

APPROVED



RePublic Schools

Minutes

RePublic Board of Directors Meeting - April

Date and Time

Thursday April 27, 2023 at 1:00 PM

Location

<https://republiccharterschools-org.zoom.us/my/ashleygallimore>

Directors Present

A. Green (remote), D. George (remote), E. Huffman (remote), J. Hanks (remote), M. Christy (remote), W. Caldwell (remote)

Directors Absent

D. Jarman

Guests Present

A. Bass (remote), A. Gallimore (remote), Glenn Turtel (remote), Joe Keeney (remote), K. Heffel (remote), S. Landry (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

E. Huffman called a meeting of the board of directors of RePublic Schools to order on Thursday Apr 27, 2023 at 1:00 PM.

C. Approve Minutes

W. Caldwell made a motion to approve the minutes from Board Meeting on 12-15-22.

M. Christy seconded the motion.

The board **VOTED** to approve the motion.

II. CEO Report

A. CEO Update

Ashley Davis-Gallimore gave the CEO update as the new CEO of RePublic Schools. She gave general reflections for her first few weeks in the role laid out the top priorities for her first 90 days.

Top Priorities over next 90 Days:

- Scholar and family listening tour to understand deeply what the experience of our families are like. We have done a great job understanding staff perspectives, but we have room to grow in terms of our understanding of the perspectives of families and scholars. We will be having roundtable discussions in each region. Key take-aways will be shared at the June Board meeting.
- Ensuring a smooth Quarter 4 closeout this year including the completion of testing and analysis our scholar performance to action plan for next year. Ashley gave a report out of our scholar retention to date: 94% of scholars retained in MS; 90% of scholars retained in TN. There was also a report out of staff retention to date: 80% of teachers across the network.
- Ensuring that Nashville Prep has a lease to execute. Ashley reported that a final decision on the lease will be made by the beginning of June.
- Ensuring that we are looking ahead and on track to start next year strong. Ashley reported working with principals on a clear and transparent budget process; a final budget proposal will be made to the board at the June meeting.
- Summer and School Launch Plan
- Strategic Plan Implementation

III. Finance Report

A. Finance Update

Wood Caldwell gave the finance report. The finance committee met to discuss the state of finances at RePublic.

Stacie Landry of 4th Sector Solutions reported on the financials of RePublic Schools Inc, which were included in the board packet.

Stacie Landry of 4th Sector Solutions reported on the financials of RePublic Schools Nashville, which were included in the board packet.

B. Investment Opportunity

Wood Caldwell called for a discussion on investing RePublic's excess cash.

Glenn Turtel presented options for investing cash with information on risks and benefits.

Wood Caldwell discussed concerns about risks of presented options, and he recommended waiting until the June meeting to pause discussions on investment in treasuries so that the board can monitor the status of the national debt ceiling and interests rates.

Glenn Turtel recommending setting up a mechanism for investing in treasuries while waiting until June to vote on whether RePublic will invest in treasuries.

Erika Berry asked for best practices from other charter schools. Wood Caldwell stated that he would reach out to other networks between now and June to inform the discussion at the next meeting.

Joe Keeney of 4th Sector Solutions discussed the fact that many schools are considering what to do to invest their extra cash. He stated that other charters review several different options from many different financial advisors.

Glenn Turtel recommended getting a line of credit from Pinnacle for RSI in order to increase cash-on-hand in June.

C. Batch Financial Vote

W. Caldwell made a motion to Approval is requested to update the signers on all bank accounts with Hope Credit Union, Wells Fargo, and Pinnacle Financial Partners to Ashley Davis Gallimore, Erika Berry, Wood Caldwell and Glenn Turtel Approval is requested to update the signers on all bank accounts with First Commercial Bank to Ashley Davis Gallimore, Erika Berry, Wood Caldwell, Anthony Vernaci and Glenn Turtel Approval is requested to open a Working Capital Line of Credit for up to \$1,250,000 of borrowings. The expected terms are: (1) rate to be between Prime + 0% to Prime + 0.50%; (2) Term to be 1 year; Fixed charge coverage ratio covenant of 1.10X; (3) Commitment Fees of 0.2%-0.3% (plus legal) Approval is requested to guarantee RePublic Schools Nashville's Line of Credit consistent with the prior line of credit. Approval is requested to open a new account with Raymond James with the signers being Ashley Davis Gallimore, Erika Berry, Wood Caldwell and Glenn Turtel. This account will initially be used to invest in

