



TO: Gateway Public Schools Board of Trustees
FROM: Sapna Boze and Susan Masto
RE: May 15, 2019 Board Meeting
DATE: May 10, 2019

Dear Trustees,

It is truly hard to believe we are approaching the end of another school year. Gateway High School graduation will be held on Saturday, June 8th in the GHS auditorium and we hope many of you will be able to join us to celebrate the class of 2019.

Our May 15th meeting is our final board meeting of the school year. We will have a brief development update and will also need to vote on next year's budget. Sharon Olken will also give a brief report as well. The Trustee Committee will take us through the board survey results and we will also be electing our new officers. Finally, we will also be honoring and thanking a few trustees who have come to the end of their service and will be rolling off the board.

We will end our meeting a bit early and we hope you will all be able to join us at 6:45pm for a festive happy hour at The Snug located at 2301 Fillmore Street @ Clay. Please join us to connect with other board members and celebrate another successful year at Gateway.

We hope you will all find moments during the summer to relax, have fun and connect with loved ones. We thank you for all you do for the Gateway community.

Fondly,
Sapna and Susan

It is very important that all board members attend our board meetings. If you cannot attend the board meeting, please email Danielle Ciccarelli at dciccarelli@gatewaypublicschools.org

Upcoming events:

- **GHS Portfolio Presentations:** June 3,4,5,6. If interested in participating, email dciccarelli@gatewaypublicschools.org
- **GHS Graduation:** Saturday, June 8th, 10:30 - 12:00 in the GHS auditorium

Board Packet Table of Contents:

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Gateway Public Schools

Meeting of the Board of Trustees

Wednesday, May 15, 2019 @ 5:00 -6:45 PM in the GHS Impact Lab

AGENDA

1. **5:00 - Call to Order, Approval of Minutes from April 24th, 2019**
2. **5:05 – Public Forum** Anyone is welcome to attend the Board of Trustees meeting. Please note that the Public Forum segment of the agenda is provided to the public for the opportunity to directly address the Board on any item on the agenda or any other issue regarding Gateway Public Schools. If several people are present and want to speak before the Board, time allotted to each person may be limited. Members of the public may request that a topic related to school business be placed on a future agenda. Once such an item is properly agendized and publicly noticed, the Board can discuss, respond, and possibly act upon such an item.
3. **5:10 – Welcome and Announcements (INFO)** *3 minutes will be given for total public testimony under this item*
4. **5:15 – Development Update (INFO)** *3 minutes will be given for total public testimony under this item*
5. **5:25 Finance Committee (INFO and VOTE)** *3 minutes will be given for total public testimony under this item*
 - a. State Funding Compliance Resolution
 - b. Approve Final FY20 Budget
6. **5:45 - ED Report (INFO)** *3 minutes will be given for total public testimony under this item*
7. **6:00 – Committee on Trustees (INFO and VOTE)** *3 minutes will be given for total public testimony under this item*
 - a. Board Survey Results
 - b. Election of Officers
 - c. Roll Offs and Appreciations
8. **6:45 – Adjourn for Happy Hour - The Snug, 2301 Fillmore Street, at Clay**

Please note: A copy of this agenda is available upon written request. A 72-hour notice of regular meetings or a 24-hour notice of special meetings is also available by written request. Please address your request to Executive Director, Sharon Olken c/o Gateway Public Schools, 1430 Scott Street, San Francisco, CA 94115. The meeting room is wheelchair accessible & handicapped parking is available. Individuals with disabilities who require appropriate alternative aids or services in order to participate in Board meetings are invited to contact the Executive Director by mail, by email at solken@gatewaypublicschools.org, or by calling 415-749-3600. Requests for such modifications or accommodations must be made at least two full business days before the start of the meeting. All members of the public who wish to speak during Public Forum or on a specific item on the agenda must sign up before the meeting begins.

Gateway Public Schools

Meeting of the Board of Trustees

Wednesday, April 24, 2019 @ 5:00 - 7:00 PM

Minutes

Board Members Present: Therese Arsenault, Beth Berliner, Cynthia Billops, Sapna Boze, Sara Byrne, Elizabeth Colen, Katie Colley, Sharon Gillenwater, Sharon Olken, Molly Orner, Mary Plant-Thomas, Kevin Rafter, Adina Safer, Laura Spivy, Dina To, Valerie Toler, Aaron White, Julie Wise

Board Members Excused: Annie Klebahn, Susan Masto, Joyce McMinn, Jackie Quella

Board Members Not Present: Allison Bhusri

Also present: Chris Hero, Danielle Ciccarelli, Chanda Guerin

Welcome, Call to Order, Approval of Minutes from March 20, 2019

Sapna called the meeting to order at 5:05 pm, and asked for a motion to approve the minutes from March 20th, 2019. The minutes were approved unanimously, without issue.

