

MINUTES

MISF EXECUTIVE COMMITTEE MEETING

JUNE 17, 2020

7:30 AM-9:30 AM

ZOOM MEETING

AGENDA

- Review and approve minutes from 3/4/20 meeting
- President's report
 - * CARES Act—ESSER/GEER Funds
 - * Summary of activity and engagement
 - * MDE interpretation and pending USDE resolution
 - * Updates
 - * Development report
 - * Membership report
 - * Leadership changes
 - * Advocacy update
 - * Program report
 - * STEM Conference
 - * School Leadership Conference
 - * Education Awards—rescheduled to November 1
- Governance Update
 - * Board roster 2020-21
- Finance report: balance sheet, income statement, restricted funds tracking, cash flow, dashboard
- FY 21 proposed budget
- Strategic plan
- Other business

MINUTES

Those present: Tim Benz, Teri McCloughan, Joel Landskroener, Josh Killian, Brian Lynch, Wyayn Rasmussen

Staff Present: Michele Skare

Meeting was called to order at 7:32 AM.

One change to the agenda: Committee will meet in executive session at the end of the meeting; Tim and Michele will step out at that point.

Motion to approve the minutes as written made by Brian Lynch, seconded by Joel Landskroener; motion passed. Motion to approve the amended agenda: so moved by Joel Landskroener, seconded by Brian Lynch, motion passed.

President's Report:

Today marks 3 months since we have all been at the MISF office together. People have gone in individually to update computers, pick up the remote deposit equipment, or do other tasks, but never are two or more there at the same time. We are in a public building, with state and government offices as well as the DMV.

CARES Act: Two big pieces for schools are the ESSER and GEER Funds. It has been complicated because of the way the USDE issued their guidance, and the way that Minnesota interprets the guidance. Some states interpret according to the federal guidance, others according to the "law" (Minnesota). We are waiting for resolution from USDE, that should soon issue an interim final rule which will open up a 30-day comment period, followed by the final rule. There is an expectation that the opposition will file a law suit. CAPE is on top of this; tracking it for us.

From our standpoint: We have opened our PD and other offerings to nonmember schools. We want all to be informed about what is going on. We have gained a good amount of awareness from schools all over the state. We have had several membership inquiries, and will be sending out a nonmember recruitment email this week.

Minnesota is taking its interpretation (law) based on Title I count - the free/reduced lunch counts. The Guidance interpretation bases its count on total enrollment. Title I counts vary greatly from district to district; meaning that there can be significant inequities. Example: based solely on Title I counts, the Minneapolis and St. Paul districts combined would receive 30% of the total amount of funding available, because of the high concentration of Title I students.

However, CARES is not a Title I program, it is an emergency relief program which should serve all students, not just Title I students. And while some of our schools serve as significant amount of FRP students, half of them do not report those numbers to the state, so there is no count to generate funds. Schools that don't report can also get the information from their financial aid provider (TADS, FACTS, etc.)

Our members ARE aware of this. We have talked about that in our webinars, and MDE did a dedicated webinar for all nonpublic schools.

We are the ones getting all the information out to the nonpublic schools - that's where we have partnered with them about this. Tim is meeting twice a week with CAPEs from other states, and weekly with the MDE nonpublic ombudsman. Also have a weekly coalition with archdiocese, LCMS, WELS, MAIS, etc. where we give them the updates of what is happening at MDE.

Reopening School: Our schools do not have to follow MDE guidelines, but recommended to follow Department of Health/CDC guidelines. Most school cohorts are building their own plans. While we would like to be able to fully develop a plan, we don't have the capacity or funding to do so. Another consideration would be the risk/liability of authoring/sponsoring such a plan. We can be helpful by being a facilitator, helping all to share resources, passing along information, etc.

Office Lease: Our lease is up in September. As a staff, we have been discussing what our office needs really are at this time. Over the past 3 months that we have been out of the office, we haven't skipped a beat. While we might miss seeing each other and being together, all work is being accomplished efficiently. In previous discussions about office space, we had talked about a need for a large training room/conference space for holding in-person PD Seminars. With the current COVID situation we have been holding PD virtually, and this will probably continue for the foreseeable future. There is some physical need for an office: to store files and our server. Discussions are continuing.

