



MISF Board of Directors Meeting
March 16, 2016
7:30 AM – 9:30 AM
St. Alphonsus School, Brooklyn Center

AGENDA ITEMS

[Click Here for Meeting Documents \(added as they are available\)](#)

- Introduction of new board members
 - * Kevin Gyolai
 - * Phyllis Karasov
 - * Veena Lakkundi
- Review minutes from 12/16/15 meeting
- President's report
 - * Updates
 - * Development report
 - * Membership report
 - * Advocacy update
 - * Governance report
 - * Program report
 - * STEM program spotlight
 - * Private & Independent Ed Awards
- SCOPE (Statewide Census of Private Education)
- Finance report: balance sheet, income statement, restricted funds tracking, cash flow, operating reserve funds
 - * Reissue of loan from Nonprofits Assistance Fund
 - * Establishment of Reserve Funds account
- Other business

MINUTES

Those present: Tim Benz, Jennifer Cassidy, Greg Chamberlain, Kevin Gyolai, Doug Jaeger, Phyllis Karasov, Josh Killian, Randy Kroll, Joel Landskroener, Greg Margarit, Teri McCloughan, Kari Staples

Staff present: Michele Skare

Meeting was called to order at 7:38 AM.

Motion to approve the agenda as written was made by Greg Chamberlain, seconded by Teri McCloughan. Motion passed.

New board members, Kevin Gyolai and Phyllis Karasov, were introduced and welcomed. Veena Lakkundi, third new member, was unable to attend this meeting.

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

President's report

Recent staff changes

Staff morale is strong, and we don't feel like we're "missing" anything. We are now running up to the awards event in April, and the logistics around that, and feeling good in terms of responsibility / accountability. We are mindful to always keep talking about grey areas, and making sure that everything is covered. In general, all is very positive as we work in the "new normal." We've not heard anything at all from an external standpoint.

School visits

Tim has been focusing on school visits, and will continue to do so through the second half of the year, with a special emphasis on new leaders and new schools:

- St. Agnes – They have been a legacy member since day one, and have a new leader who came from Providence Academy. They had a great discussion, and he wanted to make sure that we knew how much they value their relationship with MISF. Tim took the opportunity to ask him about Providence and MISF membership – he said that as a new school they belonged to several organizations, and were in the process of accreditation. MISF membership simply fell off their radar, and they never got back to it. There might be an opportunity for membership discussion there.
- Hill-Murray – Tim met with new President Jim Hansen, who came to H-M as a "non-school" person, and he has ongoing relationships with both Doug Jaeger and Randy Kroll from our board. Chuck Briscoe, Principal, was formerly principal at St Paul Prep, and has been a wonderful internal advocate for MISF. Jim said that he has heard great things about us, and that his staff are attending our events. They spoke about the School Leadership Conference, and Jim said that, being so new to the school and position, it was hard to justify going. Tim made sure to tell him that leaders from several other Catholic schools attend the conference.
- Shakopee Area Catholic School – new member this year, President Diane Lee indicated they have found great value in the membership. The School Leadership Conference was exceptional and they intend to remain members.
- Morning Son Christian School – small new member school in Fergus Falls. Their principal spoke of the fact that although they are a part of ACSI, they wanted to be a part of something bigger (greater voice, etc.). Encouraged her to attend the School Leadership Conference – good way to broaden their network.

- Hillcrest Academy – Tim enjoyed meeting with Steve Brue and seeing their school – a fascinating model, blend of the old seminary and new, modern school. Steve will be resigning this year, after 34 years at Hillcrest. He plans to move to the Twin Cities, and has indicated that he would like to remain involved on some level – possibility to approach him for board membership. They have not yet announced a search for his replacement.
- Linda Kaiser – She is the St. Cloud diocesan director of Catholic Schools, is an Associate Member. They are currently going through a strategic planning process. She mentioned that she would like to have all their diocesan schools become members, and they are having discussions around that.

Discussion: It is important to craft a welcome plan for new members, and to make sure that each and every school is touched by MISF in some way during the year. We are developing a tool in Raiser's Edge which staff will use to keep track of interactions with schools. We will ensure that new members get at least a phone call during the first 90 days. Note that it is important to ask board members to help make personal connections, share the story of MISF, and be good representatives for us.

Minnesota Comeback (formerly ETI – Educational Transformation Initiative) – We are continuing to move forward in our involvement with the group. Tim Benz chairs the Independent Schools Implementation Team. Focus is on an effort in the Minneapolis school district to move students to “rigorous and relevant” schools.

The group convened the seven Minneapolis schools: Hope Academy, St. Helena's, Cristo Rey, John Paul 2 School, DeLaSalle, Risen Christ, and Ascension. The Comeback team and schools were very excited and encouraged about efforts so far. There was discussion around what the schools need: teacher training, leadership development, etc. It was a great first step. This will affirm MISF's position and value with nonmember schools (example – Cristo Rey) so they can see what membership can do for them, and they'll hopefully want to be part of our movement.

