

**Children's Day School
Board of Trustees
January 30, 2020
Meeting minutes**

Jeanette Perez, Board Co-Chair, asked for the meeting to come to order at approximately 4:06 pm.

Attendance:

Carl Schneebeck (Board Co-Chair), Jeanette Perez (Board Co-Chair), Tina Syer (Co-Vice Chair appearing by telephone), Jen Hamilton (Co-Vice Chair), Tracy Kirkham (Trustee Emeritus), Ryan Kluff (Treasurer), Stephanie Holland (Secretary), Mylene Acosta-Mercado, Joe Connolley, Patricia Kao, Kami Kinkaid, Liza Ramrayka, Michelle Schoen, Ben Spero, David Strandberg, Rishi Varma, Diane Walters, Lindsay Woollerson, Vivien Zraick.

Non-Trustees present: Shelly Luke Wille (Head of School), Chris Bunga (PTTA President), Rebecca Kroll (Assistant Head of School), Ed Rhee (Middle School Director), Andrei Ferrera (Director of Communications), Paul Gavin (Director of Finance and Operations), Rico Tan (Director of Technology), Anthony Witte (Director of Inclusion), Jeanna Yoo (Director of Advancement), Patricia Jameson (Assistant to the Head of School).

Documents made available prior to meeting include: [January 30, 2020 Meeting Agenda](#), [January 2020 Head's Report](#), [Overview of CDS Facilities Master Plan](#), [Overview of Concept/Design Phase for Preschool Building](#), [Estimate of Consultant Costs for Preschool Concept/Design Phase](#), [2020 State of the School Trustee Talking Points](#), [2020 Bid & Bash Community Packet](#), [Dec. 19, 2020 Meeting Minutes](#), [Explanation of New Pre-Approved 403\(b\) Plan Documents](#), [Retirement Plan Adoption Agreement](#).

Welcome & CDS Experience: CAIS Conference

The annual CAIS trustee / HOS conference took place in SF on January 25-26, 2020. The following people attended the conference on behalf of CDS: Shelly Luke Wille (Head of School), Jeanette Perez (Board Co-chair), Stephanie Holland (Board Secretary), Vivien Zraick, Liza Ramrayka, Lindsay Woolerson & Kami Kinkaid. Insights and takeaways included:

- Schools should be intentional around the language used for marketing & fundraising efforts, making sure both tie back to the school's mission (Jeanette).
- Fundraising shouldn't be limited to the advancement office / committee; all trustees should be trained in and empowered as fundraisers (Lindsay W.).
- The strategies and recommendations discussed during the "Cultivating Board Diversity" session largely were things that CDS already is doing, validating the work of the Board &

COVID, the questions we're asking ourselves, the processes we're putting in place with regard to diversity, equity & inclusion (Vivien).

Shelly shared that:

- She primarily went to sessions that focused on topics of diversity, equity & inclusion.
- It was empowering to be in a space where people are doing the same work as you.
- The presenter in one session said that it's not enough that your school policies are not racist; schools should be looking at their policies and making sure they're actively anti-racist.
- The keynote speaker asked, "What are you doing well enough to make people want to tattoo it on your body?" This made Shelly think about pride in our community, our school, and what we want people outside our community to know about us.
- The Sunday sessions were about philanthropy and strategic thinking around fundraising. Those sessions offered some great questions such as, "Who should we collaborate with across the spectrum to have more of an impact?"
- Shelly came away from the conference with this quote in mind: "How am I a threat to inequality in my sphere of influence?"

Consent Agenda

Ryan asked Shelly if she could talk about the impact of the increased number of school applications we've received this year as a result of a couple school closures. Highlights of Shelly's comments included:

- While CDS has been doing lots more interviews & shadow visits due to the increase in the number of applications, the overall process has not changed.
- CDS is looking at each grade level and determining whether the school can/should take a couple additional students in grades where we don't normally take new students absent some unusual circumstance.
- The goal is to fill some spaces that normally would go unfilled. CDS does not want to dilute our program or accept students who are not mission aligned or who would not succeed at CDS.

Jen Hamilton gave a brief update on the Strategic Plan status. In a nutshell, the Strategic Plan Task Force met today before our Board meeting to discuss a path forward. The next step is to choose a consultant and possibly add additional people to the Strat Plan Committee.

Jen Hamilton made a motion to accept the December 19, 2019 meeting minutes. Liza Ramrayka seconded. **Motion approved unanimously.**

Advancement: Bid & Bash Update

Jeanne Yoo provided the following Bid & Bash update:

- The theme is "Boogie Down"
- All net proceeds from Bid & Bash to go sliding scale

- As with past years, there will be a live auction, a fund-a-need segment, and a silent auction
- Last year's Bid & Bash grossed about \$450k (\$370k net). Of that, \$180k was raised by the fund-a-need portion of the auction for our school library.
- Raffle tickets go on sale tomorrow.
- The online auction goes live on February 10, 2020.
- This year's fund-a-need will be directed towards CDS professional development, lifelong learning, and wellness.

