

North Oakland Community Charter School (NOCCS)  
**General Board Meeting**  
@ 6:00 pm October 17, 2012  
1000 42nd Street, Oakland

Our Overarching Role as Board Members:

*Serve as pro-active stewards of NOCCS' sustainability and growth, in alignment with its guiding principles*

Outcomes

Better understand the current state of the school  
Make progress on strategic priorities; fine-tune implementation strategies  
Address emerging policy issues  
Agree on next steps

AGENDA

Present: Ken Sommer, Wendy Barry-Owen, Erica Mackie, Carolyn Gramstorff, Jay Weil, Michael Schwartz, Victoria Folks, Kristin Zimmerman, Katherine Orr, Li-Mei Johnson, Mara Benitez, Jenny Bond, Kate Hayes, Eric, Miles

Meeting called to order at 6:10 pm

**Public Comment**

Thank you to Katherine Orr--last meeting before maternity leave.

**Approval of Minutes :** Will approve September and October minutes at the next Board meeting

**Proposal to create Strategic Plan Committee:**

- Wendy reports she was floater between committees--nothing getting done.
- Suggested to exec comm. to create sub committee for community goals
- Exec. Comm. suggested it be a sub committee to the Exec. comm.--would be more productive.
- Follow up--Someone from committee would report to Board at each meeting and keep us focused.  
Li-Mei stated that this was always the plan but nobody joined the committee.
- Mara-point of clarity-that committee is designed for oversight not to implement the strategic plan.
- Wendy clarifies that community objective could be brought into one place.
- Carolyn clarifies that strategic planning ad hoc committee would oversee and own the community goals
- Li-Mei, Wendy, Carolyn and Jenny volunteer to join.

**UC Berkeley Board Fellows Program Awards**

- A program at Haas MBA school--trying to match Haas MBA students to serve as non voting members of the board of non profits. They are trying to gain experience on non profit Boards
- Erica Butow and Fanzi Mao are the students. Li-Mei will meet with them next Tuesday.
- **2 proposed projects**
- #1 Board governance and policies
- #2 Development and Finance--help identify different funding sources that we can go after as a school. To provide actionable list of potential sources of funding that the school can pursue.
- Needed from the Board: they need to sit on a sub committee in addition to coming to the meetings.
- Ken suggests they can attend capital campaign sub committee meetings.
- Wendy suggests they should both be on the same committee.
- Li-Mei wants to talk with them before assigning committees.
- Li-Mei is attending kick off dinner for the Fellows next Wednesday. She will report back with more information.

### **Finance Committee Report**

- **Update on SB740**--Carolyn, Josh and Jay met with Gail at OUSD and lobbied to do an administrative change to the Charter.
- Carolyn submitted a letter about how admissions preference would benefit Hoover. She is waiting to find out. Carolyn meeting with someone from CCSP on Tuesday.
- Gail transitioning out. Carolyn trying to get this decision made before she moves on.
- **Update on Lease**--As Board approved budget and lease of 20,500/month. Peter granted limited approval through September. With SB740 and trigger cuts the committee is trying to work out \$20,500 lease throughout the year.
- Originally slotted to pay \$20,500 in October. This has been changed to \$27,000 but Jay presumes we could change it back. this should not be a problem. Could write a letter to PEC or LLC stating hardship.
- Eric asks why it is more palatable for him to have the payback from PEC versus just paying \$20,500.
- Carolyn-Peter's greatest interest is that we are paying down the principal . When we were paying \$27,000, \$7,000 was going to pay down the mortgage. Loans are getting payed off and NOCCS is getting to more sustainable place with the building.
- Jay states that it's still a work in progress. By next month we will know where the election stands. And the status of SB740. We will still need to make the decision if PEC will grant money back to us.
- **Update on Special Ed.** Carolyn shares that 3 weeks ago there was a meeting of Charter leaders where the answers around the encroachment were supposed to be given. The person in control was not present at meeting.