Other news

Tim has been working to make connections with various smaller trusts and foundation departments; getting in front of them, helping them to understand what we do. These trustees have portfolios of funds that they manage, and these funds that have to be distributed. In meeting with us, they are able to ascertain if we are a good fit for them. Generally an LOI and cover letter are all that is needed – not necessarily another large grant request that would have to be written. Tim will continue to explore this funding avenue.

Tim has been appointed to the Nonpublic Education Council. It's good for MISF to be at the table representing all private/independent schools. Their next meeting is about equity in title funding.

The MISF website is currently on a Joomla platform and is 5 years old. We've been hacked twice in the last month, so a website redesign has now become a priority. After talking with several

designer/developer, we have decided to go with Digital Solutions, our current hosting service. Cost will be approximately \$13,000, and expense is anticipated in our next fiscal year. However, looking at our cash flow, we may be able to commence working on the project in this fiscal year. If we could start the project in the May/June timeframe, we'll have it done by September.

Development report

Hard copies of reports were distributed. Highlights:

All areas are in line where we need them to be, although a certain number of "checkbook foundations" might have some degree of "float" from month to month, depending on the donor's schedule.

February is a stronger month for us. The 3M grant was approved and received on February 2nd, and the Harrington Trust money came in that day as well. Both of these grants will be reflected in the February financials that will be distributed next month.

Our donor numbers, both individuals and corporations, are strong. Board member giving will be at 100% by end of year.

Grant pipeline – The 3M Foundation Grants have been approved, and many others are in process. We had a great STEM site visit with Xcel at Totino-Grace. The board recognizes and thanks Greg for this connection.

The Richard Schulze Family foundation changed their grant cycle timing, so while we are still hopeful to receive a grant, it would arrive later this year (about a 15 month lapse). Steve Hoepfner of the Foundation came to our office and had good site visit.

We continue to work with the WEM Foundation (a connection made through MN Comeback) on pilot/scholarship programs for smaller schools. They are currently funding some Minneapolis schools, and now would like to think more broadly. They are working with us and CSCOE (Catholic Schools Center of Excellence) on that. Their president, Jim Hield, really cares about these schools and this mission, and wants this to succeed.

Membership Report

We've gone from 160 to 156 schools, but we are not overly concerned. Last year's grant from the Schulze foundation was used to help scholarship schools into membership. We anticipate that some part of any other grants we get from them will be used for that again.

We don't anticipate a rate increase for next fiscal year, and we will continue to offer Science House as an add-on fee.

Advocacy Report

There were two School Choice week events held. The morning event was a forum at the Humphrey School of Public Affairs moderated by Beth Hawkins (from MN post.). Panel members included Representative Jennifer Loon and Ember Reichgott Junge (the “Godmother” of Charter Schools in Minnesota). Overall, there was too much emphasis on Charter School Choice, and we voiced that concern during the last OAK mtg.

The afternoon event was held at St. Pascal’s on the east side of St. Paul, and was totally focused on our schools. The demographic of that school has dramatically changed, but enrollment is increasing; they would clearly benefit from authentic choice legislation. An article about the event was published in the Catholic Spirit newspaper, and featured some good quotes from Barry Lieske from DeLaSale, who spoke about school choice as “alternate routes to a similar destination”.

Working alongside OAK, one of our priorities is the education tax credit. Currently at \$1000, the goal is to expand it to \$1500, and add “and tuition” to the legislation. Representative Knoblach has carried the bill into conference. When he did so, he floated out a figure of \$3500 and said that it was important to stress that this is NOT a voucher, and to focus on the fact that this helps lower income families. When the new budget forecast was released, with a surplus that was \$3 million dollars less than originally forecast, everything changed. The focus is now back on expanding the credit from \$1000 to \$1500, and getting tuition added to the credit, which is exactly what we wanted.

Education Savings Accounts: Passage is more of a marathon than a sprint, as is true with the tax credit scholarships. The fiscal note on these is \$20 million, which is very small for the state but huge for families. We need to activate network when this comes up in front of the legislature. School leaders need to push information out to families and supporters and urge them to call their legislator. When legislators get multiple calls on an item, it gets their attention and an item suddenly becomes an issue.

The National CAPE has been very involved in the writing of ESSA (Every Student Succeeds Act, which replaces No Child Left Behind) legislation and MN Representative John Kline is a sponsor. The legislation is very favorable and equitable for privates. This was a big topic at the State CAPE meeting in Washington DC on March 13-14. Nothing will be enacted until 2017-18, but we are hoping to receive more guidance in the 2016 school year. One important component of the legislation is the creation of an ombudsman for nonpublics to ensure equity in nonpublic school funding. School Choice programs in other states were also discussed, which can help us to understand where we want to be with school choice eventually.... And we learned that our legislature is really no different than other states’; they grapple with the same issues.

