

# Bloomington Montessori School Board of Directors Meeting Minutes

September 14, 2021, 6:00 pm, Online via Zoom

## Board Members Present

- Allison O'Boyle
- Janelle Terkhorn
- Phuong Thang
- Amanda Cook
- Christine Lovelace
- Rob Danzman
- Bridget Stomberg

## Staff Members Present

- Quinn McAvoy
- Jess Davis
- Cyndi Williams
- Teresa Mandell
- Alice Pennell
- Anna Wegerson

## Preliminaries

Allison O'Boyle – President – **Time: 6:03 pm**

- Welcome and Introductions
- Statement of Ground Rules
  - Since it was the first meeting of the year, Allison and Quinn reviewed the Statement of Ground Rules for Board meetings.
- Approval of Minutes from May 2021 Board Meeting
  - There were no notes on the May minutes.
  - **Janelle Terkhorn moved to approve the May 2021 Board Meeting minutes. Phuong Thang seconded the motion. The motion passed with no objections or abstentions.**
- Call for Issues Not on the Agenda
  - No new issues were added.

## President Report

Allison O'Boyle – President – **Time: 6:12 pm**

- Allison gave a brief summary of the Executive Committee's activities since the last school year.
- The committee met monthly during the summer to review COVID updates.
- Christine Lovelace joined the committee.
- Janelle moved up into the Vice President role.
- Quinn regularly received health updates from the Indiana State Department of Health and shared those with the committee. They helped her field questions from parents about the school's COVID protocols.
- Quinn also updated the committee on recruitment and hiring of staff.
- The committee discussed vaccine and testing mandates for staff. They researched available resources and surveyed the staff. Staff are generally willing to participate in testing, but there were questions about how it would affect operations.

- At this time, we don't have enough resources available in Bloomington for mitigation testing. Rapid tests are available to Quinn to use, but they are not as reliable as PCR tests. The Executive Committee has put mitigation testing on hold until more resources become available.
- Allison shared proposed revisions of policies for Board members and staff with the committee, and Janelle will have revisions coming from the Governance Committee regarding Board membership. Those revisions will be available to review at the next Board meeting.

## Governance Report

Janelle Terkhorn – Vice President – **Time: 6:17 pm**

- The Governance Committee has met once since the beginning of the school year. They discussed the creation of a fundraising committee and where that will best fit in the Board structure. The fundraising committee proposal was passed on to the Executive Committee for review.
- The Governance Committee also discussed the school's Nepotism Policy and which community members fall under that policy. Proposed revisions to the policy will be passed on to the Board.
- There will be a Board review for the first time this year.
- Janelle will be checking in with everyone to see who will be staying on the Board for next year. She will hopefully find a parent volunteer and staff member to help on the Nominating Committee and will get the ball rolling on next year's applications in October.

## Treasurer Report

Phuong Thang – Treasurer – **Time: 6:19 pm**

- Phuong started with a discussion of the Profit & Loss Statement from last school year. Since this was the first Board meeting of the school year, she wanted to walk through how things went for the school financially last year.
  - In Spring of 2020, COVID happened. The school had a chaotic Spring and Summer. That budget forecasted a net ordinary loss of \$203,000. We forecasted lower enrollment and no fundraising. We didn't want to include fundraising in case that would give us a rosier version of how things actually stood financially.
  - Phuong shared the August 2020 – July 2021 P&L and compared those numbers with the previous year.
    - From August 2020 to July 2021, our Net Ordinary Income was \$85,544.55. This number leaves out any fundraising from the year.
    - Our income decreased due to lower enrollment that year, but it was offset by full summer enrollment.
    - Our expenses stayed consistent between school years 2019 – 2020 and 2020 – 2021. There was a line item added for a "Tuition Management Fee," which was when the school started using FACTS.
    - We had increased maintenance expenses due to HVAC issues and higher snow removal costs.
    - We had decreases in other expenses, including paying less in salaries, computer software, curriculum, and kitchen expenses for the year.
    - We also renegotiated our school mortgage to a lower interest rate and used Title funds for professional development.
    - Overall, we ended up in the black due to receiving forgiveness on our first Paycheck Protection Loan of \$235,000, which was used to cover salaries in late Spring and Summer of 2021. The forgiveness was accounted for in November as "Other Income" on our P&L.
    - We also had a large receivable for late tuition expenses from a past family that totaled \$25,000.

