



BOARD OF DIRECTORS MEETING

March 17, 2016 – 201 W. 14th Street, Wilmington, DE 19801

Minutes

Directors Present: Clint Walker, Julia Li, Mia Davenport-Chaney, Mike Cattermole, John Kane, Henry Smith, Bob Goff, Penny Marshall

Directors Absent: John Pierson, Christian Willauer, Hal Real

Others Present: Felicia Wenell, Paul Ramirez, Kelly Davenport, Bill Ray, Melanie Reiser

- I. Roll Call and Determination of Quorum** – The Meeting was called to order at 8:00 a.m. The Secretary noted the presence of a quorum, and the meeting commenced.
- II. Approval of Minutes** – Henry Smith moved that the minutes of the February 25, 2016 meeting be approved as read, and John Kane seconded this motion. The Board was polled, and the motion passed unanimously.
- III. Phase 2 Construction Update** – Kelly Davenport reiterated last month's update on the Phase 2 construction, indicating that the project is over our initial budget due to increased cost of labor and materials and requirements for fireproofing the basement and fifth floor. We have looked at every angle including turning the project into three phases, bidding it out a second time (which brought the cost down), but the bottom line is that we need to find an additional \$260,000 that we had not anticipated in the cost in order to complete Phase 2 construction.

Kelly Davenport presented two options to the Board for addressing this shortfall.

- Freire Wilmington can borrow up to \$260,000 as needed from Barclay's Bank and pay interest only for the first five years at 5%. Any donations raised in this current year above the \$80,000 we need to fill our operating gap will be put toward paying down the principal of this loan. In future years, the first \$50,000 raised will go toward the operating budget as needed and the remaining donations will go toward paying off the principal, so that we pay it off as soon as possible.
- Our landlord, McConnell Johnson, has offered to cover the \$260,000 cost for us, and in exchange, raise our rent \$.95 per square foot for the remainder of the lease term of 16 years.

The Board had a lengthy discussion on the two options. Clint Walker abstained from all discussion. Kelly Davenport indicated that the total cost of the landlord option over 16 years is \$703,000 and the cost of the Barclay's loan is \$310,000 over five years. Bob Goff moved that Freire take a five-year loan of up to \$260,000 from Barclay's Bank at 5% interest with the understanding that any proceeds above those needed to close the operating gap would go directly

toward repaying the principal. Penny Marshall seconded. The Board was polled and the motion was approved unanimously with Clint Walker abstaining.

- IV. School Report** – Paul Ramirez reported on the positive learning environments that teachers are creating. Teachers are not just focusing on the fundamentals, but are expanding to make connections to learning outside the classroom. Classrooms are feeling better, and students are even taking a more active role in leading instruction. Felicia Wenell reported on the continued successes of the Joy Initiative, including its linkages to college prep.
- V. Enrollment/Recruitment 2016-17** – Paul Ramirez reported on the recruitment efforts for the 112 8th graders for next year. We are now in the process of converting applications into enrollment. The deadline to be 80% enrolled in April 1, 2016 (269 total students, grades 8-10, including currently enrolled students). To achieve this, our target is to have 100 new enrollees by April 1st. We presently have 59 new students, with two more Open Houses, which have proven to be high yield. We expect to have a waiting list by April or May. Penny Marshall asked if we expect to lose any of our current students. Felicia Wenell reported that an estimated 30 of our current 8th graders have indicated an interest to transfer to another school for 9th grade, primarily to the vocational technical schools.
- VI. Finance Report** – Bill Ray presented the financials for the month ending February 29, 2016. We received our final State payment of \$560,000, and transferred \$143,000 in donations from the Freire Foundation. We are on target to break even if we bring in \$80,000 of fundraising. We did lose \$2,600 on the food program in February, due to losing claiming days when personnel changed. Currently we are meeting six out of the eight ratios for the DOE financial performance framework.
- VII. Fundraising Update** – Kelly Davenport presented the March Development Report. We have raised \$104,100 towards our \$300,000 fundraising goal for 2015-16. We held a successful Council of Advisors breakfast on February 23rd. While not a fundraising event directly, the intent was to extend the circle of Freire Wilmington supporters. Our annual fundraising event, Bridge to Wisdom is being held on May 19th. This year's honoree will be David L. Cohen and reception will be held on the 43rd floor of the Comcast Building in Philadelphia.
- VIII. Governance Update**
- Melanie Reiser will do a Board member Doodle poll to gauge best availability for meetings in summer 2016.
- IX. Midtown Brandywine Committee Update** – Bob Goff indicated that he heard no complaints this month. Paul Ramirez indicated that he received two emails about parking in front of the school. He is engaging City Council about signage to help alleviate this problem and has a call set up with Hanifa Shabazz.
- X. Adjournment** – The meeting adjourned at 8:48 am.

The next Board meeting is scheduled for April 21, 2016 at 8:00 a.m. at 201 W. 14th Street, Wilmington, DE.