

Integration Charter Schools

Board of Trustees Meeting

**DRAFT - October 22, 2020 Minutes
@ 6:32PM**

Trustees Present	Joseph Carroll, David Lehr, Jill Patel, Dirk Tillotson, Deborah Miller, Doris Schueler, Ed Fucini, Sheldon Blackman, Bonnie Fritz, Mike Caridi, R. Lefkowitz, John Strand, Nelly Tournaki, Denise Henick
Trustees Absent	
Staff Present	Ken Byalin, Jon Lipschitz, Dana Volini
Parents Present	None
Others Present	Dr. Kathlyn Barrett-Layne
Adoption of Agenda, Approval of Minutes and Committee Reports	A motion was made by David Lehr seconded by Bonnie Fritz and unanimously approved to accept the October 2020 agenda, August 2020 and September 2020 Board meeting minutes and committee reports.
Committee Meetings/Reports	<ul style="list-style-type: none">● Executive Committee Report: The committee met on 10/06/2020 ICS Trustees Present: Deborah M., Jill P., David L and John S. ICS Staff Present: Dr. Ken Byalin, Mary C. and Rei Rexha Agenda, Reports and Discussions <u>Facilities Update:</u> Richmond Prep is expected to occupy the Barnes and Noble building. An agreement will be signed between ICS Board of Trustees and ICS Foundation in order for the Foundation to purchase the space. The building is expected to be purchased with bond financing of 14 million to do a build out. To Do: Richmond Prep is expected to open September 2022. Bond application and approval by NYC in mid January 2021 then close in March 2021. An emergency board meeting is expected be held before the October 2021 Board meeting. Material Change Proposal: New Ventures (NV) is expected to increase student size up to 54 students by January 2021. NV expects to lower the age for admission along with credit assignment for any student in high school or dropout and is 2 years behind. Students will be able to enroll in transfer program in October/November 2020. To Do: Look for 10 intern sites.

New Charter for NV: We discussed the replicating the NV program upstate in Yonkers and South Hampton for 100 to 150 students underperforming Transfer students into upstate schools.

To Do: Start Charter Management Organization outside of NYC. Hire Principal and staff and develop internships with upstate communities.

Non Material Change: Nicotra until school exceeds their enrollment #. Students must meet their graduation requirements.

To Do: Develop a Co-op program for 30 students

Material Change: To develop separate tracks to broaden the focus. Increase the enrollment # to 60 students by the 3rd year. Students who are ready will start St John's University Early College Program in September 2020. Students must pass Regents.

To Do: change the focus of the Early College Program to a Career focus by adding a Co-Op Program. Students must past Regents.

Dr. Ken Byalin's 2020 Evaluation

To Do: Dr. Byalin will complete self evaluation

Executive Board of Trustees will complete evaluation

Evaluation will be signed and reviewed with ICS Chairperson

Fundraising Committee reports: Newsletter was completed and submitted on line by Jill Patel. Focus is DBT Counseling.

To Do: Increase contributions

Race Relations: Topic is to continue to explore the importance of "Values".

● **Finance & Audit Committee Report:**

This committee met on 10/07/20.

Present: David Lehr, Jill Patel and Joe Carroll, as well as Ken Byalin, Dana Volini and Jonathan Lipschitz.

Began discussion with the status of Barnes & Noble potential transaction for Richmond Prep School location. Negotiations were ongoing and issues were being surfaced such as the deposit amount and forfeiture if any. Issues affecting the timing of closing were discussed as well. Some due diligence has been done and all agreed that our attorney Harold Otterbeck was a good choice for this potential real estate transaction. Our ICS Foundation would be the direct party buying the property. We looked at three locations including Barnes & Noble. The other two were 300 Genessee which is not currently for sale and Bristol which is no longer a viable option.

Audit status for year end June 30, 2020 audit. Field work has been completed and a draft audit report meeting was scheduled with this committee for Tuesday October 20 th at 2pm with Dave Ashenfarb and team from Schall & Ashenfarb, CPA's. Due date for audit to be filed is

Nov. 2 nd, 2020. Audit process has gone well and scheduled to be on time based on dates above.

Discussed and agreed that a personnel action was being made. Catherine Uttaro, currently Director of Financial Planning is being terminated effective October (date to be determined).

Status of Main St. loan application: The application was filed with Northfield Bank. Northfield has told us that we would hear back during October as to whether they would offer the loan.

This is a loan program sponsored by the Federal Reserve offering favorable loan terms to both profit and not for profit organizations that have been financially sound pre-Covid. Will report back to this committee at the next meeting.

Agreed that September Financials would be sent on or around week of October 16. We are not expecting anything unusual for September.

● **Governance and Nominating Committee Report:**
This Committee met on 10/13/20.

Present: Robin Lefkowitz, David Lehr, Joseph Carroll, Deborah Miller, Mary Cottingham.

