



Charlotte Lab School Board of Directors Meeting
Wednesday, July 9, 2014, 3-5pm
 Panera Bread, Providence Road

AGENDA

Meeting outcomes: By the end of this session, the Board of Directors will...

- Share updates on various aspects related to school planning and start-up and vote on proposed new-hire;
- Review and vote on budget for Next Generation Learning Challenge grant;
- Review and vote on contracts for proposed curriculum consultants;
- Review MOU from Parents for Educational Freedom of North Carolina and vote on partnership;
- Better understand facilities possibilities, challenges, timeline and funding; and
- Vote on authorization of Facility Subcommittee to proceed with facilities negotiations on behalf of Board.

Time	Duration	Topic	Presenter
3:00pm	5'	Catching up/introductions	
3:05pm	5'	Welcome and overview of agenda and outcomes	Tom Murray, Board Chair
3:10pm-4:10pm	5'	Facilities update: <ul style="list-style-type: none"> • Progress and proposal for authorization of subcommittee to move forward • Introduction of guests 	Mary Moss
	20'	Real estate landscape overview Status of 227 W. 4 th St Building Scope of work/projected cost Funding possibilities	Jack Glasgow, Mohr Partners
	20'	Background of Self-Help Application process Resources	Jane Ellis, Self-Help
	15'	Facilities Discussion/Q&A /Vote	All
4:10pm	10'	Curriculum update / Copyright Laws Marketing update Staffing/hiring update Vote on consultant contracts Review of board insurance quotes and vote on vendor	Vikki Tunick / Corliss Thompson
4:20pm	10'	Budget and Fundraising/Funds update Vote on NGLC proposed budget	Michelle Thornhill, Treasurer Mary Moss
4:30pm	10'	Partnerships update Review of PEFNC MOU and vote Vote on hiring of Kendra Johnson	Mary Moss
4:40pm	10'	Follow-up from last meeting: <ul style="list-style-type: none"> • Copyright info • Meetings (BoA, CCP, FFC) 	Corliss Brown Tom Murray
4:50pm	5'	Approve minutes from last session	Joel Bonasera, Secretary
4:55pm	5'	Adjourn meeting Determine date for celebration	Tom Murray Mary Moss

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Present:

Corliss Brown-Thompson, Mary Moss (non-voting member), Vikki-Rose Tunick, Apri Agyapong (Vice-Chair), Michelle Thornhill (Treasurer), Joel Bonasera (Secretary), Peter Bove (via phone)

Absent:

Tom Murray (Chair), Denise Glaser-Serrano

Non-Members Present:

Jack Glasgow (Mohr Partners), Jane Ellis (Self Help Group)

1. Jack T Glasgow of Mohr Partners, Realtor
 - a. It's challenging to convince Uptown property owners to engage with a school, especially with 1st floor access.
 - b. The prospective property, as a free standing 20k facility, is surprising in its availability.
 - c. Construction of bathrooms and classrooms (especially bathrooms) is the primary hurdle.
 - d. Leasing is an option, but there is no capital to fund the improvements.
 - e. Building owner is VERY supportive of a school using the space.
 - f. Investor backing which would cover upfit would require a 10 year deal. A termination deal would build in a penalty to leaving prematurely, though sublease or other structured deals are possible as well.
 - g. Some numbers: Suggested costs for building logistics should be at 15% of total revenue; a 3% annual rent increase is standard
2. Jane Ellis of Self Help Group
 - a. Non-profit lenders with a history of lending to charter school startups for facilities
 - b. Emphasis on supporting schools that have a proven track record of succeeding with the students of the communities they serve
 - c. Look at your budget with 80% enrollment. The largest risk is of not hitting target enrollment.
3. Sketches of Options (Jack)
 - a. Purchase the building: ~\$2.2 - 2.9M
 - i. 10-15% down raised by LAB
 - ii. Self Help provides loan for mortgage and upfit
 - iii. 30 year amortization, typical interest rates are 4.5-5.5% for purchase
 - iv. Large upfront equity and financial commitment
 - v. Need to make an offer quickly
 - b. Lease to Purchase:
 - i. Funding our own improvements
 - ii. \$17/sqft full service
 - iii. Need to find out from current owner if it is true option
 - iv. Possible right to purchase in 3-5 years with a set price

- c. Lease to Purchase from Investor:
 - i. \$18/sqft full service vs. \$12/sqft plus operating expenses is very comparable
 - ii. Investor would fund improvements, smallest risk for LAB
 - iii. Self Help could provide loan for additional upfit
- d. Mary will work with Jack and Jane to build clear options for the board to examine.
- e. Timeline for loan processing 6wk – 2 months
- 4. Architect update (Vikki)
 - a. Good preliminary meeting with inspectors
 - b. Awaiting an update on projected costs from architect/contractor (code: sprinklers, stairwells, addition of toilets; general upfit: walls, doors)
 - c. Awaiting approval from DOT on traffic flow and alley use
- 5. Board update/insurance quotes (Vikki)
 - a. Bylaws emailed and approved via email; signed by Tom and Joel on June 9th – adopted
 - b. Insurance: Covers liability against decisions made during this planning phase of the school, hired consultants would require their own liability
 - c. Best quote: \$2055 for \$1000 deductible, \$1M/loss and \$2M aggregate liability from Utica
 - d. Possible partner for the future for other liabilities (workers' comp, building liabilities, etc.)
 - e. Motion to choose Utica's proposed Directors and Officer's Liability Coverage pending availability of funds and Peter's review of Insurance quotes (Apr 1, 2nd by Vikki): 6 for, 0 against (includes Peter via phone)
- 6. PEFNC Memorandum of Understanding (Mary)
 - a. Benefits of partnership: targeted marketing and networking, parent network, possible planning grant, investor connections
 - b. Requirements: Stated support and partnership, open line of information as stated in draft MOU
 - c. Motion to approve MOU with the addition of a termination clause and language regarding approval and oversight of use of LAB name and identity (Apr 1, 2nd by Joel): 6 for, 0 against
- 7. Hiring an identified consultant to support leadership team during planning year (Mary)
 - a. Board members please review the contract for the position.
 - b. Questions/concerns from the Board:
 - i. What is the rationale around hiring her?
 - ii. Make sure her role is project/goal-based because she is not salaried employee.
 - iii. Are there other people to consider for this role?
 - c. The identified consultant worked last year with an NGLC charter school principal during his planning year. That school is one year ahead of LAB in the start up process so she has unique experience in marketing and student recruitment. She also has an instructional background and has been directly involved with our grant-writing process; through this she has demonstrated strong commitment and skill.
 - d. Board suggests the following changes to her contract: 1) assign payment amounts to specific projects/goals, 2) make the contract short term (3-4 months at a time) pending availability of funds.

8. Board will have a follow-up conference call during the next week or two to discuss facilities updates, vote on any facilities decisions that are necessary and discuss the hiring of identified consultant.

Meeting adjourned at 5:40