Development Report

The Development Report is posted. Highlights include:

We received \$100K from the GHR foundation in March, which we used to distribute microgrants to schools. Used up all funds, and while we want to/tryed to secure more, we were unable to do so.

We received a \$40K grant from the Schulze foundation, an increase of \$5K, and were able to deploy those monies immediately. They have repeatedly asked us to be in touch, let us know what more they can do to be of help. We are considering asking for a grant to help offset any membership variances (as we are unsure, in the current climate, what membership will look like this year.) Alternatively, we may use money for new member incentives.

The Xcel Energy grant came in this year at \$27.5K. Over the past 3 years this grant has increased; from \$22K to \$25K to \$27.5K this year. We have been fortunate to have such wonderful supporters from Xcel on our board: Greg Chamberlain and Michael Lamb.

We have received a second grant from Boston Scientific, for social-emotional learning professional development, in the amount of \$10K. Lisa has been in talks with Paul Bernabei/Top 20 Training, to plan and implement a year's worth of SEL PD sessions. SEL was often cited on our PD needs assessment as an area member schools would like to see covered in future sessions.

Finally, we are working on the end of year wrap-up for giving; sending out last call letters, checking on donors, etc.

Membership Report

The final membership report for 2019-20 is posted. St. James in Howard Lake joined at the end of May.

The FY21 budget reflects a reduction in membership revenue, as we anticipate a potential drop. Yearly membership bills on the previous year's enrollment numbers. This year, we may see schools contacting us saying that, due to the pandemic, they are seeing significantly lower enrollment this fall. We receive a few of these requests each year; we are anticipating more this year.

We received some good news about an historical non-member school with a new principal - one who is coming from a current member school. We anticipate that they will join us now. That principal has already reached out to us.

We had another nonmember inquire about membership, after seeing the work and outreach we have had with all nonpublic schools in the state during the pandemic: webinars, resources, etc.

As always, we are tracking leadership changes in our member schools. This year we are aware of 30 changes already. We share and compare this information with our partners at MNSAA.

Only one closure that we are aware of. Schools are anticipating that the next year (22-23) may be more challenging in terms of enrollments.

Advocacy Update

The work at the State Capitol came to a halt as COVID-19 ramped up. There is currently a special session, with the main focus on police reform and social justice. There was just one education issue that passed: to hold harmless all nonpublic pupil aids and transportation for the last quarter of the school year, since little or none was used.

Shep Harris, MISF lobbyist, is still tracking issues and is boots on the ground at the Capitol. He's watching anything from the MDH; and we know that MDE is giving its final decision about school opening on 7/27. Shep will be able to give up a heads-up on any early intel he may have.

Program Report

STEM Conference - will be virtual this year. Attendance is running about 50% compared to last year so far; and we really don't know what to expect for numbers. The structure of the event is 3 days: Tuesday, Wednesday, Thursday, 2 sessions each day: 9:00 AM and 1:00 PM, and 2-3 topics within each session. Jayshree Seth, a scientist from 3M, will deliver the keynote address on Wednesday. Our overall expenses are minimal; and our sponsorship model will be adjusted.

School Leadership Conference - We are currently planning for an in-person conference, and will adjust plans accordingly as time goes on. The sense from the planning committee was that this should be an UNconference: not a lot of heavy PD and topics, but more a chance for leaders to step away, catch their breath, network with others. We are in frequent communication with Ruttgers. If for any reason we have to cancel or reschedule, we can do so without penalty.

Education Awards - have been rescheduled to November 1 and we are planning for an in-person event and will, again, adjust plans accordingly as time goes by. If we aren't able to gather as a big group, there is the possibility to go to each winner's school and celebrate them there, with their communities. Lisa is hoping to be able to start recording videos of each of the winners within the next 30-45 days if possible. 80% of our sponsorship revenue is already received and booked - that revenue will be deferred to next year. There is a possibility that we will then host 2 awards event within the next fiscal year.

