

BOARD OF DIRECTORS MEETING MINUTES

March 19, 2018

6:00 PM

Christopher House Administrative Offices

1611 W. Division Street, Suite 207

Chicago, IL 60622

Board Members Present: Adnan Assad, Robert Buono, Dee Dee Chesley, JoAnne Cicchelli, Jordan Hadelman, Jeff Kemerley, Dan Lynch, Thomas O'Neill, Stephen Raquet, Stu Reed, George Reimnitz, David Rodin, Homero Tristan, Lizzy Whitehorn, Nana Owusu

Board Members Absent: Rolando Acosta, Ronit Barrett, Anthony Chimino, Frank Hsu, Rick Smirl, Gregory Spitzer, Kimberly White, Thomas Woodrow

Christopher House Staff Present: Lori Baas, Christina Pfeffer, Julie Dakers, Gloria Kuechenberg, Krissy Novy, Karen Ross-Williams, Penne Silverman, Katheryn Steward

Minutes Recorder: Christina Henneuse

Proceedings

Meeting called to order at 6:03 PM

Minutes and Consent Agenda, presented by Tom O'Neill and Julie Dakers

Motion was made by Stu Reed, seconded by Rob Buono and carried unanimously to approve the January 22, 2018 Board of Directors meeting minutes.

There are four items on the consent agenda which Julie summarizes to the board. The first three items are strictly for your information.

1. 2017-2018 Self Assessment Timeline - Is the annual evaluation of our strengths and opportunities for the Headstart and Early Headstart program. In May, the board will be presented with an action plan for the upcoming year.
2. 2017 Program Information (PIR) - A two-page summarized report is provided to the board. The first page is the national report and the second is the Christopher House report. Some of the highlights to note in this report is that 100% of Christopher House staff are meeting or exceeding the national credentialing standards compared to 87% of the national rate.
3. Notice of Continuation of Grant Application 09/01/2018-08/31/2019 - \$1.3 million that Christopher House has received for Early Headstart. The application is due in June and will be submitted for board approval in May.

The fourth item on the consent agenda does need approval from the board:

4. 2018 Early Headstart Childcare Partnership Grant - This grant starts July 1st and is for \$107,000. 99% of the grant will be allocated to staff salaries and benefits. \$600 has been allocated for Parent Involvement Activities.

Motion made by Dee Dee Chesley, seconded by Jordan Hadelman and carried unanimously to approve the 2018 Early Headstart Childcare Partnership Grant.

President and CEO Report, presented by Tom O'Neill and Lori Baas

Tom formally announces the resignation of Barbara Stewart as of February 14, 2018 from the Christopher House Board of Directors. Barbara has been appointed as Chief Executive Officer for the Corporation of National and Community Service. It is a national level role in Washington, D.C. that has required her to step down from the board after more than 15 years of service to Christopher House. The board wishes to express their appreciation and gratitude for her years of service.

Since Nicole Toalson, former Secretary of the Christopher House Board of Directors has stepped down several months ago, Tom and the Executive Committee have approached current board member, Adnan Assad about taking on the role as the new Secretary and has agreed. Adnan has been on the Christopher House Board of Directors since April 2012 and has been an active member of the Finance Committee.

Motion made by Stu Reed and seconded by Jordan Hadelman and carried unanimously to approve Adnan Assad's new role as Secretary of the Christopher House Board of Directors.

Lori provides a brief update on the mid-year strategic goals of Christopher House. The strategic plan has been extend another year through FY19. In May and September the board will hear more about the next strategic plan.

Currently, the big picture goals include:

1. Increase revenue and sustainability
2. Develop human capital
3. Expand impact on children and families
4. Establish CH as a thought leader

Of the 100 meet/exceed goals for FY18 we are currently on track for 89% of them. We are currently off-track in the following areas:

1. Individual giving
2. Moving child care from the city of Chicago to be a direct grantee of the state of Illinois. This process is taking longer than expected. Lori expects to meet this goal at the conclusion of the strategic plan.

3. Early childhood development - we had hoped that all certified preschool teachers will achieve a level 4 certification in instructional support. This goal was reached last year but this year we currently have three brand new teachers from Teach for America that are working to achieve this.

For the past few years, based on goals agreed upon by the Christopher House Board of Directors, the Executive Committee creates a quantitative scorecard for the CEO with the assistance of a consultant.

A copy of the most recent CEO scorecard is provided to the present board members for review.

The format of weighted goal setting for the scorecard has been used by Christopher House for a number of years. The goals set for the CEO scorecard are aligned with the strategic plan. The Executive Committee has reviewed the report extensively and have edited the scorecard to only reflect the most important goals of the organization.

