

**YouthBuild Philadelphia Charter School  
Board of Trustees Meeting  
1231 North Broad Street – 5<sup>th</sup> Floor  
June 6, 2019**

**MINUTES**

**Present:** Martin Brigham, Charles Esser, Khalilah Lawson, Scott Lillis (arrived 9:00 a.m.), Melanie McCottry (until 9:30 a.m.), James Mergiotti, James Multari, David Thomas (arrived 8:45 a.m.), Sai Yerrapathruni.

**Attending by phone:** Timothy Daniel (until 9:25 a.m.), Jared Farbman (until 10:30 a.m.), Tiffanie Talley-Baines (from 8:50 – 10:40 a.m.).

**Absent:** Keith Anderson, Graham Brent, Erin McNamara Horvat, Kiley Smith Kelly, Roxanne Tillman, Robert Totaro.

**Guests:** Brittany Campese, Darrell Davis, Justine Sloyer, Michael Thomas.

**Staff:** Scott Emerick, Adesanya Karade, Brian Leffler, Eva Lexie, Meredith Molloy.

**Staff guests:** Ted Molloy, Annette Ortiz-Molina (for Safety Report).

**The meeting was chaired and called to order at 8:35 a.m. by Board Chair M. Brigham.**

**Welcome and Approval of Resolutions:** (M. Brigham)

M. Brigham welcomed guests to the meeting.

Minutes:

- The minutes of the regular board meeting of February 8, 2019 and the special meetings of March 12, 2019 (expulsion & form 990), March 28, 2019 (expulsions), April 30, 2019 (expulsions), and May 23, 2019 (expulsion) were distributed to the board in advance of this meeting. There were no corrections to these minutes. Nine board members were present to vote on the following resolution:
- **Motion** by J. Mergiotti: **To approve the minutes of the February 8, 2019, March 12, 2019, March 28, 2019, April 30, 2019, and May 23, 2019 board meetings as submitted.** K. Lawson second, motion **unanimously approved.**

School Calendar:

- David Thomas arrived at the meeting at this time.
- The proposed School Calendar for 2019-20 was distributed to the board in advance of this meeting and a copy is on file with these minutes. Ten board members were present to vote on the following resolution:
- **Motion** by J. Multari: **To approve the school calendar for 2019-20 as distributed.** J. Mergiotti second; motion **unanimously approved.**
- T. Talley-Baines joined the meeting by phone at this time.

**Finance Update (Part 1):** (J. Mergiotti)

Banking Resolutions:

In anticipation of electing a new Board Chair, resolutions are needed in order to replace Martin Brigham with Melanie McCottry as an authorized signer on our bank accounts. Draft resolutions were distributed to the board in advance of this meeting, and copies are

on file with these minutes. Eleven board members were present to vote on the following resolution:

- **Motion** by J. Mergiotti: **To approve the PNC banking resolutions as distributed, contingent upon the election of M. McCottry as Board Chair later in this meeting.** C. Esser second, motion **unanimously approved.**

#### Budget

- A proposed budget for FY20 was distributed in advance of this meeting, including comparisons to the budget and forecast for FY19. The proposed budget shows best case, likely, and worst case scenarios based on variations in funding. A copy is on file with these minutes. J. Mergiotti stated that the Finance Committee had reviewed the budget in detail. It is conservative, and we have a good chance of attaining the best case scenario. Salaries for some positions that began in the middle of FY19 are now being annualized. The board will be asked to approve the “likely” scenario with the latitude to move between the best and worst case as needed.
- A. Karade reviewed the proposed budget in comparison to current year projections.
  - The FY19 budget was for \$7.8M+, and is projected to come in at around \$7.6M. The difference is being carried over to next year.
  - The worst case is partly based on the possibility of having a different mix of Special Ed vs. regular students from what we anticipate. School District funding is different for the two types of students. For next year they have decreased their Special Ed rate and increased the rate for other students by 11%.
  - Some of our funding is still fluid. We have not yet received the application for next year’s DOL grant. In the worst case the grant will not begin until February.
  - The most likely scenario is based on funding that is already committed.
  - On the expense side, the worst case shows lower spending on salaries, but it is still higher than for the previous fiscal year. Some Special Ed staff were initially hired as contractors last year, but are now shown as salaried employees for FY20. There are also new positions in the Student Life department and on the Senior Management Team.
  - The worst case allows for no salary increases; a 5% increase in healthcare costs; reduced DOL student incentives; and less money allocated to the building of a café space in West Philadelphia for our CSET program.
  - The best case allows for 3% salary raises; adds \$10K for the PA YouthBuild Coalition; additional depreciation expense due to more investment in technology; and the cost of replacing our van.
  - The most likely scenario is similar to our current year, but with the added staff positions.
    - In discussion it was commented that increased staffing needs to lead to better student retention; otherwise we will need to go back and rethink.
- S. Lillis arrived at the meeting during the budget review.