Governance Update

Veena Lakkundi, Board Vice Chair, has been given a promotion at 3M, making an already busy schedule even tighter, and doesn't feel that she has enough time to dedicate to her current or future positions on the board. She will be stepping down from the VC role, but will remain on the board and continues to be totally supportive of MISF and our mission. For now, we will leave the VC role vacant and will discuss and decide on a replacement in the coming 1-2 months.

Three new members will join the board in the 2020-21 year:

Kate Wollan, principal at Nativity of Our Lord in St. Paul. Kate is well-respected in the Catholic school community, and is looked upon as the go-to and mentor for principals.

Brian Sullivan is head of school at Maranatha Christian Academy, a long-time MISF member and one of our biggest supporters.

Anna Lima, an attorney, who attended one of our President's Cabinet meetings and became interested in MISF and our mission. Her children attend Our Lady of Grace school, and she looks forward to getting involved in the broader cause of private education.

Finance Report

The finance report is posted on the website. Some highlights:

We are in a good financial position as we approach the end of the year. We applied for and were approved for a PPP loan for \$59.5K. The coverage period on that loan has been extended to 24 weeks.

The transition from Bremer to Premier Banks is going well. We have closed our Bremer program account (STEM) and deposited it into our Bremer operating account. Likewise, we have also closed our Bremer savings account (reserves) and deposited that into our operating account as well. When we are ready to fully transition to Premier, we will write a check out of Bremer operating account into the Premier operating account, and then distribute the funds into the new accounts there accordingly. Tim will let both Teri and Brian know when he is ready to write the "big" check. Premier has been wonderful to work with, and we appreciate the remote deposit capability.

The PPP is included on the balance sheet, both above and below the line, which will then reconcile. We look solid on the income sheet. Debbie tracks use of PPP funds, and that document will be submitted to Premier.

There is a gap in sponsorship dollars, which arises because the Awards sponsorship money is deferred from this spring to next fall.

We canceled the reserved parking at the office, because we are no longer going in everyday, resulting in a savings of about \$500/month. We also worked with Popp, our internet provider, to get credits on our bill because our usage is very low - approximately \$50-\$100 in savings.

Both Xcel and 3M indicated in March (when COVID-19 was starting to become a factor) that grant requests could be written for general operating, rather than restricted funding. We wrote both grants for gen ops, while telling both that our intent would be to use the money for STEM. Those dollars are showing right now as unrestricted grant money.

Budget

Highlights from the budget narrative:

Projecting out to the end of the next fiscal year, it shows \$40K of positive net income, which looks great.

Membership dues are adjusted down by 4% from this year. There are still some unknown risks from the COVID-19 pandemic that may affect member schools' ability to join/pay.

Sponsorship dollars from the Awards event are shown as deferred revenue.

We have separated honor fund dollars from trust (consistent) revenue, in order to be more transparent.

Expenses: Planning a 3% increase for all employees. A 47% decrease in consultant fees is due to some reductions in STEM funding, as well as different directions for the program - more direct work with partners like Bakken, Science from Scientists, We Share Solar, etc. While we still need someone to manage the program, the amount of hours/capacity to do that will be significantly less next year.

Cashflow - We are still counting on \$3K/month going into reserves as good practice, even though by the end of this FY we will be close to our target amount at \$117K.

We are basing next year's budgeted rent amount on the amount we are currently paying, but we anticipate less rent expense when we move to a new location.

Joel Landskroener moves that the Executive Committee puts forth this budget at the next full meeting of the board and recommend that it be approved. Motion seconded by Teri McCloughan.

Strategic Planning Update

In previous conversations, Veena Lakkundi had indicated that she would be willing to facilitate the next round of strategic planning, rather than involving the services of an outside consultant as we have done in the past. The committee feels that strategic planning is best done in person, which is not currently possible due to social distancing restrictions during COVID-19. Tim and Teri will start with some initial conversations and parameter setting, then take that information to Veena. Ideally the plan had been to begin this summer, but that obviously cannot happen. The focus on the next round of strategic planning will be funding: how to broaden our base, more engagement from more parties, etc. Kate, Anna and Brian coming on as new members, will bring a good, new perspective to this planning.

Adjournment

There being no further business brought forth, the committee entered executive session at 8:47 AM



Wyayn Rasmussen – Secretary

6/17/2020