

MINUTES

MISF EXECUTIVE COMMITTEE MEETING

JUNE 5, 2019

7:30 AM-9:30 AM

PATTERSON COMPANIES, MENDOTA HEIGHTS

AGENDA

- Review and approve minutes from 3/6/19 meeting
- President's report
 - * Updates
 - * Development report
 - * Membership report
 - * New member incentive
 - * Leadership changes
 - * Advocacy update
 - * Program report
 - * Education Awards/attendee survey responses
- Governance update
- Finance report: balance sheet, income statement, restricted funds tracking, cash flow, dashboard,
 - * FY20 budget process
- Strategic plan update
 - * Resource Development
 - * Reserve policy
- Other business

MINUTES

Those present in person: Tim Benz, Josh Killian, Randy Kroll, Joel Landskroener Those present via phone: Teri McCloughan, Wyayn Rasmussen

Staff Present: Michele Skare

Meeting was called to order at 7:33 AM.

Motion to approve the agenda as written made by Randy Kroll, seconded by Joel Landskroener; motion passed.

Motion to approve the minutes as written made by Randy Kroll, seconded by Joel Landskroener; motion passed

President's Report:

We are wrapping up the year, and now the focus is on year-end giving. We are sending a year-end solicitation out to lapsed and previous donors, both in hard copy and electronically. We are also reaching out to former board members.

We are tracking changes in school leadership. Renewal invoices will be sent to member schools on July 1. We are making some changes to the membership information survey. We have found that school enrollments tend to be fluid this time of year, with schools often not knowing their exact enrollment numbers until the first days/week of school. We always invoice on the previous year's enrollment, as reported by schools to the MDE in October. This year, we will send out our member information survey in mid-October as well, with the hope that, by aligning with the MDE fall report, we will be able to get accurate demographic information from schools.

STEM Education Conference registration opened on May 5, a month earlier than last year. We already have 7 nonmember schools registered, more than last year, and also one public school, from the Red Lake Reservation in northern Minnesota. The conference will be held at Benilde-St. Margaret's.

Development Report

Hard copies of the Development Report were distributed.

We expect to hear between June 15-30 about the 3M grant. We continue prospecting for new grants, but have secured the funds for the 2019-20 STEM program. Next year we will plan to distribute \$100K in STEM grants to schools, which is the same amount we distributed this year. Total cost for the program is about \$230K, which includes grants, conference, admin expenses, community partnerships and consultant.

We received verbal notification from the Schulze Foundation for a \$35K grant for Gen Ops.

We have begun a community partnership with We Share Solar, sponsored by Wells Fargo. Three of our schools have been selected to receive 12 "solar suitcases" which are used to build solar lights. At the end of the project, 2 of the suitcases are sent to areas of need in the world, and the school retains 10 suitcases the next year. We Share Solar is writing a grant directly to the Schulze Foundation to help fund another of our schools to be added to the program.

Membership Report

This year we will again be offering new member incentive pricing; the rate is \$3.50 per student for the first year, with a commitment to stay on for a second year at full price. The incentive pricing has been very helpful in the past, we expect that to continue.

There are currently 17 schools on our prospect list. We have received indications from them or from our community ambassadors (WELS, MNSAA, and other avenues) that they are interested in joining.

St. Mark's School in St. Paul is closing at the end of this school year. 3 Christian Schools in the south suburbs: Bethany Academy, Christian Life Academy, and Life Academy are merging next year to form one school, United Christian Academy.

We are tracking 33 leadership changes so far, 20 of them in our member schools. All schools with leadership changes are added to our high priority list.

Advocacy Update

This year's session ended with a whimper. Shep Harris, MISF's Lobbyist, will attend the Board meeting and present a full report. Regarding the Tax Credit Scholarship program: we found that, , the Governor was not agreeable (with influence from the teacher's union). With less than 48 hours left in the session the bill was pulled.

Modification to the textbook funding language was put in place (teacher manuals now included), but extending counseling to grades K-8 was a nonstarter. We think that next year, which is not a budget year, and not that much spending will be going on, there will be a chance to revisit this.