Tom asks the board to review the report and approve the Executive Committee's decision to move forward with the compensation plan.

Motion made by George Reimnitz, seconded by Jordan Hadelman and carried unanimously to approve the CEO scorecard.

Finance Committee, presented by Katheryn Stewart and Penne Silverman

Our current balance sheet reflects that we have \$2.2 million in cash which includes \$1.2 million from the capital campaign.

Our accounts receivable is slightly higher than it was last year and is a result of reconciling with DFSS all child care from July through December determining if there are any uncollectible receivables. Another factor for the increase is the increase in capital campaign pledges.

There has not been any significant changes in liabilities. Line of credit balance is still at zero compared to this time last year which was at \$250,000.

Year-to-date we have an operating surplus of \$34,000.

\$419,000 favorable salaries and benefits variances is a result of position vacancies. We are currently actively looking to fill those vacancies.

The private philanthropy dashboard reflects we are 52% to our annual goal. If you take out the revenues from the upcoming gala, we are actually at 70% of the overall budget through February. External Affairs is optimistic about raising our numbers in individual giving with a new Associate Director of Development.

Progress on the Development of the Middle School, presented by Rob Buono and Lori Baas

The first phase of the zoning review has been completed. We are now in the process of filing our application in order to request the variance that we require to pursue the building project. The anticipation is the hearing will be held in May, if not it will be June. We are optimistic that obtaining the permit from the city will be a fairly straightforward procedure.

The construction project has need put out to bid and we expect responses late next week.

The Finance Committee is working with staff leadership on exploring financing to finalize the financing terms with Bank of America and explore other lending entities to achieve the most favorable terms for the project.

Staff leadership are also exploring securing New Market Tax Credits with national Community Development Entities include National Community Investment Fund and Low-Income Loan Fund.

The majority of the \$150,000 authorized by the board of directors in May 2017 for the expansion have been obligated and to continue progress on the project, Lori requests authorization for an additional \$300,000.

The goal is to have a complete project sources and uses proposal for the Board to vote on at the May 21st meeting of the board of directors.

Motion made by Jordan Hadelman, seconded by Rob Buono and carried unanimously to approve \$300,000 incremental spend towards the middle school expansion project.

Education Council Report, presented by Lori Baas

Staff have made a plan to accommodate the 2 6th grade classrooms in the current facilities by temporarily relocating office space to our Logan Square Campus while the middle school is being constructed.

Due to the increase in funding from CPS this year, the elementary school was able to hire an additional reading specialist, a behavior specialist, and an additional language learner teacher.

Krissy and Lori have made the decision to allow all the 85 applicants to enter Christopher House this year, eliminating the need for a lottery. In past year's not all the families that applied for kindergarten actually enrolled because some families relocate or have tested into selective enrollment schools.

The Chicago Board of Education approved the renewal of the Christopher House charter school for another five years. Based on the Renewal Recommendation Report from Chicago Public Schools., Christopher House overall met standards in the areas of Academic, Financial and Operational Performance. Tom O'Neill, Lori and Krissy Novy participated in a meeting with the Office of Innovation leadership at CPS and received very favorable comments about our school, our model and our outcomes for students. Prior to July 30th, all current board members must complete the Open Meetings Act Training and adopt a transportation policy. We also need to address formatting and content issues in our board meeting minutes.

External Affairs Committee Report, presented by Lori Baas, Penne Silverman, Lizzy Whitehorn and Christina Pfeffer

There were three sponsors for the Read-A-Thon this year: RBC, Exelon, and Starcom. Approximately \$2,000 total in monetary donations were given by individuals, 2,000+ books were donated to the school, 20+ volunteers assisted with Read-A-Thon activities and 33 Rockstar Readers came in to read to the students. All the Rockstar Readers that participated in this year's Rockstar Reader program were individuals that donated last year or those we are currently cultivating.

We are currently 6 weeks away from the gala. To date, we have raised \$326,000 and are hoping to raise an additional \$443,000 (counting all of the night of). Board members were encouraged to continue to reach out to their contacts to help Christopher House reach the event goal of \$770,000 and shared that the External Affairs team was available to support their outreach in any way.

Lizzy shared the current Live Auction offerings and asked the Board for help in securing additional items.

Board Development Report, presented by Lori Baas

Ronit and Dan have been working on the pipeline for board development. There are currently 5 strong candidates in the pipeline. Lori encourages the board continue to help identify potential new candidates for the board that help meet the goals of increased diversity, public relation and marketing expertise and fundraising.

Motion was made by Rob Buono, seconded by Dee Dee Chesley, and carried unanimously to adjourn the meeting with no new business.

Meeting adjourned at 7:39 PM