As stated in the ICS Bylaws: *The names of the persons selected by the Governance and Nominating Committee as nominees to the Board shall be submitted to the Board at least thirty days in advance of the annual meeting at which the elections are to be held.*

See below, the Committee's proposed slate of Officers for the November 2020 Board meeting

Chair – Jill Patel
Vice-Chair – David Lehr
Treasurer – Ed Fucini
Secretary – Deborah Miller

Also, the following Trustees are up for re-election (three-year term) in November 2020:

Bonnie Fritz
Deborah Miller
Dirk Tillotson
David Lehr

● **Education and Accountability Report**

No Report for October

● **Fundraising Committee Report:**
This committee met on 10/7/2020.

Present: David Lehr, Denise Henick, Mary Cottingham, Erin Celletti, Jill Patel

Newsletter

The meeting was devoted to reviewing a draft newsletter to be mailed and emailed to all ~1,000 names on our mailing list. A second draft will be developed and sent out for review. If necessary, the Committee will meet again to approve the newsletter, if not, the next regularly scheduled meeting is 8:00 on October 21, 2020

Presidents Report

Working remotely, I thought time would drag. Time has been flying.

We are already beginning to work on the budget for next year.

We are beginning to talk about the possibility of increasing the amount of in-person instruction for families who chose this option, at least for our youngest students.

We are preparing for the mid-charter-term site visits for both Lavelle Prep and Nicotra Early College.

We are preparing a proposal for a material change in the New Ventures Charter along the lines of what we had originally requested in our renewal application which will allow New Ventures to admit students under 16 years old, who have earned less than 16 credits, as long as they are academically at least two years behind their age peers in credit accumulation.

We may be very close to a deal to purchase the Barnes & Noble building by the time we meet. The situation is still fluid, and we will share details at our meeting.

We are looking at the possibility of replicating New Ventures.

It seems new to us, but actually this is the third time we've been thinking about it. The first time was even before Lavelle Prep opened. Even in those earliest days, based on our school design, people were encouraging us to replicate.

"There should be a Lavelle Prep in every borough," they told us.

We were flattered. Excited, even. And ultimately — overwhelmed. We opened Lavelle Prep on a shoe string with almost no infrastructure to support the school operation. The thought of travelling from borough to borough was overwhelming. The idea was dropped.

A couple of years ago, the idea of replication recurred, suggested by our pro bono corporate lawyers. But with a wrinkle.

"Build the charter sector on Staten Island," they suggested.

Again we were flattered and intrigued. This time, we tried. The student demand was there already — beyond what we could accommodate at Lavelle Prep. So, we began the charter application for what we called "Lavelle Prep North". We were warned off by the authorizers. They were telling us that our prototype wasn't ready yet.

And now, we are thinking about replication again. We are thinking about replicating New Ventures, thinking about it in terms of a multi-step process beginning from mission, through school design, through building a first prototype, to replication, and finally scaling up.

These are not the discreet steps that they appear on paper.

The process begins with a mission, an end in mind.

We have been fortunate to have been clear from the start, from before our first schools were born, before even the parent organization, The Verrazano Foundation, was born, to level the playing field for people living with mental illnesses, with emotional challenges and other disabilities. As we have learned, we have refined our articulation.

Our schools were designed from the start to fully integrate students living with emotional challenges with their more typical peers. We understood from the beginning the continuity of this mission, with the other struggles of the second half of the 20th century —, all with much deeper roots —, against discrimination on the basis of race, gender, sexual orientation, national origin.

What we discovered as we began to open our schools was how formidable was the intersection of these factors. When we look at our schools, we see the enormous challenges faced at the intersection of race, poverty, and disability.

The second step in our process is school design, of responding to the challenge of leveling the playing field for students living with emotional challenges and other obstacles is to design the school. This design process was a major element, and the most time-consuming aspect, in the charter application process. (The second major element was the organizing of community support for the charter application).

The third step, the development of first prototypes, has been the most time consuming. We have done the initial design work four times, and we have received four charters.

Lavelle Prep and New Ventures are far along in the prototype development process having opened in 2009 and 2015, respectively. Nicotra Early College, now in its third year, is early in the prototype development process. Richmond Prep, which will open in 2021, has barely begun this process.

What we have learned is that between the dream, the vision and design for a new school, lies an enormous amount of hard work, work which seldom proceeds in a straight line. The process of implementation is inevitably and intrinsically a learning process. Schools are designed with a “student” or “students” in mind. Sometimes, the envisioned kids show up. Most often, many of the students who enter a charter school (Remember, our students are selected through a lottery), -- are not the students we expected.

We adapt. We learn.

When we are successful, we are relatively happy with our product, our school, our program. For instance, we opened Lavelle Prep with the intention of creating a playing-field-levelling college prep program. Bottom line: Lavelle Prep is fully integrated. Students living with significant challenges and their more typical peers thrive together. Our students graduate from high school; most choose to go on to college. Lavelle Prep has always had a high graduation rate. This year, 100% of our senior class graduated.

For the fourth step, replication, that is not enough.

Sure, the new prototype is ready for replication when it proves itself in practice and in operation. But, proves itself to whom?

First of all to us, the entrepreneurs, the innovators. That's basic integrity. We are not going to scale up until we are confident that the prototype will really benefit people.

