

**Hyde Leadership Charter School
Trustees Meeting: Minutes
May 18, 2020
830 Hunts Point Avenue, Bronx, NY 10474
(meeting held by video conference)**

Trustees Present Via Video conference:

Herb Fixler	Chavon Sutton
Ruth Jarmul	Tony Stoupas
Herb Kaplan	Susan Engel

Trustees Not present: Deborah Dumont
 Maureen Singer

Also Present Via Video conference:

Thomas Sturtevant, Executive Director
Stephen Trowbridge, Chief Operating Officer
Valarie Hunsinger, Director of Development and Marketing

The meeting began at 6:05 PM, Mr. Fixler presiding. A quorum was present.

1. In Memoriam

At the start of the meeting, Mr. Fixler acknowledged the recent passing of Ms. Yvette Sanchez, a long-time Hyde employee who was also a Hyde parent and grandparent. Ms. Sanchez had been with Hyde since its inception and was an integral part of our school for many years. She will be missed by many in our community.

2. Approve minutes from April 27th & April 30th

A motion was made, seconded, and unanimously approved by the Trustees present to approve the minutes from the April 27th and April 30th board meetings.

3. Executive Director's Report

Mr. Sturtevant reported that Hyde's enrollment process for SY 2021 is progressing and is being handled in a remote manner (e.g. family interviews are being held remotely). Our lottery was also conducted remotely, and we have over 2,000 applicants for 85 kindergarteners and a small number at other grade levels.

Mr. Sturtevant reported that the Senior Leadership Team is actively planning for re-opening for SY 2021, though there are still many open questions. We will need to plan for various scenarios, both in school and remote as well as a combination. The Department of Education is yet to publish rules and guidelines for a safe restart, but we will need to use these in our planning. It

was also noted that the DOE has yet to publish its school calendar which would ordinarily have been published in March-April.

The high School Graduation ceremony will be held remotely on Saturday, June 27th at 1pm and will be recorded and made available.

Hyde has participated in a survey sponsored by SUNY geared at understanding the impact of COVID-19 on charter schools and to understand better how schools are doing on issues such as attrition.

4. Licensing & Service Agreement

A new Licensing and Service Agreement between the Hyde Institute and Hyde Leadership Charter School has been finalized, a copy of which had been distributed to Trustees on May 14th for review. There was discussion about the details of the Agreement, and following the discussion a motion was made to approve the Agreement. The motion was seconded and unanimously approved.

5. Finance Committee

Reference was made to the Finance Committee meeting on May 13th which was convened to review the FY 2021 budget. It was acknowledged that the Finance Committee had reviewed the details of the budget and expressed support for the Budget.

Mr. Sturtevant provided a strategic framework for how we constructed the FY 2020-21 budget:

High-level review of Budget parameters and priorities involved in building the FY 2020-21 HLCS budget:

Budget Parameters:

We built the budget with the most up-to-date State funding commitments. Additionally, we added a \$420K contingency to address possible revenue shortfalls. Furthermore, we have created second and third level cost-containment measures that would absorb up to a 20% reduction in our revenues. In the end, we have built a successful budget that enables us to serve our mission well and also one that meets the financial expectations, the debt covenants, and revenue contingencies.

1. The revenue budgeted by NYS for charter schools in 20-21 is “flat” compared to this year. While this funding is “flat,” it required us to make difficult budget cuts, since this “flat” funding decision came after the initial draft budget which had about a 5% increase. The NYS funding reduction required us to adjust our spending significantly (take out about \$1.1M of expense) versus the original draft budget for 20-21.
2. Furthermore, the Governor indicated that state funding for education might be reduced during the year if state revenues and other sources are not sufficient to cover the current funding expectation. This funding threat has been carefully reviewed by the NYC Charter Center, State Education Department, and our authorizer. The upshot of that review comes from our authorizer,

SUNY, who has required Charter Schools under their authorization to incorporate a 2-5% contingency inside the operating budget. Hyde's 2% contingency amounts about \$420K. In the event that the contingency is insufficient to address possible State funding cut-backs, Hyde has a second-level plan for reducing costs an additional 2.5%-5%, which we could implement at any time, even after we have started the school year. Hyde also has a further plan of last resort, which would be to reduce pay across all possible positions (minimum wage positions are inherently fixed). This plan might account for another 10% cost reduction. None of these proffered reduction plans uses the school's reserves.

Budget Priorities for School Mission, Student Outcomes, and Financial Sustainability.

1. The highest priority for the budget is to sustain our greatest assets, especially our strongest teachers, our leadership, and our divisional teams' depth and expertise in Hyde practice and maintaining school culture. The difficult program reductions were carefully considered in relation to sustaining our strong divisional teams and leadership and ensuring that we would serve our mission effectively. We firmly committed to maintaining the school's competitive pay and benefits in relation to NYC DOE. This strategic commitment to keep our best teachers equates to 6% increases on average for teachers.

2. The financial sustainability of HLCS turns on student outcomes. In essence, we will sustain 5-year renewals and positive fundraising when our student outcomes meet the SUNY measures (exceeding the district and local schools in absolute proficiency and growth on 3-8 State tests; exceeding the district/local/City high schools for HS outcomes: Regents performance; high school graduation rates; college readiness scores, and college completion rates.) As we move towards the 5-year renewal, we are focused on ensuring that our student outcomes remain excellent or improving. Mostly, those outcomes are driven by strong divisional teams and leadership. We are confident that next year's divisional teams are stable, strong, and capable of working through the extended disruptions of the pandemic.

A motion was made and seconded to approve the FY 2021 budget as submitted, The Board unanimously approved the Budget.

Mr. Trowbridge provided the April Finance report and discussed the YTD highlights.

There was also some discussion on the PPP loan. Mr. Trowbridge briefed the Board on how Hyde is tracking eligible expenses. We utilize a customized payroll report from TriNet to quantify payroll expenses, per the SBA rules. We have also isolated a separate bank account for the purpose of tracking the PPP related funds. Though the process for Loan Forgiveness has not been fully understood, it has been Hyde's belief from the beginning that Hyde will qualify based on the impact of State budget reductions and the continued level of uncertainty and risk to school revenue. It's expected that we will be able to submit an application for Loan Forgiveness sometime in the summer (July-August).

6. Development Committee

Ms. Hunsinger reviewed the FY 2020 Fundraising Goal and provided an update on current donations, noting that 72% of our goal has been raised. M.s. Hunsinger highlighted recent virtual

learning experiences including a 3rd-grade interview with former NFL player, Christ Canty. Ms. Hunsinger also highlighted recent college graduates and the leadership of our alumni on their campuses. Ms. Hunsinger reviewed the current fundraising priorities which include the Urgent Family Support Fund, College Persistence Fund, and also the Class of 2020 Appeal. Ms. Hunsinger inquired about auction items for our virtual summer social.

7. Any other business

No comment.

8. Public Comments

No comment.

9. Adjournment

There being no further business, the meeting was adjourned at 7:44 pm.

Minutes prepared by Stephen Trowbridge and Valarie Hunsinger