

APPROVED



## RePublic Schools

### Minutes

#### RePublic Board of Directors Meeting - June

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##### **Date and Time**

Thursday June 15, 2023 at 1:00 PM

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##### **Directors Present**

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

##### **Directors Absent**

A. Green

##### **Guests Present**

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

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#### **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 Jun 15, 2023 at 1:08 PM.

##### **C. Review Minutes**

##### **D.**

### **Approve Minutes**

W. Caldwell made a motion to approve the minutes from RePublic Board of Directors Meeting - April on 04-27-23.

D. George seconded the motion.

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

## **II. CEO Report**

### **A. CEO Update**

Ashley Davis Gallimore gave the CEO report. She presented her progress against her first 90 day goals.

She also gave information about Quarter 4 Close-Out processes across the network, the Nashville Prep lease, scholar and staff retention, and planning for a strong start for next school year. She also announced the hiring of Cody Schumaker, who will be the TN Regional Executive Director.

Information from the CEO update was included in the board meeting packet.

## **III. Finance Report**

### **A. Budget for SY23-24**

Stacie Landry from 4th Sector Solutions gave a report on the FY24 Budget Process. She reported that school-based leaders played a significant role in creating each of the school's budgets.

Landry gave a comprehensive presentation on the projected revenue and expenses within all RePublic Schools Inc. (RSI/MS) school-based budgets as well as projected enrollment for next year. All information was included in the board meeting packet.

Landry gave a comprehensive presentation on the projected revenue and expenses within all RePublic Schools Nashville (RSN/TN) school-based budgets as well as projected enrollment for next year. All information was included in the board meeting packet.

Landry discussed closely monitoring performance on enrollment targets in TN over the summer and updating the forecasts accordingly.

Landry also gave a comprehensive presentation on the projected revenue and expenses within the CMO budget. CMO budget information was also included in the board meeting packet.

Landry discussed current plans that schools are making to adjust personnel and operations after ESSER funding expires.

#### **B. Batch Financial Vote**

W. Caldwell made a motion to Motion to approve the FY24 budget for all schools & both companies based on the budget provided in this presentation.

M. Christy seconded the motion.

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

#### **C. Finance Update**

Landry presented the April 2023 financial update including the RSI and RSN financial forecasts and performance. This update was included in the board meeting packet.

#### **D. RFP Approvals**

Landry gave report on RFP processes and presented each vendor who won bids.

W. Caldwell made a motion to accept the RFP summary as presented, approve the FY24 projected prices for all services outlined for RSI and RSI, and authorize the organization leadership to negotiate and execute contracts with vendors at the price points as listed in the summary.

M. Christy seconded the motion.

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

#### **E. Capital Expenditure Threshold Change Approval**

W. Caldwell made a motion to increase the current threshold limit for capitalized items from \$500 to \$1000 capitalize all highly walkable items.

M. Christy seconded the motion.

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

#### **F. Bank Authorized User Approval**

W. Caldwell made a motion to Remove the following signers on Pinnacle accounts 5916502, 800104467097, 5471654, 3000065619, 800104852231, 800105093777: Glenn Turtel, Laurie Brown, Leroy Harris, Stewart Hood, and Jonathan Rybka and add the following signers: Ashley Davis Gallimore, Erika Berry, and Angela Bass.

M. Christy seconded the motion.

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

#### **G. RSI and RSN Capital Line of Credit Approval**

W. Caldwell made a motion to open a Working Capital Line of Credit for up to \$750,000 of borrowings with the following expected terms: (1) rate to be between Prime + 0%; (2) Term to be 1 year; (3) Fixed charge coverage ratio covenant of 1.10X; (4) Commitment

Fees of 0.25% (plus legal); (5) Bank: Pinnacle Financial Partners; (6) Potentially a guaranty by RePublic Schools Nashville.

M. Christy seconded the motion.

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

W. Caldwell made a motion to approve Wood Caldwell or Ashley Davis Gallimore to sign all legal documents related to RePublic Schools, Inc.'s Working Capital Line.

M. Christy seconded the motion.

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

W. Caldwell made a motion to guaranty RePublic Schools Nashville's \$800,000 Working Capital Line of credit.

M. Christy seconded the motion.

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

W. Caldwell made a motion to renew the company's Working Capital Line of Credit for up to \$800,000 of borrowings with the expected terms: (1) rate to be between Prime + 0%;

(2) Term to be 1 year; (3) Fixed charge coverage ratio covenant of 1.10X; (4)

Commitment Fees of 0.25% (plus legal); (5) Bank: Pinnacle Financial Partners; (6)

Guaranty by RePublic Schools, Inc.

M. Christy seconded the motion.

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

W. Caldwell made a motion to approve Wood Caldwell or Ashley Davis Gallimore to sign all legal documents related to RePublic Schools Nashville's Working Capital Line.

M. Christy seconded the motion.

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

W. Caldwell made a motion to to guaranty RePublic Schools, Inc.'s \$750,000 Working Capital Line of credit.

M. Christy seconded the motion.

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

#### **IV. Organizational Updates**

##### **A. Spring Academic Update**

Kevin Heffel gave the academics update. He presented the 2022-23 NWEA MAP Assessment results from each school. He shared data showing that scholars are achieving growth goals, but that on average, a large percentage of our scholars are not yet performing on grade level in reading and math.

Heffel presented the network plan to increase the percentage of scholars reading on grade level. The plan includes the following strategies: Foster a culture of reading; Teach scholars to read (regardless of their grade); Measure reading levels in a way that everyone can understand; Increase the amount of grade-level reading that scholars are doing at home and at school across content areas.

Heffel also presented information on the third grade state literacy assessment in MS.

##### **B.**

### **SY24 Board Priorities**

Erika Berry gave a presentation on SY24 Board Priorities to highlight board plans for next year.

## **V. Other Business**

### **A. SY24 Board Meeting Dates**

W. Caldwell made a motion to set the next meetings for the following dates and times:

Thursday, August 17, 2023 from 1-3PM Thursday, October 19, 2023 from 1-3PM

Thursday, December 14, 2023 from 1-3PM Thursday, February 15, 2024 from 1-3PM

Thursday, April 18, 2024 1-3PM Thursday, June 20, 2024 from 1-3PM.

M. Christy seconded the motion.

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

## **VI. 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 2:58 PM.

Respectfully Submitted,

W. Caldwell