Twelve board members were present to vote on the following motions:

- **Motion** by C. Esser: **To approve the budget for 2019-20 as submitted.** K. Lawson second, motion **unanimously approved.**

#### Staff salaries

J. Mergiotti stated that as Treasurer and Chair of the Finance Committee he has reviewed individual salaries in detail. He stated that they are reasonable and there are no irregularities.

- **Motion** by K. Lawson: **To approve the staff salaries as included in the budget for 2019-20.** D. Thomas second, motion **unanimously approved.**
- The board will review the ED salary periodically.

**Board Elections:** (K. Lawson)

- A proposed slate for board elections was distributed in advance of this meeting. K. Lawson reviewed the list of nominees.
- Twelve board members were present to vote on the following election motions.

Board elections – term renewals:

- **Motion** by J. Mergiotti: **To approve the re-election of Charles Esser, Tiffanie Talley-Baines, David Thomas and Sai Yerrapathruni each to a three-year term on the Board of Trustees.** J. Multari second; motion **unanimously approved.**
- **Motion** by M. Brigham: **To approve the re-election of Keith Anderson, Graham Brent, Timothy Daniel, Kiley Smith Kelly, and James Mergiotti each to a two-year term on the Board of Trustees.** D. Thomas second; motion **unanimously approved.**

Board elections – new members:

A resume or bio of each of the nominees was distributed to board members in advance of the meeting. One of the nominees is an experienced board member returning after some years off, and three are new to the board but have been serving on committees. One of these is an alumnus of YB Philly.

- **Motion** by C. Esser: **To approve the election of Nicole Connell, Darrell Davis, Isaiah Johnson and Samuel Olshin each to a one-year term on the Board of Trustees.** M. McCottry second; motion **unanimously approved.**

Elections – Officers:

- **Motion** by J. Multari: **To approve the election of Melanie McCottry for a one-year term as Board Chair.** D. Thomas second; motion **unanimously approved.**
- **Motion** by J. Multari: **To approve the election of Martin Brigham for a one-year term as Board Vice-Chair.** D. Thomas second; motion **unanimously approved.**
- **Motion** by J. Multari: **To approve the re-election of Roxanne Tillman for a one-year term as Board Secretary.** D. Thomas second; motion **unanimously approved.**
- **Motion** by J. Multari: **To approve the re-election of James Mergiotti for a one-year term as Board Treasurer.** D. Thomas second; motion **unanimously approved.**

Friends Board election

- The board members of the Friends of YouthBuild Philadelphia are elected by the YBPCS board to three-year terms. The term is expiring for one of them, Richard Gitlen. He is eligible and willing to be re-elected.
- Robert Totaro is stepping down from the YBPCS Board at this time due to reaching his term limit. He was unable to attend this board meeting but we are very grateful for his service and will be presenting him with a farewell gift. He is willing to continue lending his expertise to our Facilities Committee and to be elected as a member of the Board of the Friends of YouthBuild Philadelphia.

- **Motion by J. Mergiotti: To approve the re-election of Richard Gitlen and the election of Robert Totaro, each to a three-year term on the Board of the Friends of YouthBuild Philadelphia Charter School.** S. Lillis second; motion **unanimously approved.**
- K. Lawson mentioned that the Governance Committee is always looking for new candidates to add to our pipeline for our committees and the board, and recommendations from board members are very welcome.
- M. Brigham expressed his support and enthusiasm for M. McCottry as the new Board Chair and invited her to make some remarks.
- M. McCottry spoke about her excitement at this opportunity and her huge appreciation for YouthBuild Philly and its Board. The Board must continue to be strong for the students that we are here to serve, and she very much looks forward to the work.

#### Update on appointment of committee chairs

- M. Brigham stated that committee chairs for the five main committees for the 2019-20 year will remain unchanged.. Chairpersons are J. Mergiotti for Finance; K. Smith Kelly for Fundraising (with S. Yerrapathruni as Acting Chair until she returns from maternity leave); K. Lawson for Governance; D. Thomas for Program, and T. Talley-Baines for Human Resources. R. Totaro will chair the ad hoc Facilities Committee.

#### Conflict of interest disclosures

- All board members completed conflict of interest disclosure forms in the spring. Two board members disclosed a potential conflict only in situations related to their employer, and both will recuse themselves from any vote connected with the School's relationship with that employer:
  - David Thomas with regard to Community College of Philadelphia
  - Jared Farbman with regard to Vanguard.