We believe that having a lobbyist with "boots on the ground" was a good investment. Even so, Shep will need to present the case to the board that we will need a similar investment during a non-session year. Discussion: Perhaps there is some leverage for us in working with MAIS, who Shep also represents? There is some cross-over in our issues.

Question: What about the Tax Credit Scholarship program at the national level – is that still moving forward? It is, but the trend is to still allow the states to implement the program as they want, and leave control at the local level. There doesn't seem to be a lot of movement right now. Tim will get another update on this at the CAPE Summer Institute.

Program Report

Education Awards survey results: Very positive results overall. The award recipients felt truly honored. We have already contracted with UST for next year's event, to be held on 4/26/20. Josh Killian will ask if Frank Vacellero from WCCO is available to emcee the event.

This year we added a 12th question: "As a result of attending, I am more knowledgeable/more inspired about/more likely to support private and independent education." Positive results to all three statements. Question: Should we be doing more marketing towards heads of schools – perhaps suggesting that they bring others to the event and in return get free admission to the School Leadership Conference? The event will become more significant if it can attract a larger audience.

Governance Committee

There are 3-4 open slots on the board for next year. Michael Lamb from Xcel Energy has already committed, Brian Lynch (formerly of DeLaSalle, now at the inFaith Foundation) should know next week if he will be joining. Tom Delich/RBC is rolling off the board after one three-year term. While RBC has been a strategic connection in the past, it may no longer be one going forward. John McCall is eligible for one more three-year term, Josh Killian will reach out to him about continuing.

The Board Governance committee pulled together a list of names and connections which would be helpful to MISF. This list is being distributed to the Executive Committee; if anyone has connections, they are asked to be in touch with Tim or Josh.

Finance Report

The finance report was included in the board packet. Highlighted items:
A positive change in our unrestricted net assets of \$36.8K.

Projected ending cash for the year is \$23.3K. We started the year with \$65-\$66K, and have put \$36K into our reserves.

Reserve Policy

Randy observed as we build our operating reserve, we do not want to starve our operating cash. This year we added \$36K into reserve. This doesn't negate the need to put a policy in place, but we do not want to set ourselves up for

unachievable expectations. Over time, we may find that putting away \$3K per month is unachievable. Perhaps the goal should be set at a balance instead of an amount per year. The board will give Tim and Debbie flexibility to decide what is a reasonable amount. The goal is not to build a “war chest,” but have enough to cover the unexpected loss of a grant or other circumstances.

Written into the policy is the authority for use of the operating reserves is delegated to the President in consultation with the Chair and Treasurer. The President must also provide a plan for replenishment of funds.

A draft copy of the reserve policy was distributed to the group. The full policy, with modifications, should be presented to the full board at the next meeting. So moved by Joel Landskroener, seconded by Randy Kroll; motion passed.

FY20 Budget

Key assumptions and budget documents were distributed. Highlights include:

Membership line showing increased revenue based on membership rate of \$4.75 per student and a minimum rate of \$265 for associate members and schools with 55 or less students, contingent upon remaining for a second year at the full rate. Note: since announcing the dues increase to schools, we have received zero feedback; increase does not appear to be an issue with our members.

In grants: 3M funding is reduced , Schott funding increased , RBC funding is removed based on their decline, and Honor Fund is increased by \$30K. .

Health insurance: based on actual renewal rates and budgeted for all eligible employees; currently, only one employee is taking insurance.

Other business

The President’s Cabinet indicated at their last meeting that they would like more involvement, and a joint meeting of the President’s Cabinet and Board was suggested. This meeting will take place on the date of the regularly scheduled board meeting (June 19), and will be hosted at 3M. The Board will meet from 9:30 – 11:30, and then be joined by the President’s Cabinet at 11:30 for lunch and a joint meeting lasting until 1:30. Perhaps this could become an annual event. Tim will provide to the board beforehand a list of all attendees.

Adjournment

There being no further business brought forth, the move to adjourn was made by Joel Landskroener, seconded by Wyayn Rasmussen. Meeting adjourned at 9:28 AM



6/26/19

Wyayn Rasmussen - Secretary