



AppleTree

**AppleTree Early Learning Public Charter School (AELPCS)
Board of Directors Meeting Minutes**

Via Zoom
December 1, 2020

Call to Order

Board Chair Jack McCarthy called the meeting to order at 5:02 P.M. Present via videoconference (Zoom) were directors Karen Davenport, Matt Downs, Sara Glenn, Bridget Bradley Gray, Celia Martin, Jack McCarthy, Skylé Pearson, and Paula Young Shelton, constituting a quorum of the Board. Thomas Keane, General Counsel, acted as Secretary.

Approval of the September 22, 2020 Board Meeting Minutes

Upon a motion duly made and seconded, the Board voted on the following resolution:

Resolved: that the Minutes from the Board meeting of September 22, 2020 are hereby approved.

Voting in the affirmative were directors Karen Davenport, Matt Downs, Sara Glenn, Bridget Bradley Gray, Celia Martin, Jack McCarthy, Skylé Pearson, and Paula Young Shelton. There were no votes opposed. The resolution passed unanimously, and the Minutes approved.

Attendance change

Director Jennifer McKinney joined the meeting.

Schools Report

Chief Academic Officer Jamie Miles delivered the Schools Report. She noted that originally budgeted enrollment had been 640 students while actual enrollment was lower, at 488 students. The enrollment challenges were due to the Covid-19 pandemic and the difficulty of remotely connecting with families, although it was gratifying to see that attendance appeared to be around 90 percent in terms of a reasonable level of engagement.

She observed that AELPCS is now gearing up for its next enrollment season (for School Year 2022), which kicked off December 1st. Management is thinking about how to reorganize so it can have a stronger enrollment period for SY2021-2022. Management also believes that in-person re-opening could begin in March 2021, but the timing and nature of such in-person learning is still preliminary. Ms. Miles also highlighted the key partnerships AELPCS has with outside parties.



Discussion ensued. Board members asked about what models (e.g., a child-care model) would be used in re-opening and Ms. Miles said that planning was still in its early stages and was dependent upon space availability (social distancing limits the number of children in a classroom) as well as the availability of teachers. Board members also asked about teacher morale, which Ms. Miles reported seemed to be quite strong.

Finance Committee Report

- Finance Committee Chair Bridget Bradley Gray led members through a review of the corporation's revised budget for FY2021, made necessary by actual enrollment being far lower than originally budgeted. This resulted in a large revenue drop, meaning that net income for the year will now be a negative \$915,000. She observed that AELPCS has previously built a sufficient cash cushion to manage these losses through the year. Rita Chapin, Chief Operating Officer, said that the budgeted loss will require a waiver of covenants from M&T Bank, a lender to the organization.

Upon discussion and after a motion duly made and seconded, the Board voted on the following resolution:

Resolved: that the revised FY2021 budget for AELPCS is hereby approved.

Voting in the affirmative were directors Karen Davenport, Matt Downs, Sara Glenn, Bridget Bradley Gray, Celia Martin, Jack McCarthy, Jennifer McKinney, Skylé Pearson, and Paula Young Shelton. There were no votes opposed. The resolution passed unanimously, and the budget approved.

- Ms. Gray then proceeded to recommend that the Board release for general purposes the reserve fund that had been established at the Board's annual meeting of June 2, 2020. The reason for the release of the reserve fund was to have sufficient cash on hand to meet operating obligations for the year. Upon discussion and after a motion duly made and seconded, the Board voted on the following resolution:

Resolved: that the reserve fund established by the Board at its annual meeting of June 2, 2020 is hereby released for general purposes.

Voting in the affirmative were directors Karen Davenport, Matt Downs, Sara Glenn, Bridget Bradley Gray, Celia Martin, Jack McCarthy, Jennifer McKinney, Skylé Pearson, and Paula Young Shelton. There were no votes opposed. The resolution passed unanimously, and the release of the reserve fund approved.



- Ms. Chapin next reviewed year-to-date financials, which are in line with the revised budget. Ms. Chapin noted that the full-year budget assumes an in-person February re-opening of schools. Changes to that timeline would have an impact on full-year financials.
- Ms. Gray then requested that the Board approve the FY2021 cost-sharing allocation between AELPCS and AppleTree Institute for Education Innovation, Inc. The agreement allocates common staff and administrative services between the two organizations based upon neutral criteria, such as the amount of time such staff spends on each organization. After a motion duly made and seconded, the Board voted on the following resolution:

Resolved: that the FY2021 cost-sharing allocation between AELPCS and AppleTree Institute for Education Innovation, Inc., is hereby approved.

Voting in the affirmative were directors Karen Davenport, Matt Downs, Sara Glenn, Bridget Bradley Gray, Celia Martin, Jack McCarthy, Jennifer McKinney, Skylé Pearson, and Paula Young Shelton. There were no votes opposed. The resolution passed unanimously, and the allocation approved.

- Ms. Gray reviewed contract notification/approvals, as follows:
 - Post-execution notification (zero to under \$10,000):
 - Tenleytown Trash & Recycling
 - ABM Facilities Support Services
 - Pre-execution notification to Finance Committee (\$10,000 to less than \$25,000): None.
 - Pre-execution approval by Board (\$25,000 and more): None.

Governance Committee Report

Matt Downs, chair of the Committee, reviewed two matters:

- Sarbanes-Oxley policies. The four Sarbanes-Oxley policies (relating to conflict of interest, document retention, travel, and whistleblowers) had last been approved at the Board's meeting of January 23, 2018. Upon review, the Committee was not recommending any changes and the policies should be kept in place as is.
- Succession plan: The organization's Succession Plan had last been approved at the Board's meeting of September 24, 2019. Upon review, the Committee was not recommending any changes and the Succession Plan should be kept in place as is.

New Business

There was no new business.



Adjournment

There being no further business, and upon a motion duly made and seconded, the Board voted on whether to adjourn. After a motion duly made and seconded, the Board voted on the following resolution:

Resolved: that the December 1, 2020 Board Meeting of AELPCS is hereby adjourned.

Voting in the affirmative were directors Karen Davenport, Matt Downs, Sara Glenn, Bridget Bradley Gray, Celia Martin, Jack McCarthy, Jennifer McKinney, Skylé Pearson, and Paula Young Shelton. There were no votes opposed. The resolution passed unanimously, and the meeting adjourned at 5:30 P.M.