

# MINUTES

MISF BOARD OF DIRECTORS MEETING

JUNE 20, 2018

12:00 PM – 2:00 PM

MAYER LUTHERAN HIGH SCHOOL, MAYER



## AGENDA

- Review and approve agenda
- Review and approve minutes from 3/21/18
- President's report
  - \* Strategic Plan update
  - \* Development report
  - \* Membership report
  - \* Advocacy update
  - \* Program report – Private and Independent Ed Awards
- Governance report – Proposed board of directors and officers for 2018-2019
- Finance report: balance sheet, income statement, restricted funds tracking, cash flow, operating reserve funds
- FY 19 Budget
- Recognition of outgoing board members: Kevin Gyolai, Greg Margarit, Gene Pfeifer
- Other business

## MINUTES

Those present: Tim Benz, Mike Brennan, Greg Chamberlain, Phyllis Karasov (via conference bridge), Josh Killian, Veena Lakkundi, Joel Landskroener, Teri McCloughan, Wyayn Rasmussen

Staff Present: Michelle Ponsolle, Michele Skare, Lisa Vosbeek

Meeting was called to order at 12:24 PM

Motion was made by Teri McCloughan, seconded by Mike Brennan to approve the agenda as presented.

Motion was made by Mike Brennan, seconded by Veena Lakkundi, to approve the minutes from the 3/21/18 meeting as written.

## **President's Report:**

Staff changes: Lisa Vosbeek started this week as our new Director of Development and Programs. Her former position was in development in Life Track. She comes to us with a good understanding of how development works; she is familiar with grant writing and has a wealth of contacts in the nonprofit and corporate worlds. She spent the last week working with Michelle Ponsolle and learning about key contacts and school staff members. We anticipate a very smooth transition.

Michelle Ponsolle retires this Friday after 8 years at MISF. We will miss her relentless positivity, her hard work and her passion for our schools and our mission. We will send her off at a small gathering at St. Paul's Town & Country Club, and invite all board members to join us in wishing her well.

Michele Skare has returned as our part-time Administrative Assistant. Debbie Kaliszewski has assumed management of vendors, equipment, contracts into her role as Business Manager.

Planning for both the STEM Education Conference and the School Leadership Conference has begun. The STEM Conference will be held on August 7<sup>th</sup> at Maranatha Christian Academy. Michelle has begun reaching out to sponsors, and Lisa will continue to do so.

We held a School Leadership Conference planning call yesterday. The committee discussed potential agenda topics, including mental health, school safety, and inclusion as it pertains to special needs vs. neuro-typical learners.

Thank you notes from two Education Award winners, Jamie Jurkovich and Erin Offerdahl, were shared with the group.

Joe McTighe is retiring as the executive director of the National CAPE (Council for American Private Education), and sent MISF a thoughtful farewell note.

## **Strategic Plan**

Some items have moved from the "in-progress" to the "done" column (awards, STEM grants, hiring Development Director). Membership renewal has moved from "do next" to "in progress" with the opening of the renewal cycle yesterday. Item 5 (board involvement in fundraising) will most likely be next to move over.

Discussion re increasing STEM funding (item 7) will move to "in progress" a year from now, because the money for next year's STEM grants has already been received and is in our restricted funds. Tim and Brandi Olson have been invited to give a presentation about agile strategic planning at the MN Council of Nonprofits conference this fall. At the national CAPE conference in March, Tim submitted a state report about agile strategic planning. The membership was very interested, and 3 states have already reached out looking for more information; some have already contacted Brandi.

We continue to visit schools on our High Priority List. One such visit was to Joe Ferriero at St. Mary's School in Morris, MN. They are an 84 student Catholic school – the only nonpublic school in their entire district. They are faithful MISF members, but have never participated in any of our offerings or activities. Yet, when Tim walked into the school, their MISF membership certificate was displayed alongside their other membership certificates. Tim asked Joe why St. Mary's belongs to MISF. Joe replied that it was important for them to be connected to something larger than themselves. This is the very meaning of our tagline: "Be Independent, Not Alone."

While Tim was there, he was able to help Joe with a potential Title 2 funding problem. He had been receiving just the \$5.62 "hold harmless" rate per pupil. Tim knew that amount didn't sound right – the hold-harmless designation had gone away with the passage of ESSA. Tim made a call to Debra Landvik at MN Department of Ed, and she thought that his rate should be closer to \$23 per pupil. Joe and Debra will now work together to get him the funding to which his school is entitled. This is an MISF success story! Debra has previously spoken at our leadership conference, but it may be worthwhile for her to do another webinar for our schools. Schools often only hear the district's version of funding allocations – it's important for them to get the department's version, which is often more correct.

## **Development Report**

Longtime board member and MISF supporter Scott Nelson passed away at the end of March. He was very active, and came to many of our events; he will be greatly missed. We received notification that we were included in his estate. All of the required documentation has been sent to the insurance company, and now we wait to receive the check.

We had previously applied for the Bush Ecosystem grant (up to \$100K) in 2014 and 2016, requesting money for education. This year we have requested money from the leadership category. The grants focus on how you support your organization's eco-system. We asked the question: If we go away – who else does what WE do? Yes there are organizations that support Lutheran/Catholic/Christian schools separately – only WE do it all. 20 organizations are chosen; we should know in late June if we have been selected to move to the next round in the grant process.