- All of this got us to the \$85,000 in Net Ordinary Income. That does not include our fundraising total of \$50,339.52 for the year. That would give us a Net Income of \$135,884.07
    - Our Debt Covenant Ratio for the year was 2.55%. We are required to have a debt covenant ratio of 1.2% to remain compliant with the bank.
  - Rob had a question about how the year would have looked if we hadn't received the PPP loans and the large tuition repayment from the one family.
    - If we took out the PPP loans and the tuition repayment, we would have been at a loss of \$125,000, which was significantly less than what we budgeted for at a loss of \$204,000.
    - We expected lower enrollment but hadn't included full enrollment for Summer Camps in 2021.
    - We were able to be conservative in our budgeting and looked at what we were able to control. The PPP loan forgiveness really helped us.
    - Regardless, the bank said any loss we received wouldn't affect our compliance. We were proactive and stayed in communication with the bank about our situation.
    - The school had had healthy finances up this point.
- Phuong said the Balance Sheet for August 31, 2021, showed our checking account as being pretty healthy. The PPP loans kept us from needing to use our Money Market and CD to cover expenses for that year.
  - Phuong pointed out in the liability section that the second PPP loan is included as a Long Term Liability. We will be receiving full forgiveness for that loan, and it will be accounted for in September. Our Long Term Liability will then decrease by \$205,000, and the PPP loan will be reported as Other Income.
- Bridget asked about the line item referring to FACTS.
  - Phuong said we record tuition in FACTS as a prepaid receivable amount that we'll send invoices for throughout the year. It is considered a deferred balance. When tuition is invoiced, the amount paid each month is moved from Liability to Assets. They eventually balance each other out.
  - Cyndi was going to follow up on some of the discrepancies between the two numbers.
  - The balance will go down in both Liabilities and Assets as we invoice families each month. Tuition will move into the Income Statement as revenue.
- Phuong moved on to the Profit and Loss Sheet for August 2021.
  - Our Net Income came to \$18,932, and we budgeted for \$592.21.
  - Tuition revenue is a little lower than what we budgeted for. We are currently 3 students below our budgeted enrollment.
  - This is being offset by a higher Aftercare income for the month. We reported about \$9,000 from Aftercare. However, in August, we billed for both August and September's income. It will even out next month.
  - We tried to be conservative with Aftercare, but we're doing better than we budgeted for.
  - Expense-wise, our Salaries are lower because we haven't found a lead teacher for Sycamore yet, and Jess is filling that role. We budgeted for a Lead Teacher, but we're paying Jess as Assistant Head of School.
  - Our kitchen expenses are lower, because the food purchased for August doesn't get billed until September. It depends on the timing of billing certain expenses when they show up on the P&L.

- Phuong said we're looking good for the remainder of this year.

## Operations Report

Quinn McAvoy – Head of School – **Time: 6:42 pm**

### Enrollment

- One Half Day student switched to All Day. One student left and went to a different school. Quinn filled those spots. One Lower Elementary student deferred, and one Upper Elementary student withdrew.
- Two students are on sabbatical. They are paying 95% tuition to hold their spots. They are waiting until COVID cases go down or vaccines for children become available before returning to school.

### Staffing

- We are still searching for a Lead Teacher for Sycamore.
- Quinn hired Silas Bailey for Lower Elementary Aftercare, and Molly Pepper as a non-lead in Hickory.

### AMS

- We received our AMS accreditation!

### Student Services

- Quinn is helping Jess on student services
- We have a new Speech/Language Pathologist through MCCSC, and we're lucky to have her.

### Professional Development

- All staff did Civil Rights training at the beginning of the year.
- All staff and Board completed our third ADA training and satisfied the requirement for our settlement agreement.

### Administrative

- Quinn is doing tours on an individual basis and following up on phone calls from families.
- Every Thursday, Quinn attends updates for schools on COVID through the Indiana State Health Department. She meets with the Executive Committee and Jess on what guidelines we plan to implement for the school. She also receives updates from the Monroe County Health Department, and updates our Emergency Operations Plan as new research and findings occur.

### Facilities

- Tree removal
- Ceiling repair in Magnolia, which will be finished over Fall Break
- There was a drip in the ceiling in Sweet Gum that needed repaired

### Technology

- Teresa is giving a lot of technological support to staff and students through maintaining and troubleshooting devices and Internet issues.
- She updated MailChimp, Listservs, and Google groups for the new academic year.
- She updated the school's website with new content for the year.
- She updated all laptops in the school.
- She suspended accounts for last year's graduates and employees who didn't return.
- She's working with the Board on cleaning up the shared Google Drive.
- She's maintaining Chromebooks and the distribution of 20 new devices this year.
  - Phuong asked if the new Chromebooks fit in our budget.

- Quinn said they did fit in our budget. Last year, our budget was small because we had a CARES grant that covered the purchase of new computers.
- This year's budget covers the Chromebooks and a new desktop PC for the front office.
- We hadn't done any new student device purchases for the last two years, so the whole budget went toward the Chromebooks.

