

AppleTree Early Learning Public Charter School Board of Trustees Meeting Minutes
Tuesday, February 23, 2010, 6:00 pm
Riverside Campus – 680 I Street SW, Washington, DC 20024

Trustees present: Jennifer Cohen, Liz Daley, Matt Downs, Bridget Bradley Gray, Elizabeth Keys, Celia Martin, Jack McCarthy, ShaRon Meshack, Skylé Pearson, Paula Young Shelton.

Management present: Ross Harold, Mary Anne Lesiak, Russ Williams, Anne Zummo.

Call to order. After establishing that a quorum was present, Mr. McCarthy called the meeting to order at 6:15 pm.

Consent calendar: approval of minutes from January meeting. Mr. Downs moved to approve the items on the consent calendar and Ms. Cohen seconded the motion. The motion passed unanimously.

Principals' reports. Ms. Zummo reported that the number of applications received continues to climb, so the Columbia Heights campus will need to conduct a lottery. The staff is still collecting intent to reenroll forms; no family that has opted not to reenroll has indicated that their decision is based on being unhappy with the school or curriculum. Ms. Zummo also reported that based on responses from the mid-year survey of Columbia Heights parents, in which more than 50% of families participated, she and her staff are work to change and further strengthen communication between parents and the school. Mr. Harold noted that responses from the mid-year survey of Southwest parents, several parents indicated that they were satisfied with the program and wished AELPCS offered more grade levels. Mr. Harold also reported that the Southwest campuses have received record numbers of applications, nearly double what had been submitted at the same time in 2009. The principals also noted that to make up time lost to this winter's storms, the school day has been extended by 30 minutes, 15 in the morning and 15 in the afternoon. The extended day has had an unexpected but pleasant surprise in that teachers have commented that they are able to spend more time with students who need additional help in a particular area.

Executive Director's report. Mr. Williams reported that the arrangements with M&T Bank to finance the Capitol Hill and Douglas Knoll campuses are nearly complete. He continues to work with Pepco to make sure the campuses are connected as quickly as possible. Mr. Williams noted that the new Director of Human Resources started a few weeks ago and is meeting the staff and getting acclimated, and will help alleviate some of the non-core tasks currently being managed by other staff. Mr. Williams reported that the school underwent a brief review, including a preliminary charter review analysis, by DCPCSB, which found no areas of concern.

Director of Education's report. Ms. Lesiak reported to the board management's plan to hire a Director of Enrollment and Placement who would work with parents when they enroll their children and as they transition to kindergarten. Ms. Lesiak also informed the board that the school continues to work with Dr. Craig Ramey, Director of the Center for Health and Education and Georgetown University to collect and analyze data on the school's intervention programs. Previous research has suggested that children designated as tier 3 on the response to intervention scale are resistant to intervention efforts, but

preliminary data from the Appletree study suggests otherwise. Ms. Lesiak will report more fully on the data at the board's March meeting.

Finance Committee's report. Mr. Williams and Ms. Gray noted that the school's expenses and revenues continue to track very closely to budget. Mr. Williams is continuing to pursue the Title I funding issue (whether AELPCS is eligible to receive) and hopes to have clarity for the March meeting. The committee is creating pro forma financial statements that include the new Capitol Hill and Douglas Knoll campuses.

Vendor review. As part of its annual review of all contracts of \$25,000 and greater per year, the board reviewed the contracts with Revolution Foods and Quality Touch, Inc. Management indicated that service from both vendors has been good, their rates are competitive, and that both would be able to service the two new campuses. Management is satisfied that there are no concerns in terms of access to students, staff, or valuables, and that both vendors are fully licensed, bonded, and insured.

Business planning. Mr. McCarthy reported that through a grant provided by New Schools Venture Fund, AppleTree Institute (ATI) and AELPCS are undertaking a formalized business planning process to look at a few strategic questions intended to help both organizations to maximize our impact on education in Washington. We solicited proposals from nine consulting firms, interviewed three, and hired The Endeavor Group. This business planning process will engage much of our stakeholder community during the next several months with the core deliverable being a written business plan.

Update on Capitol Hill and Douglas Knoll new campus deal structure. AELPCS is working with M&T Bank for \$3,535,000 for financing new charter preschool sites at 138 12th Street, NE and at 2017 Savannah Terrace, SE. These projects are utilizing a new kind of bond financing, Qualified School Construction Bonds, which mature in 17 years and pay a tax credit rate to the bank of 5.85%, in lieu of interest. In addition, the Office of Charter Schools Financing and Support, a part of the Office of the State Superintendent for Education, is providing \$1,000,000 in City Build Incentive Grant proceeds and \$400,000 in credit enhancement. The District government is providing an additional \$500,000 from a Qualified Zone Academy Bond awarded to the school, which will be treated as a grant. The proceeds will fund the cost of renovations at both sites, a \$201,000 loan repayment reserve, soft costs, and transaction costs related to the closing as well as \$500,000 of the original purchase note for the property. AELPCS and ATI are engaged in a form of joint venture—with AELPCS as the borrower and ATI as the guarantor—in these project financings. Our objective is to secure the most predictable, affordable financing and terms to complete these projects by fall of 2010. Next steps are for both boards to approve the financing, followed by a closing with M&T Bank and the District of Columbia Revenue Bond Office as soon as possible.

Adjournment. The meeting adjourned at 8:07 pm.

Elizabeth Keys
Secretary

The next meeting of the AELPCS Board of Trustees is Tuesday, March 23, 2010.