Beyond ourselves, who else needs to be interested? In the case of charter schools, first there is a need for a partner community interested in a replication in their community. Not everyone in the community needs to be on board. Charter schools are controversial. There will be opposition. Currently, teachers unions often view charter schools as threats. But there does need to be a group of community leaders and parents whose children might attend the schools, who really want to bring our charter schools to their community.

Is this absolutely necessary? Yes.

Does that mean that we wouldn't go anywhere where there is opposition? No.

Charter replication faces an additional obstacle which is not so often faced. In order to move forward, we need approval from the governmental charter-granting agency. They need to be convinced that the school to be replicated is high-performing, worthy of replication.

That doesn't always occur just because we are proud of our school. Witness Lavelle Prep. We set out to achieve high-graduation parity for students living with emotional challenges and other disabilities. We are proud of what we've accomplished, but the authorizer looks at the scores which our students achieve in 6th, 7th, and 8th grade high-stakes tests. In those grades, our students are still lagging behind district peers. The authorizers shake their heads. We frown. They are, we think, missing the forest for the trees. But they are the authorizers.

Lavelle Prep, despite its success, is likely unreplicable in New York State until we get our middle school scores up.

Can we do this without undermining our graduation successes? – Or the authorizers change their school evaluation rubric?

Meanwhile, New Ventures is, by authorizer standards, not just the highest performing charter transfer school (schools serving a population of students who are two or more years behind their age peers in progress toward high school graduation), New Ventures is the top performing transfer school in the state. Period. New Ventures is ripe for replication.

This is exciting but requires a word of caution. "Ripe for replication" does not mean ready for scaling up. Step One is mission clarity. Step Two is school design. Step Three is prototype construction. Step Four is replication. Step Five is scaling-up.

The next step for us is to prove that New Ventures can be replicated. New Ventures success goes beyond mission and design. In the process of implementation, a lot was added. There is a magic in the staff chemistry which translates into a chemistry among the students which helps them to persevere, to transform previous educational failures into success. There is something special, too, perhaps in the Staten Island community which helped gain the support and participation of local elected officials, business, and community organizations crucial for the success of the New Ventures design.

How replicable are these ingredients? How well will we adapt to the challenges of a new community? Will we get it right the first time?

	<p>Perhaps. How many successful replications will it take before we can say, “We know how to do this”? Only at that time are we ready for the next step, scaling up. How many years away is that moment? I don’t know.</p> <p>We may be able to take the replication step now. We are proud of New Ventures. We have a powerful mission and a great school design which has proven itself in prototype. We are getting to know some communities which are perhaps interested in partnering in replication. There appears to be a willingness of the part of the authorizer to consider replication.</p> <p>Will replication be successful? I don’t know.</p> <p>Will it lead to scaling up? I don’t know.</p> <p>The only way we can begin replication is to take advantage of whatever opportunities fall in our laps. The unique confluence of community support and authorizer interest won’t happen every day. We must be nimble enough to respond to opportunistic invitations and move forward by trying things out at the same time we’re designing a replication strategy. To address this challenge, we have created a task force to help think this through including members of our staff, chair emeritus Paco Lugovina and current trustees John Strand, Dirk Tillotson, and Ed Fucini. There are important questions arising and much to be discussed at future board meetings.</p>
<p>New Business Notes</p>	<p>The ICS Foundation is close to a deal on purchasing 2245 Richmond Avenue. Looking at a \$14.5 million purchase price, with around an additional \$9.9 million for capital improvements. With debt service reserve funds and capitalized interests the project is just under \$30 million.</p> <p>Estimating closing date of mid Feb to mid March. The Foundation would sublease this property to ICS for Richmond Prep to move in Sept 2022. The location is a value to us as it has additional bus routes and allows opportunities for more students to get to it. For the 2021-2022 school year Richmond Prep will co-locate at Corporate Commons 3.</p> <p>*The Board requested that an appraisal be completed as part of the due diligence process.</p>
<p>Resolution</p>	<p>A motion was made by Sheldon Blackman, seconded by Joe Carroll, and unanimously approved by all to accept the following resolution:</p> <p>RESOLVED, that the Board of Trustees approves the following:</p> <ul style="list-style-type: none"> - The ICS Foundation is currently negotiating with the owner(s) of the building at 2245 Richmond Avenue, Staten Island New York 10314, to purchase the Building, which will require construction to convert to a school building and will be financed, most likely with tax exempt bonds.

	<ul style="list-style-type: none">- The ICS Foundation will own the Building and be the borrower under the bonds; the ICS Foundation will lease the Building to the School for rent sufficient to cover the development of the Building and the Building's operating expenses.- In order to enter into a purchase agreement with the owner of the Building, there's a requirement to deposit \$300,000. That deposit is fully refundable if the contract is terminated during the due diligence period.- The ICS Board authorizes the payment of the deposit from ICS as the beneficiary of the purchase of the Building and its ultimate development. This will also include ICS paying any upfront costs that will be necessary for due diligence on the purchase of the Building.- The deposit and upfront costs will be refunded to ICS upon closing on the bonds.
Adjournment	A motion was made by Bonnie Fritz, seconded by David Lehr and unanimous by all to adjourn the meeting at 7:12PM. The next Board of Trustees meeting is scheduled for November 19, 2020.