Finance: TIAA Retirement Plan Vote

Paul Gavin provided an overview of the new IRS pre-approved 403(b) Plan documents. In a nutshell:

- For the first time ever, the IRS has issued pre-approved 403(b) plan document templates
- The benefit of using a pre-approved 403(b) Plan document is the assurance that the document has been approved by the IRS
- As such, many investment providers (like TIAA) now offer pre-approved plan documents to their clients like CDS
- Upon Board approval, CDS will switch to a pre-approved 403(b) Plan Document offered by TIAA. This change entails no substantive change to the existing CDS 403(b) Plan Document, with one exception: An employee will be eligible to begin 403(b) participation on the first of the month that the employee begins employment (instead of the first day of employment)

Jeanette Perez made a motion to amend the form of our existing 403(b) plan document to use an IRS pre-approved 403(b) plan document, with no substantive changes other than the date of eligibility to participate in the plan. Ben Sperro seconded. **Motion approved unanimously.**

Facilities: Master Plan & ECP Update

Public Version of the Master Plan:

Shelly shared that the facilities committee met & came up w/ an abbreviated master plan that will be shared publicly at the upcoming State of the School. The plan pieces being shared are:

- Investigating the replacement of the current bungalows;
- Continuing the partnerships already in place including the Boys & Girls Club partnership;
- Remaining open to acquisition of property within our current footprint (see last slide from Board talking points for State of the School).

We will NOT share any information related to replacing the bungalows at this point in time because we want to make sure we have everything strategically lined up before we go public with that information.

The overview plan that will be shared publicly describes each option as a “potential” course of action and intentionally uses open language.

Updates on ECP Project:

Shelly shared that the ECP donor has said we should just let them know when we want their \$ gift and the cadence. So Shelly & Jeanna Yoo are working on a Gift Agreement document.

Weekly meetings are occurring. Architects are leading this and making sure we have the right consultants (landscape architect, land use attorney, permit expediter, etc.) in the room. These are the people who are helping to decide what’s going to happen next.

Shelly reiterated that the foregoing information remains highly confidential & will continue to be so even at the State of the School. At this time we don’t know when the ECP project status will become public. The goal is to make sure we have a clear plan of action (e.g., perhaps the donor funded ECP project will allow us to simultaneously kick off an endowment campaign) before the bungalow replacement project becomes public.

State of the School: Overview & Talking Points

Carl updated the meeting participants about the upcoming State of the School. Highlights included:

- State of the School will take place on Thursday, February 6, 2020.
- The night will begin with a financial presentation and a presentation by architect Mark Jensen regarding the Facilities Master Plan. After presentations, tables will be set up and manned by teams of people available to answer questions on other topics.
- Trustee Talking Points have been posted to the board portal.

Carl reminded everyone that the existence of a donor who has offered to fund the bungalow replacement project is confidential.

Lastly, Carl acknowledged David Stranberg, Kami Kinkaid and Ted Arleo for all the work they have done on our master plan. David acknowledged that Shelly & Carl likewise have contributed significantly.

Generative Exercise: Endowment

The goal of this exercise is to explore our collective thoughts & knowledge about building a meaningful endowment for CDS. Meeting participants were asked to individually take 5 minutes to think about the following questions:

- What purpose do you think an endowment should serve?
- What restrictions (if any) do you think it should have?
- What amount (in \$) would constitute a “meaningful” endowment for CDS?
- What questions do you have?

We then broke into groups to discuss. Subsequently, we reassembled and shared our table perspectives. A summary of these perspectives is as follows:

Endowment Purpose

- Several groups expressed a desire to ensure that the purpose of any endowment is to fund something that is “mission aligned”
- Several groups talked about using the endowment disassociate tuition increases from salary growth and to provide “financial breathing room”
- One group expressed a desire to use an endowment to address teacher salary increases and retention

Endowment Restrictions

- All groups agreed that any endowment plan should have minimal restrictions (other than not invading the principle).
- Several groups stated that the endowment purpose should be “as broad as possible,” e.g., something along the lines of “to ensure the financial health of our school”
- One group specified that an endowment plan should be flexible enough to allow donors to give specifically to the thing that motivates them (e.g., sliding scale, facilities, teacher salaries, etc.)

Initial Fundraising Goal

- There was a wide range of opinions regarding what the initial endowment fundraising goal should be, ranging from \$2 million to \$100 million
- One group suggested that the endowment fundraising goal should be the same size as the donation being made by the anonymous bungalow replacement donor

Endowment Questions

- What are the competing priorities for fundraising and how do we package a comprehensive campaign (because endowment may not be something that everyone will want to support)?
- What would be a realistic endowment fundraising timeline?
- Should we do a feasibility study and, if so, when?
- How might an endowment affect other fundraising efforts (e.g., Annual Fund, Sliding Scale, etc)
- What strategies beyond cash could we use an endowment for (e.g., real estate acquisition)
- What is our current endowment?
- What do other independent schools (our peers) use their endowments for?
- What administrative / operational burden to CDS would an endowment entail?
- Who would manage our endowment, where we would invest it, what would be the restrictions on dipping into principle?

Meeting Process / Feedback

Hearing no further feedback, co-chair Carl adjourned the meeting at exactly 6:00 pm.

Respectfully submitted,

Stephanie Holland, Board Secretary

Jeanette Perez, Board Co-Chair OR Carl Schneebeck, Board Co-Chair