#### Other

- A board member raised the question whether the School should have an official position regarding ICE searches for undocumented immigrants.
- The schedule for next year's meetings was distributed. Calendar invitations will be sent to all 2019-20 board members soon.

#### **Finance Update (Part 2): (J. Mergiotti)**

##### YBPCS financial statements as of 4/30/19

Financial statements as of April 30 were distributed to the board in advance of this meeting, and a copy is on file with these minutes. J. Mergiotti reviewed highlights.

- The statements show a strong balance sheet with a very strong cash position. We are working to invest surplus cash soon. The Accounts Payable amount reflects student scholarships and the remaining balance on our purchase of a firewall. Receivables are all collectable.
- On the Statement of Activities, budget-to-actual variances are mainly due to timing, as is usually the case. There was a change in the way student incentives are structured so they are lower than budgeted. There was a delay in access our DOL grant which led to an under-spend.
- The bottom line is a projected \$340K surplus to be added to our reserve for next year.

##### Student Success Grant Policy

A draft Student Success Grant Policy was distributed to the board in advance of this meeting, and a copy is on file with these minutes.

- At our recent DOL monitoring visit, the program officer suggested changing the name from “need-based grants” to be more indicative of what we are trying to do – namely contribute to student success. The broader language moves it away from addressing emergency needs only, allowing us to help students with more situations. The policy outlines generally what it can be used for. It cannot be used for abortion or legal services. DOL has reviewed and agreed to the new draft policy.
- Our DOL audit was completed with no findings.

Twelve board members were present to vote on the following motion:

- **Motion** by M. Brigham: **To approve the Student Success Grant Policy as distributed.** K. Lawson second; motion **unanimously approved.**
- J. Mergiotti expressed his thanks to the Finance Committee, S. Emerick, and the entire Finance and Operations team for all their hard work.
- T. Daniel left the meeting at this time.

#### **Board Feedback Conversation:** (J. Multari)

Documents summarizing the results of the board’s individual self-assessment rubrics, full board assessment, and feedback from the Board Retreat were compiled by J. Multari and distributed to the board in advance of this meeting. Copies are on file with these minutes. J. Multari stated that we are back on schedule with our various board assessment processes, and he reviewed the highlights of each document.

#### Retreat feedback

- People liked the facility and there were generally good scores on most things.
- Scores were slightly lower on the strategic plan conversations on the topics of Risk Management and Facilities/Enrollment.
- 100% of respondents said we met our overall objectives. Only 47% said there was enough time for discussions about strategic plan focus areas. It is always difficult to fit everything we want to accomplish into a single day.
- M. McCottry left the meeting at this time.

#### Board member rubric responses

- J. Multari commented on areas where the board members’ self-assessments had trended generally upward or downward, as reflected on the document.
- In discussion:
  - The Governance Committee added one-on-one check-ins with each board member to its tasks in the past year. This may have contributed to improved relationship-building on the board.
  - It would be useful to onboard as many board members as possible into the expulsion hearing process. The conversations that happen with students in these contexts are deeply rewarding and grounding in the mission of the school.
  - It is useful to have a senior level board member mentor for those who are newer on the board.

#### Full board assessment

- 15 out of 18 members responded. On average our ratings were very strong. Highest ratings were in the categories of Mission, Financial Management, Communication

and Accountability, and Planning. Lowest ratings (although still not very low) related to orientation, assessment, board composition (age and minority representation), knowledge of how the budget applies in different program areas, and practices regarding required minimum attendance.

- J. Multari was thanked for all his work in putting together the assessment data.

### **Fundraising Update:** (S. Yerrapathruni)

#### Fundraiser event

The event was very successful. There were 165 guests and we raised almost \$32K. The committee met and reviewed the event and discussed what we can do even better.

- The HIVE allows us to use their space without charge. Can we make this a long-term partnership?
- Bring board members into the planning process earlier and spread it out more.
- This year we had nine financial sponsors who covered the cost of the event. The goal is to double the sponsorships next year and to incentivize bringing in sponsors.
- The three award nominees this year were suggested by staff from the Development Department. It went well, but in the future we will ask the board to nominate awardees.
- A board member commented that the alumni involvement in the event was great. We plan to keep doing this.

#### Overall fundraising

We have almost reached our overall goal, and have the rest of June to get there.

- 100% of board members have contributed a gift.
- Individual donations through the United Way campaign have decreased. Fewer organizations are participating in it.
- We have surpassed our goal for the annual giving fund drive.
- So far we are well short of our Student Support Fund goal, but fundraising for scholarships is happening right now.