Governance Report

The governance committee meets tomorrow; members include Jon Theobald, Phil Paquette, Doug Jaeger, Jennifer Cassidy, and Tim Benz. We have appointed 6 new board members over the past several months: 3 from the school community, and 3 from the business community. There will be 3 openings on the board as of July 1 that the committee is looking to fill, replacing Greg Margarit, Greg Anklam, and Doug Jaeger as they transition off. They are also looking at the officer slate: the Vice Chair, Treasurer,

and Secretary positions need to be filled. Today we can announce that Josh Killian has agreed to accept the Vice Chair position as of July 1. We have a short working list of names, but if anyone has recommendations, please forward those to Doug, Jennifer or Tim.

STEM Report

Michelle Ponsolle presented a report on the STEM program. The report can be [downloaded here](#), or from the Board page on the MISF website.

Program Report

The Awards event is coming up on April 24th. The nomination process was changed and streamlined, but we may have oversimplified! We received over 70 responses this year, compared with just over 30 last year. The Awards committee met last week to confirm the Behind the Scenes, Community Champion, Program and Leadership awards, and to choose the Honor Teachers from the list of finalists. The committee members are: Greg Anklam (chair), Paul Cerkvenik (MN Private College Council), Linda Holmen (former board member/chair), Kelly Regan, Todd Russ (St. Croix Lutheran School President), and Tim Benz.

There will be some changes to the program this year, including a sit-down dinner rather than hors d'oeuvres (and, interestingly, having dinner is less expensive, because we can predict the amount of food we need to order), as well as a cash bar. The evening will begin with a short welcome message, and then presentation of the STEM awards. After that, we will allow 40 minutes to eat, then present the rest of the awards. We are working with a new videographer this year, and will be doing interviews with the winners and finalists. All in all, it should be a very different feeling event. A key piece of the event are the sponsorships. The budget is set at a semi-challenging \$65K, and Michelle and Tim are currently working on securing sponsors. If board member can secure 2 tables each, that would go a long way towards helping us meet that number.

SCOPE

We are working with Wilder Research on the next SCOPE study (which is being funded by Katherine B. Andersen Fund), with an eye to launch in late March. We have been meeting with Wilder about questions, and have asked both Barry Sullivan, and John McCall to look at the questions and give us feedback. We are meeting with Wilder tomorrow to finalize the survey tool and will communicate out to schools in the following week. For the purposes of this study, we will be using school data from the 2014-15 school year. We have communicated with our partners at MNSAA, LCMS, and the Archdiocese, and have asked them to stress with their memberships the importance of this study. Data collection will begin at the end of March and continue through the end of May. The final report will be issued sometime during September or October, in time for Wilder to attend the School Leadership Conference and do the rollout while there. The plan is to create a communications plan on the back side of the process, and will include press releases, and the opportunity to talk about the report in front of legislative committees.

The board asks that it would be able to view the report first, prior to all others, in order to comment on and help to shape the final outcome. We will make sure that the board receives the draft first.

The last time the survey was conducted, in 2011, there were approximately 500 nonpublic schools in Minnesota. That number is now closer to 470 schools. We received 220 responses to the 2011 survey. The Archdiocese has worked with us to align their school census with SCOPE study, so that some of their schools' data can be directly imported by Wilder.

Finance Report

In looking at the summary and variances provided by Debbie Kaliszewski (Business Manager): There is nothing surprising. The balance sheet program line is mostly STEM funds and reserve dollars. The assets held for differed comp is the 457 plan for Jim Field.

The Income Statement YTD vs. Budget, is solid. Dues income is right on, while food and venue expense is up, but that is tied to revenue. Our seminars have had greater attendance this year over last year.

Cashflow: We anticipate a surplus at year end. Obviously sponsorship money is very significant. The lobbyist item on the list is money that we have paid into OAK for our participation in the group. Money from the Schulze foundation is not baked into this yet.

Nonprofits Assistance Fund loan was approved for reissue (still at 6.5% interest) for the term remaining on it, which is 34 months. There will be no change in the payment amount, and we continue to put \$100 per month into reserves.

We currently have 2 accounts at Bremer: an operating account and a restricted funds account which includes our reserve funds. Debbie has requested that we open a separate account for just the reserves, to simplify bookkeeping. It will not harm us from an interest standpoint, as the rate will apply to all of our accounts collectively. Chair requests a motion for approval to add the additional account: so moved by Doug Jaeger, seconded by Teri McCloughan. Motion passed.

Adjournment

There being no other business brought forth, Greg Margarit moved to adjourn, seconded by Greg Chamberlain. Meeting adjourned at 9:12 AM.



3/23/16

Greg Anklam/Secretary