**MINUTES**

Excel Academy Charter School Board of Trustees

May 18, 2016

Boston Private Bank, 10 Post Office Square, Boston, MA

Board Members Attending In Person: Chris DeLorey (Chair), Tom Ellis (Treasurer), Juan Rivera (Vice Chair), Cait Reimers Brumme, Ben Howe, Steve Mugford

Members of the Public Attending: Megan Preiner, Seth Reynolds

Staff Attending: Owen Stearns (CEO), Shane Dunn (Managing Director of Strategic Growth and Development), Andrew Solomon (Managing Director of Finance and Operations)

Chris DeLorey, Board Chair, called the meeting to order at 8:30 am and presided over the meeting. Shane Dunn kept the minutes of the meeting.

1. **POLITICAL LANDSCAPE UPDATE**

Owen Stearns updated the board on the current political climate related to charter schools. In April, the State Senate passed a bill that was unfavorable to charter schools. Because of this, there will likely be a ballot question for voters to vote on in November. As a public school, Excel can’t commit school resources to advocating a position, and board members need to be cautious about their communications.

1. **FINANCE AND FUNDRAISING UPDATE**

Since the last board meeting, FY17 tuition projections came back much lower than expected due to a new policy DESE has adopted related to the definition of economically disadvantaged students. With many immigrant and undocumented students, Excel and similar schools were hit very hard, on the order of ~$800K less in expected tuition revenue in FY17. Because of this, there is a lot of uncertainty in our numbers next year and in future years.

Excel is working with partners (district, state, charter) to advocate for a change in the language and to ensure we have access to tuition revenues for our high-needs students.

Excel will also be more proactive and assertive in ensuring our parents are signed up for state-based welfare programs, which is the trigger for low-income designation. Our low-income numbers, per DESE, went from 78% to 49%, which has a huge impact on our budget.

As a result of this change, Andrew has worked with budget heads across the network to prepare for expense cuts: 15% from the Network Team, 20% school culture cuts, reduction of time for Yutaka in future years.

Andrew will keep the board informed as we receive updated information from DESE.

1. **STRATEGY UPDATE**

Owen outlined his current thinking about our future organizational strategy. Foundationally, our 5-year model is tight regardless of how tuition comes in. We are not well prepared to nimbly move through these funding changes, nor for future growth or enhancements with current resources. One broad structure issue is that our teacher salaries are below market and still go up 3 percent annually but now our tuition increases do not match that salary increase.

Owen is thinking through a new model that was presented to the board: increasing the size of our middle school footprint (operate two 224-student middle schools, two 448-student middle schools) and add one high school (two 672-student high schools) to get to 2,688 students. This could be possible if the cap lifts, but if it doesn’t there are 2,000+ seats open in adjacent, neighboring communities (although most have lower per-pupil reimbursement rates).

In addition to this strategy, senior leadership will be participating in a couple of fellowship/accelerator programs in the coming year to design new models that could move Excel forward.

Along with questions from the board, Owen re-affirmed our commitment to being a public school that operates, at high quality, within the public reimbursement we receive. The plan is for the board/organization to have a plan on its strategy within the next year.

1. **FUNDRAISING UPDATE**

Owen updated the board on fundraising to date. Year to date commitments are over $2.5M. Future years will be more difficult as our need continues to change. The Celebration of Excellence is two weeks away and board members will be filling tables.

1. **ADJOURNMENT**

Meeting adjourned at 11:05 am. Next meeting is on June 7, 2016 at 6:30 pm.

List of Documents Presented at the Meeting*:*

1. CEO Strategy Document
2. 5-Year Financial Model

Respectfully Submitted,

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Chris DeLorey, Chair