### **Program Update:** (B. Leffler)

#### Program outcomes update

A Program Outcomes Update as of June 2019 was distributed to the board in advance of this meeting, and a copy is on file with these minutes. B. Leffler reviewed some highlights with regard to our retention and graduation rates, and our Year 2 placement and retention in placement.

#### Comprehensive School Improvement Process

B. Leffler distributed and discussed three documents regarding the comprehensive school improvement process. Copies are on file with these minutes.

- The CSI was mandated by the state. We are in the program because our graduation rate is below the School District of Philadelphia average of 67%. We do not fit their model, since we are a one-year school and not four-year, and all our students previously dropped from the school system. Our graduation rate is well above comparable alternative programs. However, we are happy to take advantage of the resources being offered towards improving our program, which include a grant and a facilitator.

- The CSI Committee consists of staff members from all our departments, plus two students, a parent, and board representatives.
- The committee has worked to identify three top priority practices to address, out of a list of 18 provided by the PA Department of Education. The priorities address:
  - Collaborative instructional planning
  - Culture of high expectations for success
  - School-wide positive behavior interventions and supports.
- B. Leffler described in more detail how these will be addressed. We want to measure the impact of these efforts throughout the year.
- The CSI process will be communicated to the full organization via a staff meeting next week.
- The final plan will be submitted to the state for approval by the end of the month.
- In discussion:
  - There was a question about our drug and alcohol policy. The Student Success Department supports students in need towards getting therapy, counseling and whatever assistance is needed.
  - Our charter renewal is a separate process that goes through the School District's Charter Schools Office, not the state. The charter renewal will be due in April 2021. With both the CSO and the State, we need to keep the conversation going about how and why we are different from traditional schools.
  - Longer term, it is a goal to get Pennsylvania to institute separate accountability measures for alternative schools, as several other states have done.
  - Board members are invited and welcome to come to the next CSI Committee meeting.
  - Do these three priority statements have an impact on the issues that led to us being placed in the school improvement plan in the first place?
    - That is our hope. The committee felt that we have already been doing a lot of work addressing barriers that students face, and that instruction and culture needed more focus and emphasis at this time.

Ten board members were present to vote on the following motion:

- **Motion** by S. Yerrapathruni: **To approve the three priority statements for our Comprehensive School Improvement Plan as distributed.** C. Esser second; motion **unanimously approved.**

**Strategic Plan Update:** (S. Emerick and B. Campese)

- J. Farbman left the meeting at this time.

Brittany Campese, our Strategic Plan consultant, attended the meeting to discuss next steps.

- The plan is “evergreen.” It has been updated since the board retreat discussions, and there are several follow-up areas. B. Campese has created an action steps spreadsheet where one or more leaders for each step are identified; they will make sure we move forward on that step.
  - J. Mergiotti and T. Talley-Baines will lead on the Risk Management topic.
  - R. Walker is in charge of the Learning Exchange topic.

- The Enrollment section of the plan has “shrunk” following our retreat discussions; we need to come back to the possibility of expansion to a second site only after we have settled the situation with our main facility. J. Philyaw and S. Emerick will be involved when we return to the enrollment question.
- S. Yerrapathruni and R. Totaro will lead on the Facilities topic, working to create timelines for moving in 2022, 2023, and 2024.
- We need more bids for capital campaign work and are looking for recommendations of two more companies. Please contact S. Emerick or M. Molloy with this information and they will do the work of reaching out.
- M. Brigham and M. McCottry will continue work on the potential for negotiating an earlier lease termination.
- We will remove action steps as they are completed and add new ones as the plan evolves.
- Staff have been engaged in this process via a focus group before the retreat, and were invited to an open space discussion yesterday. We will engage students and alumni going forward.
- T. Talley-Baines left the meeting during the above discussion.

**Human Resources and Organization Structure Update:** (S. Emerick)

- A written HR Report was distributed in advance of this meeting and a copy is on file with these minutes.
  - S. Emerick reviewed the report, including information about some open positions.
- A slide showing the org chart for our planned Program Team Management Restructuring was distributed in advance of this meeting along with a job description for the new open Program Director position; copies are on file with these minutes.
  - S. Emerick described how the reorganization will divide the load of program supervision so that B. Leffler will not have to oversee such a large group alone.
- We are trying to do more intentional supervision and to achieve 100% timely participation in our performance evaluation process. The goal is to finish by the end of June.

**Closing and Adjournment:**

A written Safety Committee Update to the Board was distributed in advance of the meeting and a copy is on file with these minutes. The board adjourned to an Executive Session to hear and discuss details of the School’s safety and security practices. Eight board members were present to vote on the adjournment resolution.

- **Motion by S.Lillis: To adjourn the meeting.** J. Mergiotti second, motion **unanimously approved.**

Respectfully submitted,

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Eva S. Lexie