

- Draft -

**Achievement First Rhode Island
Board of Directors**

370 Hartford Avenue, Providence

Wednesday, February 5, 2020

5:30 pm

I. Call to Order & Attendance

The meeting was called to order at 5:38 pm by Maryellen Butke. The following board members, constituting a quorum, and Achievement First staff were in attendance:

Jorge Elorza, AFRI Board - No

Ben Smith, AFRI Board - Yes

Reshma Singh, AFRI Board - No

John Iglizzi, AFRI Board - No

Soraida Morales, AFRI Board - Yes

Macky McCleary, AFRI Board - No

Maryellen Butke, AFRI Board - Yes

James Wiley, AFRI Board - Yes

Robert Luciano, AFRI Board - No

Percy Ballah, AFRI Board - Yes

Jorge Cardenas, AFRI Board - Yes

Mayor Charles Lombardi, AFRI Board - Yes

Victor De La Paz, AF Network Support - Yes

Dacia Toll, AF Network Support - Yes (phone)

Sarah Blanton, AF Network Support - Yes

Ken Paul, AF Network Support - Yes (phone)

Elizabeth Winangun, AF Network Support - Yes

II. Open session for public comment

Representatives from the bus company made brief comments.

III. Elect New Director and Set Number of Directors

RESOLVED, the AF Rhode Island Board of Directors hereby elects Mayor Charles Lombardi to the Board of Directors for a one year term, ending June 30, 2020, and does, effective February 5, 2020, set the number of members of the Board of Directors at twelve (12).

Motion by James Wiley

Seconded by Ben Smith

All in favor

IV. Reports and Discussion

A. Principal Reports

Kevin Lohela gave a brief report on the success of Illuminar. He talked about his excitement about Mindy Rice, the AF Illuminar Academic Dean, who has helped the school get some of its very strong results.

Aja Davis, AF Providence Elementary School Principal, Ashia Parks, AF Providence Middle School Principal, and Andrew Walker, AF Illuminar Middle School Principal, each gave academic and school culture updates on their schools.

B. Treasurer Report

Victor De La Paz, AF Chief Financial Officer, was present at the meeting and led a discussion about the financials.

RESOLVED, the AF Rhode Island Board of Directors hereby approves the financial report as presented.

Motion by James Wiley

Second by Percy Ballah

All in favor

Victor De La Paz explained the following two resolutions. Resolution 1 addresses a budget revision to the revenue. If the resolution is passed, the budget will be revised. The second request is for a request to use the board designated reserves for an allowable use.

Ben Smith reminded the board that during the budget approval process in spring 2019, AF flagged that there would be a budget reduction request and this is that request.

RESOLVED, the AF Rhode Island Board of Directors hereby approves the budget amendment, as presented in Request 1 of the Executive Summary of the Financial Materials.

[Request 1: In this memo we are asking the AF Providence board to amend the current year revenue budget downwards to reflect an excess philanthropy grant (Private Revenues provided by AF) that was awarded in fiscal year 2019 in the amount of \$184,014. Please see the accompanying reconciliation of prior year results showing that AFRI did not need a \$300,000 grant award and note that AF is only requesting a reduction equivalent to ~60% of the over-payment. Depending on other operating results, this may impact net income in the current fiscal year negatively, and the strength of the balance sheet (cash and net assets) would be used to offset the loss. On an audited basis, AFRI had \$3.26M of cash and \$2.34M of net assets per the audited financial statements on June 30, 2019.]

Motion by James Wiley

Seconded by Ben Smith

All in favor

RESOLVED, the AF Rhode Island Board of Directors hereby approves the requested use of board designated reserves as presented in Request 2 of the Executive Summary of the Financial Materials.

[Request 2: In addition, we are requesting that board designated reserves be utilized in this current fiscal year for purposes allowed in the board policy in the amount of \$315,986. The AF Providence schools remain in a growth phase, and the addition of a second site this year has placed additional burden on the philanthropy challenge in the region. As a reference point, last year's philanthropy need was \$402,579, and this year it is \$1,266,001. After these two amendments, the philanthropic need for this year will be \$766,001 on a budgeted basis, which still represents a significant YOY increase. As the board knows, we have a limited philanthropic base in RI (less than \$100,000 of the ~ \$400,000 we raised last year came from RI donors), although we are working to build it. Currently, most of the philanthropy we use for our RI schools comes from NY and CT donors. This request would have an impact to net assets as well, in the amount of \$315,986 to the downside.]

Motion by James Wiley

Seconded by Soraida Morales

All in favor

Following the financial report, Ben Smith needed to leave the meeting which meant the board lost quorum and did not conduct any board business. Shortly thereafter, Mayor Lombardi needed to depart.

C. Executive Session - Principal Interview for new AF Rhode Island Elementary School

The remaining members of the board had a discussion with Mindy Rice, the principal candidate for AF Rhode Island Elementary School #3.

D. Approve Principal

The board did not have quorum and did not approve the principal. Sarah Blanton will work to schedule a follow up meeting to handle the unfinished board business from this agenda.

E. External Relations Update

Elizabeth Winangun briefly presented the remaining board members with an update.

V. Adjourn

With no additional business, and no quorum, the remaining directors decided to adjourn the meeting.