Treasuries and money market mutual funds. Approval is requested to open a new account with TreasuryDirect.gov with any or all of the following signers: Ashley Davis Gallimore, Erika Berry, Wood Caldwell and Glenn Turtel. This account will initially be used to invest in Treasuries and money market mutual funds. Approval is requested to update the company's investment policy to allow for the investment in Money Market Mutual Funds, Treasuries and Certificates of Deposits. Approval is requested for the Chief Financial Officer or the equivalent (including Glenn Turtel currently), the Board Treasurer and/or the Chief Executive Officer to manage the company's investments. Approval is requested to update the signers on all bank accounts (including RePublic High School LLC) to Ashley Davis Gallimore, Erika Berry, Wood Caldwell and Glenn Turtel. Approval is requested to renew the company's Working Capital Line of Credit for up to \$800,000 of borrowings. The expected terms are: (1) rate to be between Prime + 0% to Prime + 0.50%; (2) Term to be 1-2 years; Fixed charge coverage ratio covenant of 1.10X; (3) Commitment Fees of 0.1%-0.3% (plus legal); Guaranty by RePublicSchools, Inc. (we requested that the guaranty be eliminated). Approval is requested to execute an amendment to lower the rent on the lease between RePublic High School LLC and RePublic Schools Nashville to the higher of \$62,000/month or what Pinnacle Financial Partners approves (the lender on the RePublic High School facility). The amendment would be retroactive to July 1, 2023 if allowable by Pinnacle. Approval for Wood Caldwell to sign the amendment on behalf of RePublic High School, LLC and for Erika Berry to sign the amendment on behalf of RePublic Schools Nashville.

E. Huffman seconded the motion.

The board **VOTED** to approve the motion.

D. Batch Vote on Authorized Users of Financial Accounts

W. Caldwell made a motion to Approval to remove the following authorized users on all Mississippi (RSI) bank accounts including Hope Credit Union, Wells Fargo, and First Commercial - Stewart Hood, Laurie Brown, Leroy Harris, Glenn Turtel, Jon Rybka. (Wood Caldwell will remain on the account). Approval to add the following authorized users on all Mississippi (RSI) bank accounts including Hope Credit Union, Wells Fargo, and First Commercial - Angela Bass, Stacie Landry, Trey Vernaci, Erika Berry, Ashley Davis-Gallimore. (Wood Caldwell will remain on the account). Approval to add Kemi Alara as an additional authorized check signer at First Commercial Bank so that she can sign local checks in the absence of Trey Vernaci.

E. Huffman seconded the motion.

The board **VOTED** to approve the motion.

IV. Organizational Updates

A. Academic Update

Kevin Heffel gave the academics update, with the following key highlights:

- MS and TN schools are currently in state testing, with the window open until May 10.
- MS 3rd graders are required to pass a 3rd grade literacy testing referred to as the "reading gate." They will otherwise be retained in 3rd grade.
- The TN high school must take the ACT, AP, and EOC exams.
- NWEA MAP assessments were taken in the winter, and they give us insight into where we are seeing strengths and where we need to focus.
- We anticipate results in late June or early July.

B. SY23-24 Strategic Initiatives

Ashley Davis Gallimore gave an overview of the SY23-24 Strategic Initiatives. They are:

- For the network, we will:
 - Adopt an anti-racist framework and audit our practices.
 - Offering high quality electives and specials courses for all scholars.
 - Decrease the number of students who are chronically absent.
- By region, we will:
 - MS - Focus on growth and expansion
 - TN - Focus on improving scholar enrollment and retention

C. Regional Advisory Board Progress

Angela Bass gave an update on regional advisory board progress.

In Mississippi, she presented key advisory board benchmarks in each quarter for next year, which were:

- Quarter 1: Facilitate a regional advisory board retreat to collect feedback on strategic growth and expansion plans.
- Quarter 2: Facilitate a regional advisory board meeting in which the recruitment/enrollment plan and draft "greenlighting" protocols are shared and plussed.
- Quarters 3 & 4: Regional advisory board begins work on a key sub-initiative that may include the following areas where we will likely need support:
 - Facilities and finance
 - Marketing/enrollment
 - Political and regulatory environment

- School model and pathway planning

In TN, the regional advisory board has been meeting to create action plans addressing scholar retention and enrollment. They have now completed a plan, and they are ready to begin executing the plan as we head into the summer.

D. Vote for School Calendars for SY23-24

A. Green made a motion to Approve the SY23-24 School Calendars for TN and MS schools as they are presented.

W. Caldwell seconded the motion.

The board **VOTED** to approve the motion.

V. Closing Items

A. Adjourn Meeting

E. Huffman made a motion to Adjourn the meeting.

W. Caldwell seconded the motion.

The board **VOTED** to approve the motion.

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 3:00 PM.

Respectfully Submitted,

E. Huffman

Documents used during the meeting

- 2022_12_15_board_meeting_minutes.pdf
- 4.27.23 Board Meeting_CEO Update.pdf
- RSI Consolidated Financials_March Financials_V1.pdf
- RSN Consolidated Financials_March Financials_V1.pdf
- RePublic Schools April 2023 Investment Presentation 4-18-23.pdf
- Academics_Board Update_4.27.23 .pdf
- 4.27.23 Board Meeting_SY24 Strategic Initiatives.pdf
- RCS 2023-2024 School Calendars - FINAL_ 23-24_ MS.pdf

- RCS 2023-2024 School Calendars - FINAL_ 23-24_ TN.pdf