- PEC or Special Ed. does not control their budget. They don't know or think about how they control their costs. Looking at increase of Special Ed. costs over last 5 years it is clear they just keep spending money without controls.
- A lot of push back from the Charter leaders about lack of notifications over the entire year about the encroachments.
- They stated they had already taken money out for the coding error but the encroachment was increased
- Not paying this bill has potential political impact. Carolyn has since written to CCSA stating that we need to step up and take leadership with this coalition. Probably won't get it down to zero but should be able to get it down as long as schools are in solidarity.
- Will ask the district for a letter of support. This does not take away the debt. Have to look at question, Should we leave the SELPA? Carolyn states that legal costs for district are high.
- Eric--concerned about connecting with organization that does not control costs.
- Josh, Rachel Wylde, Carolyn have met to explore what special ed. committee can do. Will submit letter next June as place holder.
- Eric asked, is it purely economic that you desire to be hooked to OUSD. Carolyn states that NOCCS has reputation for being higher economic school, "it's own island". Could help to be connected to Selpa. Also, there are good special ed. personnel versus the unknown. This committee needs to examine.
- Li-Mei-what had we planned for total spend on this? Jay-- \$31,000. We're not paying it right now because we hope they will reduce it.
- Wendy-say we did change Selpas--how would that look on the ground? Carolyn answered-it could look a lot of different ways on the ground. We would likely be hiring own resource teacher and doing contract for speech, ot and sharing with other charters. It could mean that we could offer wider range of services; more thoughtful full inclusion programs to be able to serve wider range of students. On the other side, if a severely disturbed student came and wanted to stay at NOCCS we would have to find a way to serve them and cover the costs.
- Michael asked if Carolyn wanted to talk to a healthcare lawyer? Carolyn-yes, having resources for that committee would be helpful.

## **Development Committee Report**

### Accomplishments and Progress:

- Elizabeth Cushing has accepted the position of Capital Campaign Co-Chair, working together with Ken Sommer
- A recent and exciting financial opportunity has shifted the timing and positioning of the capital campaign. We have identified an opportunity to refinance our current \$2.6 mortgage for \$3M, enabling us to pay down \$400K of the outstanding \$755K principal on the Charter Loan LLC note. We would need to pay off the remaining \$355K (plus \$100K in closing costs) by January 2013 in order for this deal to go through. The Campaign's total goal of \$1.5M remains the same, however given this financial shift; we've updated Goal #1 with 2 sub-goals. Goal #1A is \$455K to pay off the remaining debt by January 2013 and Goal #1B incorporates a Maintenance Endowment Fund for

\$565K. The total for Goal #1 is now \$1.02M (*see Capital Campaign Overview PPT for more details*).

- Capital Campaign Committee Kick-Off Meeting is scheduled for Tuesday, October 23
- Li-Mei asked why the hard date of January 23? Jay-it's a tax exempt fund and it will dwindle away. There is 75 day period once we begin the process.
- Miles asked if we wouldn't qualify for regular programs. Jay sated that it would not be at 3.9%
- Carolyn, yes we have 95-98,000 in the bank. She's not clear that we should put all that money toward fees because we won't have any money to pay Yovana to finish campaign. Should we do small capital campaign to pay off this debt? This does not help us to create development infrastructure. Thinks there are important goals in #2 and #3 that would help expand mission of school. Other question is we could pay off the building and then not have any money to maintain it over the years.
- \$565,000 fund for maintenance
- Mara-process check--is there supposed to be an action step?
- Ken clarifies that if we decide to go forward with refinance we need cash quickly. Asks Board what can you give and of that, how much can you give by January? There a few other key prospects.
- Carolyn shares additional strategy--having current Board members reaching out to past Board members from NOCCS.
- The Board enters into further dialogue on this issue and many questions are asked and discussed.
- Ken on Tuesday is first campaign committee kick off. At that point, we will look in earnest at what are prospects that we have now and what is the training we need. This starts next week.
  
- Erica-it seems like there are a lot of decisions here and if we are moving fast we need options to make the decisions. Should be a Board decision to move forward to refinance. Finance committee needs to come up with the timing for when the Board will vote on this. The size of the capital campaign and the duration should be a decision point for the Board.
- Carolyn-seems like maybe in a 1.5-2 weeks we need to have a special meeting where we can put these as decision points. We cannot take 3 months to decide.
- Virginia-if we are not making a decision point right now, we need a plan and information to help Board get informed to make decisions.
- Michael-can we schedule a meeting now for 2 weeks from now?
  
- Li-Mei-Board needs to step back and look at this objectively. Is this really in the best interest of the school?
- Carolyn-Jay would probably welcome you, Miles to put a competitor next to refinance.
- Additional decision point: The size of the capital campaign and how do you use it?
- Katherine Orr-I would want to know if the Maintenance fund is going to be put out to the community and will it be protected to make sure it stays a maintenance fund. It feels like something being tacked on when there was so much process around the other part.
  
- Carolyn-We can come up with 3 options to show help inform the Board's decisions.

- Carolyn states that Ken needs to have conversations with the Board by October 31.
- Carolyn states that the committee will get the 3 options out to the Board by end of day on October 26.
- Special Board meeting, October 30 at 6:00 pm

**Vote on Revised Appointed Board Member Admissions Preference Policy**

- Board members discuss and suggest revisions to clarify policy. Revised policy will be revisited next meeting.

Meeting Adjourned: 8:05 pm

**Closed Session**