but our board members have set term-limits, regardless any monetary largess.

Proposal by M. Harmon-Vaught: Establish an advisory board *(with bylaws' amendments)* Unlike the Board of Trustees, an advisory board holds no formal fiduciary duties under NYSED. The advisory board would need not hold public meetings or meet at a set schedule. An advisory board could help us establish a long-term pipeline for trusteeship; helping us to develop relationships with the community, helping us with grant-seeking, etc. We have sufficient funding to keep our school ongoing, so money is not an immediate concern, but how do we fulfill the other part of our mission, which is to expand our impact beyond the school?

- Would we need to set-up a Development Office for fundraising/grant writing, etc. with a staff that monitors applications, researches foundations for funding, crafts applications, submits applications, tracks spending, generates updates to the foundations? This is a huge undertaking. The E. D. responded that other charter schools have established development teams to handle this for them, usually during their 2nd or 3rd charter term. It is too early in our school's first term to set this up, but it's a good idea and can be considered during our 2nd charter term. Currently we use a combination of a staff member and an outside consulting agency to help with our grant writing. It would be good to slowly build up a Development Office and hire dedicated staff to run it.

- Reaching out to donors is not only about money, but also gets our school noticed and spreads brand-awareness, for marketing and growth.
- We need a clear vision for fundraising; we must decide what it is that we want to fundraise for. Our fundraising needs to be tied to something and we need to decide what our goals will be. Let's identify things for fundraising that improve the quality of experiences for our students. What is the vision and mission of our school, and what do we want to do that is different and more progressive than any other school?
- E.D. and his leadership team should let the board know if there are any items that are needed for the school that are not being included in the co-location renovation which can become a fundraising goal.
- We should focus on finding a purpose for fundraising that will expand our impact beyond the school itself.
- M. Harmon-Vaught suggested that the *Governance Committee* be tasked with reviewing the viewpoints and come up with a proposal regarding focus, purpose and plans for fundraising; that proposal can then be presented to the entire board at an upcoming meeting.

D. Closing Items

E.D. T. Castanza said that he benefitted from attending the *NYS Charter Schools Conference* and the *National Charter Schools Conference*. He learned strategies and what other charter schools fund and what they do and programs they have; and he asks that board members accompany him to these types of conferences. The next *NYS Charter Schools Conference* is in October in Albany and other schools' board members attend these conferences. Last year he went to dinner with boostEd and the Board Chair from a school in Yonkers and learned a lot; sometimes he learns what we do better than the other schools and sometimes he learns what they do differently. The *National Charter Schools Conference* next year is in Boston in June. He will share the dates of the conferences with our board; he brings different team leaders to conferences and would like our board members to attend too. It's a good way to learn what's out there and what can be done.

L. Gyimesi added that she thinks what we are doing forming the Teachers' Institute/Practicum is phenomenal and is something that no other school is doing; we can be a model for other schools. We are offering it to our own teachers first, but we can maybe broaden the reach of what we can do with the Practicum. Dr. Betty Rosa, *NYS Education Commissioner* told E.D. about a new program at SUNY New Paltz on the *Science of Reading* and she suggested that we reach out to them.

A. Wolkowitz said that our school's alumnae and families would be the perfect envoys to spread the story of our school's successes since they truly are our best emissaries and she is sure they would be very willing to help.

E.D. added that we have looked at creating a student ambassador program. The *NYC Charter School Center* will be holding large-scale events in the Fall and our school is being featured in the "Innovation" section of their public outreach.

G. Winn said that Bridge Prep also needs to look into structuring a 501(c)(3) since that would affect how fundraising and donor money would flow.
E.D. added that he will learn more about capital project funding this summer; what is possible and what are the limitations. He will collaborate with M. Harmon-Vaught to find ideas and focus on funding needed projects.

III. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 7:02 PM.

Respectfully Submitted,
Kathy Baldassano