Democracy Prep Baton Rouge

Minutes

Board Meeting

Date and Time
Tuesday February 26, 2019 at 6:15 PM

Location
4055 Prescott Road, Baton Rouge, LA

Committee Meetings will commence at 6:00pm.

Directors Present
A. d’Aquín, C. Lamond, E. Campbell, E. Martin, J. Richey, M. Walters

Directors Absent
None

Guests Present
Andrew Stubbs, Ashley Livingston, Candice Delgado, G. Chassee, Hannah Twillman, Jon Harsch, Keli Swearingen, Kent Anker, Linda Easton, Ryan Offutt

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order
E. Martin called a meeting of the board of directors of Democracy Prep Baton Rouge to order on Tuesday Feb 26, 2019 @ 6:21 PM at 4055 Prescott Road, Baton Rouge, LA.

C. Approve Minutes
M. Walters made a motion to approve minutes from the Board Meeting on 11-13-18.
E. Campbell seconded the motion.
The board **VOTED** unanimously to approve the motion.

**II. Committee Reports**

**A. Finance Report**
Mr. Martin tabled the finance report for the Network Update.

**B. Governance Report**
Mrs. Emily Campbell, Democracy Prep Baton Rouge Board Member, spoke about the committee's desire for a board retreat and have a teacher spotlight at future meetings.

**III. School Update**

**A. School Update**
Ms. Michelle Gieg, Executive Director of Democracy Prep Baton Rouge, began by reporting the February 1, 2019 enrollment count the school reported to that State. Democracy Prep Baton Rouge reported a 524 headcount to the state. In terms of staffing, the school attrited one staff member for forecasting purposes and had two staff members resign for personal reasons.

In terms of academic benchmarks, the school has seen growth between Trimester 1 and Trimester 2 based upon the Trimester Two Assessments.

Ms. Gieg went on to report that the positive academic results have been due to a shift in curriculum, setting goals against it and a change in intellectual prep and content expectations. This week 2nd grade through 8th grade will be testing again. These results will give the school a more detailed look at scholar progress.

Mr. Martin asked if the shift in curriculum was a local or global shift with respect to Democracy Prep nationally.

Ms. Gieg stated that the shift in English curriculum is a local shift to KIPP’s Wheatley curriculum for grades 2-8. Democracy Prep Baton Rouge also just submitted the SuperApp to the state where the school has aligned all of next year's curriculum to Tier 1 curriculum as approved by the Louisiana Department of Education.

**IV. Network Update**

**A. Update**
Mrs. Natasha Trivers, Interim Democracy Prep Public Schools Chief Executive Officer, introduced Mr. Ryan Offutt, Democracy Prep Public Schools Board of Director's Chair and Mr. Andrew Stubbs, acting Democracy Prep Public Schools Chief Financial Officer.

Mr. Offutt explained that the previous Democracy Prep Public Schools CFO had left the company since the last Baton Rouge board meeting and that the concern around finance is felt throughout the network. Democracy Prep Public Schools is working toward becoming more fiscally responsible. When the CMO was created in 2012, the school was quite thrifty and in expansion has lost some of that philosophy. As a result, DPPS is working hard being much more transparent with finances.

Mr. Offutt stated that outside of New York, regions have not done a great job in paying their CMO fees. Because of that, DPPS is working towards balancing that equity.

Mrs. Trivers highlighted that transparency is crucial in making sure that our program works in each region and that DPPS takes that fiscal responsibility very seriously.

Mr. Stubbs gave a financial update. He reported that DPPS has a new controller onboard and will be working towards better money management. Cash flow is not
great in Baton Rouge. Of the vendor payments still pending, Democracy Prep Baton Rouge has about $300,000 older than 60 days. Mr. Stubbs also reported that Mr. Greg Spreeman, former Democracy Prep Public Schools Chief Financial Officer, transferred money from another school’s account to fill a deficit in our payroll. Democracy Prep Baton Rouge also has $469,000 outstanding in CMO fees.

Ms. Gieg stated that part of the financial discrepancy, she believes, is bussing costs and that DPBR was told that the cost for bussing was accounted for in the FY18-19 budget. Ms. Gieg also responded that DPBR has been consistently told by DPPS that the school is the most fiscally responsible in the network.

Mr. Offutt commented that DPPS did not get timely actuals from the finance department and were making budgets without good numbers. But that, in order to have better dealing with expenses, both DPPS and DPBR need to also look at revenue streams.

Mrs. Trivers said that in order to help with revenue, the school needs to look at getting more children into DPBR and looking at other money saving or earning actions.

Mr. Offutt responded by adding that DPPS’s reluctance to pursue philanthropy is something that DPPS is looking into. He stated that DPPS has never operated with a “war chest“ and has spent money as fast as it has earned it. But in order to grow effectively nationally, DPPS needs to look at large foundations for their support.

Ms. Allyson D’aquin, Democracy Prep Baton Rouge Board Member, asked who is looking at grants.

Mr. Offutt replied that DPPS has had some encouraging conversations about philanthropy and will continue to pursue that resource. DPPS loves what is happening in Baton Rouge and see it as an integral part of the regional team.

Mr. Jon Harsh, Democracy Prep Baton Rouge Senior Operations Manager, asked how can Democracy prep Baton Rouge help with grants?

Mr. Kent Anker, Democracy Prep Public Schools Executive Vice President, said that the team in New York is developing ways that schools can help with grants.

Mr. Martin summarized the finance report by saying that total debt is about $753,000. DPBR owes the cmo $459,000 and $353,000 to vendors. DPBR cannot take the hit all at once, so there will need to be a sound budget, get great enrollment in order to continue to operate. and develop a debt schedule to draw down expenses. The board does have some concerns with market saturation and what that problem poses along with smaller post flood population.

Ms. Gieg added that she spoke with Mr. Stubbs regarding the rest of the fiscal year, and looking at the BVA and DPBR can afford the rest of the year based on actuals, with some cuts to programs in strategic places.

Ms. D’aquin asked that before the next meeting the board needs further clarity on the financials and that surely Ms. Gieg will get further direction from DPPS about how to move forward.

Mrs. Walters closed the meeting by complimenting the staff on how wonderful they have all worked and strived through this time.

V. Motion
A. **Motion to change meetings to monthly**
   E. Campbell made a motion to meetings are now once a month, starting on March 12th until otherwise voted upon.
   J. Richey seconded the motion.
   The board **VOTED** unanimously 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 8:40 PM.

   Respectfully Submitted,
   E. Martin