## PAC

- Christine said there are several new members of the PAC this year who are active and engaged and doing a lot of volunteering.
- Take & Make Cookie event
  - We had 38 families register. It was really great! Emily did a great job leading families through the baking and dance party.
- First Parents Night fundraiser
  - We had 18 couples register. Last year's event had 24 couples, so a similar range. Teachers were able to take advantage of the Soul Juice discounted price.
- Take a Hike Challenge: October 15<sup>th</sup> – 22<sup>nd</sup>
  - This event will be advertised in the newsletter on Friday.
  - It's like a walkathon, but instead, participants do hikes in and around Bloomington, Monroe County, and Brown County. Families register for \$30 and get sponsors for either a flat fee or to sponsor them per mile hiked.
  - PAC had a parent design the t-shirt for the event.
- The Fall Festival will be online again this year on October 22<sup>nd</sup>
- The Take & Make on November 17<sup>th</sup> will be with Board & Brush.
- PAC will also be working on a BMS Community Service project this year.

## Fundraising

- We are creating a fundraising committee that will be Board run and led and will mesh with office fundraising support.
- We will have some event based fundraising this year.
  - Charleston Wrap Fundraiser (September 10<sup>th</sup> – October 1<sup>st</sup>)
  - Take a Hike Challenge (Registration: September 17<sup>th</sup> – 27<sup>th</sup>; Event: October 15<sup>th</sup> – October 22<sup>nd</sup>)
  - For Small Hands (October 4<sup>th</sup> – October 18<sup>th</sup>)
  - Lynch Creek Farms, which sells wreaths, swags, and table top arrangements (October 13<sup>th</sup> – December 5<sup>th</sup>)
  - Giving Tuesday will be on November 30<sup>th</sup>
  - The Annual Campaign Kick-off will be on December 6<sup>th</sup>, Jess will be taking what she's learned in her training and bringing it to life

## Finances as of August 31, 2021

- Main Checking: \$201,273.81
- Money Market: \$86,339.11
- Certificate of Deposit: \$501,584.41
- Fundraising: \$39,981.17
- Café Account: \$6,205.26
- Second PPP Loan Forgiveness from the Small Business Administration was received on August 17, 2021.
- Tuition Delinquency: \$8,019.31

- IUCU Loan Balance: \$673,668.08

### Strategic Planning

- Admin and Board Committees are reviewing this year's priorities within the Strategic Plan and are planning tasks accordingly.

### New School Lunch Program

- Cyndi said the school is participating in the Seamless Lunch Program this year, a COVID project funded by the federal government to give free lunches to all students.
- Normally, BMS participates in the National School Lunch Program, which provides free and reduced lunches to students who qualify. This year, all kids eat free.
- The school gets paid \$4.50 per kid per lunch, which is a profit of about \$1.40 to the school. Past lunches were charged at \$3.10 per lunch per student.
  - Rob suggested we find a way gamify the situation by encouraging parents or students to track how many lunches are provided by BMS and tracking classroom by classroom.
  - We can also encourage parents to participate by communicating that they don't have to make lunch for their kids every morning. It also encourages the kids to eat together the same foods their friends are eating. Quinn said she might fit that into her newsletter on Friday.
  - Phuong pointed out that in the past there was a default option for lunches, but now there's not that option in FACTS. Quinn said she wants parents to sign up for lunches themselves. There's always the option to have Brianne add students on for lunches if parents forget.
  - There was discussion on whether parents can opt out of school lunches rather than opting in, but that would mean Brianne inputting 163 lunches each day.
  - Christine said the community maybe needs more understanding in why this program is beneficial for the school and is available to everyone.
  - Quinn said we don't have a large population of parents who forget to order lunch, but some kids are very picky and won't eat the school's lunches.
  - Janelle: "Is this a billing issue? Is there a way to do bulk lunch for the entire year?" Quinn said teachers have to verify each lunch. We have to count meals served, so if a kid is absent, their lunch isn't counted. Also, Emily has certain healthy guidelines she has to abide by. There was training for this federal program.
  - Maybe Quinn and Allison can brainstorm some promotion campaign for October's lunches.
  - Bridget wondered if students could come up with meals they'd want. If the class gets what they wanted, it'll be an incentive for them to eat lunch.
  - Quinn said she could add a video of Emily asking for recipe ideas in the newsletter.

### Closing

- There were no other questions. The Board moved into Closed session.

**Meeting Adjourned: 7:05 pm**

Respectfully submitted by Amanda Cook, Board Secretary