Public Forum

Sapna Boze opened the floor for the public forum. No further discussions or motions were introduced.

Sapna continued with announcements. As you all know, the Gateway High School Charter was approved at the April 9th SFUSD Board of Education meeting. Thank you to all who attended in support of GHS. There was great turnout and the energy was amazing. Several community members gave powerful statements in support of charter renewal. Sapna felt proud to be part of Gateway.

Sapna encouraged trustees to attend portfolio reviews at GHS on June 3-6. Sapna has done it in the past and loves sitting on a panel and hearing student presentations. It is a great way to see kids in action. She highly recommends it. Please contact Danielle if you are interested.

The GHS graduation is Saturday, June 8th, and the Luncheon is October 25th. Please save the dates!

Sapna thanked everyone for sending feedback on a possible new board co-chair, and announced that Sharon Gillenwater has stepped up to fill the position next year. Everyone expressed their appreciation and excitement at the news.

Committee on Trustees Update

Sapna gave the floor to Chanda for the Development update. Sharon Gillenwater brought everyone's attention to the Trustee Brainstorm sheet. She explained that we have action items for the first group on the list, and we are looking for more connections for the people in the second group. For the first group, the starting point is having a conversation, and determining the level of interest on their part. There is a different strategy for everyone on the list based on this conversation. Please look at the

people on page two to see if you have any connections or ideas for connecting. We are going to start conversations now and continue into the summer. If you see your name as a point person on the list, we will talk to you before anything happens. Some people and organizations, identified during the brainstorm, are not yet on the list.

Sapna thanked Sharon Gillenwater and gave the floor to Chanda for the Development update.

Development Update

Chanda told trustees that we are moving in the right direction toward our development goal, and are 8% over where we were last year. Contributions from family/alumni and foundations have put us ahead. Our work on Major Donor Initiatives is underway and there are three proposals out for foundation grants. Also in the pipeline are the spring appeal reminder to individuals, the end of year appeal to family and alumni and board giving. Even with all of this work, we still have a deficit, and that is what Chanda and her team are focused on.

Our Major Donor collateral is here, and it is available as a full booklet and individual pages, depending on your need. She has plenty for you to take and use when speaking with donors.

Sapna thanked Chanda, and gave the floor to Chris and Laura for the finance update.

Finance Update

Laura explained that this is the meeting when trustees are called to vote on approval of Gateway's 2017 tax return. She said that the form 990 has information about our financials in a high level of detail. The 990 gives information about the work we do, who our board members and top donors are, compensation information, etc. It confirms that we have a conflict of interest policy and comply with whistleblower laws. Chad prepares the 990 every year along with our auditors and then Chris reviews it. After Laura reviews it, she presents it to the board. Laura recommended approval of the 990 and Sapna seconded. The board voted, and Gateway's 2017 tax return was approved without issue.

Laura explained that, this month, we approve our compensation line items, and in May we approve the rest of the budget. She gave the floor to Chris to review budget assumptions. Chris distributed materials outlining baseline assumptions, levers and opportunities related to the FY20 draft budget. The documents show that state funding ebbs and flows over years. Projections indicate that the average state funding increase over FY20-FY24 will be 3.3%, down from 7.3% from FY15-FY19. Line 16 & 17 reflect our commitment to raising salaries for all employees. We have been aggressively increasing our salaries. We are projecting a moderate deficit for next year, that will flatten after CSM implementation. Chris gave an update of prop G and how it affects our budget. It remains in a legal challenge that may last several years. It is more likely than not that we will ultimately receive funds, but we are considering how this will impact our financial position, in the nearterm.

Chris reviewed potential actions that will make next year work and give us time to make future years work. These are listed on page two of the financial packet, under *Levers and Opportunities*. Among these are adding to our fundraising goal next year, using board designated funds for the salary project and adjustments in salary increases.

Chris outlined personnel budget recommendations, which include providing teachers with a 4% salary increase, along with additional increases related to teacher placements on CSM, providing non-teaching staff with a 3% increase, and maintaining existing health benefits.

After a discussion, the board convened a closed session to vote on approval of the compensation items. The FY20 compensation items were approved unanimously, without issue.

Everyone thanked Chris, Laura and Chad for their hard work on the budget. Sapna gave the floor to Mary and Beth for the Faculty Affairs update.

Faculty Affairs Committee

Mary and Beth shared the Faculty Survey Recap. The survey was given to all middle and high school teachers and garnered 66 responses - about 80% per school. They shared key quotes and takeaways. The survey shows that teachers continue to feel strongly that they are highly effective at their jobs at both schools. Satisfaction is steady at 98% at GHS, although it is lower at GMS. Mary and Beth discussed key levers for lowered satisfaction, such as student behavior and facility challenges, and indicated that these issues will inform our work in the next year. A CSM Implementation process survey will be conducted in June and shared at the September meeting.