Continued discussion on the 3M/STEM piece. We were made aware that 3M's funding next year will decrease from \$171K to \$85.5K for grants + \$60K for programmatic development; we have a year runway to identify to new funding resources as well as retool our program. One option: Award some financial grants, some partnerships with Bakken, Science for Scientists, etc. The 3M Foundation, along with many other foundations, is making strategic changes, and taking a step back from programs with "religious" affiliations. Our strategy should be to lead with the rural component, the fact that our schools show no achievement gaps, and the free/reduced lunch numbers. Getting funding at the sub-\$100K level will be easier, and it will be good to focus on new partnerships mentioned previously. Question: Are there any co-op companies that could be a new avenue? Great River Energy, which provides energy for small rural co-ops, may be an opportunity. Greg Chamberlain can make that connection. Others to consider: Pentair and Flint Hills. Question: Could we create a revenue stream with our Professional Development offerings? Perhaps we can be a conduit for even more training. Perhaps the Schulze Foundation would be interested in helping us "develop leaders." Question: Have we ever done a needs assessment of our schools... identifying areas of need and revealing trends. This could easily be woven into our agile strategic plan. We say that we are the "repository of data" – this data absolutely should be included. Perhaps start with focus groups at the Leadership Conference, coordinating group members based on attendees. Suggestion: use a Start/Stop/Continue discussion. What should MISF always continue doing? What should MISF stop doing? What should MISF start doing?

## **Membership Report**

Membership renewal opened on June 5, and as of today about 40 schools have completed the renewal survey. We sent a member recruitment letter (via USPS) to all nonmember nonpublic schools in the state with an enrollment of 75 or more students.

Tim made a visit to the St. Cloud schools last week and met with Linda Kaiser from the Diocese and Kevin Powers from St. Cloud Community Catholic Schools. There is interest in bringing all 9 of the St. Cloud Catholic Schools in under one umbrella membership. This is similar to the way we handle the Rochester Catholic Schools memberships. Tim will work with Kevin on the details and logistics of what this would look like. There are 7-9 schools, with approximately 1400 students.

## **Advocacy Update**

Not much news to report. We will have to monitor what happens with the elections this fall. Our plan is to get a contracted lobbyist on the ground for us next year – this is included in the FY19 budget. We will still partner with OAK separately as a school choice organization.

## **Program Report**

Results from the Education Awards survey were reviewed. All key metrics rated higher this year compared to last, including overall experience which came in at 4.84/5.00 – compared to 4.54 and 4.35 for the previous 2 years. We missed on our sponsorship budget number by about \$5K, due to the fact that we lost both API and TADS as sponsors. Attendance was down slightly, and it is definitely driven by award winners. This happens every year. This year we had two award winners from the same school, which was a factor.

### **Governance Committee**

Three board members' terms are ending this year: Kevin Gyolai, Greg Margarit, and Gene Pfeifer. We thank them for their dedication and service to MISF. The governance committee has identified two new potential members: Sumita Mitra and Doug Hennes. Bios of both were included in the board packets. The Governance Committee will meet in the fall to identify an additional prospect; members can be added at any time throughout the year. Since there was not a voting quorum present at this meeting, Josh Killian asked for a motion to approve the two new prospective members and the proposed slate of board officers and members electronically. So moved by Mike Brennan, seconded by Veena Lakkundi. UPDATE: An electronic vote, which included the proposed slate of board officers and members, was initiated on 6/25/18. The motion passed.

### **Finance Report**

The financial reports and narrative were distributed. The Executive Committee made the decision that the remaining debt from the loan – now less than \$20K – should be retired using money from our reserve. The reserve balance is now \$43K. We will continue to pay \$3K per month into the reserve – the \$2K we used to pay on the loan, plus the extra \$1K we paid ourselves – so that fund will be built back up again in 8 months. This takes the debt off our balance sheet, accomplishes the strategic goal of making MISF debt free, and is a positive item to note in grant requests.

The 3M and Schulze Foundation grants will be booked in June, as will the gift from the Nelson Estate.

### **FY19 Budget**

The FY19 Budget and Key Assumptions were distributed. Assumptions that were highlighted include:

Membership renewal rates will remain the same for the 2018-19 school year, at \$4.50/student, with a \$0.50 opt-in fee for Science House membership.

We know that 3M will drastically reduce their funding. We have \$208K in restricted funds for 2019 already, so we have a year to make a plan to fill that gap or retool the program (discussion earlier in this meeting).

Since we did not have a voting quorum present at this meeting, Josh Killian asked for a motion to approve the 2018-19 budget as presented. So moved by Teri McCloughan, seconded by Joel Landskroener. UPDATE: An electronic vote, which included the 2019 budget narrative and documents, was initiated on 6/25/18. The motion passed.

### **Other Business**

Question: How much have we included the President's Cabinet in fundraising? They meet twice per year, and are always encouraged to bring guests. Meetings always include a presentation from a member school, as well as an update on MISF activities. The timing is good to ask the question, "Why are you connected to this organization?"

Former board members usually roll onto the President's Cabinet as their board terms expire, which keeps them connected and supporting MISF. Jon Theobald leads the cabinet, but should keep in mind who is the next person to take this cabinet forward.

The MISF Board of Directors wishes to formally thank Michelle Ponsolle for her years of service and dedication to MISF. We wish her all the best.

Tim Benz asks that if board members who are school leaders hear of any leadership changes with any of our member schools, to please forward that information to us so that we may keep our database updated.

### **Adjournment**

There being no further business brought forward, Josh Killian asked for a motion to adjourn. So moved by Greg Chamberlain, seconded by Teri McCloughan. Meeting was adjourned at 1:52 PM

 6/28/2018

Theresa McCloughan - Secretary