There was a discussion on the results of the survey. It is powerful to see that we are a school that asks questions that can lead to important initiatives.

Everyone thanked Mary and Beth for their presentation and for the work of the Faculty Affairs Committee this year.

ED Report

Sharon spoke about Gateway High School's recent charter renewal. She noted that it is an opportunity to look at what, and how, we are doing, make any necessary changes and rally our troops. We spent time looking at data to make sure our charter reflects our values. Having people from our community come and talk about our school was powerful. Two of our trustees, Mary and Cynthia, spoke on behalf of the school. Mary spoke from the point of view of a teacher, and Cynthia spoke as a parent. All of the speakers were passionate about Gateway, and our students were amazing. Sharon thanked everyone who showed up and gave their support.

Adjourn Meeting Sapna thanked everyone for the work they do for Gateway and adjourned the meeting at 7:06. Sharon invited trustees to stay and listen to statements given at SFUSD charter renewal.

Signed: _____ Date: _____

Sharon Gillenwater, Board Secretary

Objectives for Sharon Olken, 2018-2019

Leadership Development

1. **GHS Leadership Transition and Team Development:** Provide onboarding support, coaching and supervision for Gateway High School's new principal, as well as team development opportunities for the GHS administrative team, to ensure a smooth and effective leadership transition for the staff and community.
2. **Shared Leadership and Collaboration**
 - a. **School Leaders:** Create opportunities for school leaders to collaborate and strengthen cohesion across schools by regularly bringing Gateway principals and other instructional leaders together around key Gateway issues, goals and priorities.
 - b. **Strategic Support Team:** Create opportunities to increase collaboration, mentoring and camaraderie among Gateway's Strategic Support Team.

School Advancement

1. **Charter renewal:** Lead Gateway High School's charter renewal efforts including revising the charter as needed to better reflect Gateway's program and current policy requirements, coordinating outreach efforts with SFUSD staff and Board of Education members, and mobilizing community support for renewal.
2. **Life of the Schools:** Develop structures and practices to build relationships with families, students and staff at both schools in order to be a more visible leader and more integrated into the life of the schools.

Organizational Advancement

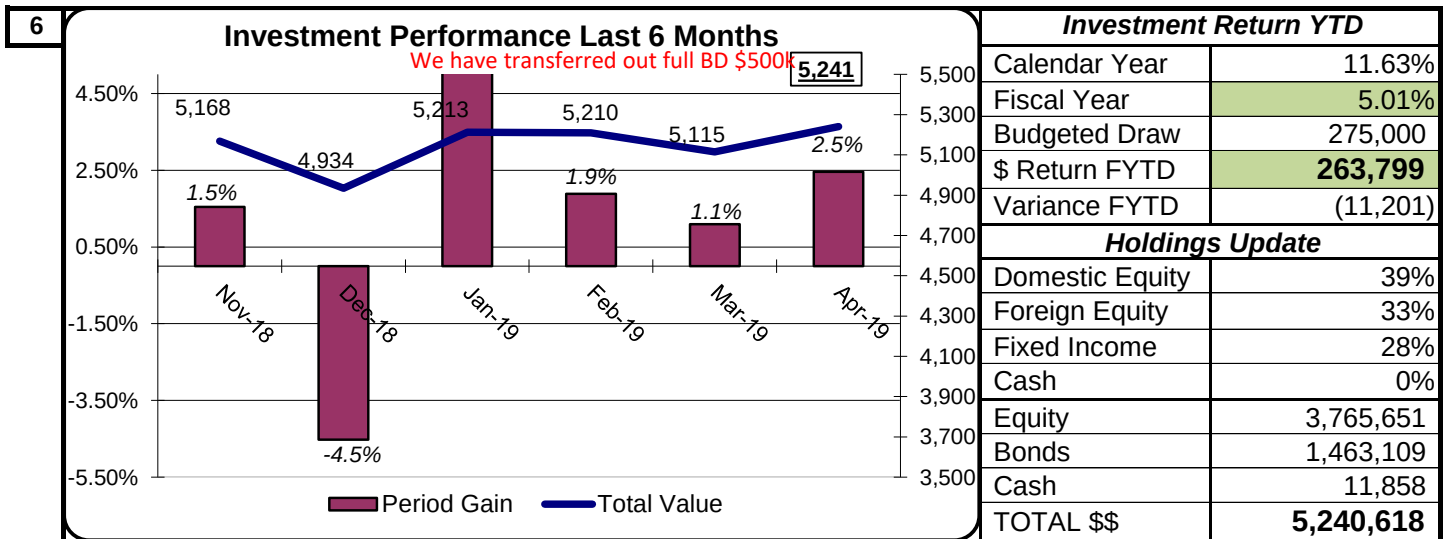
1. **Gateway Compensation Project**
 - a. **Career Stages Model:** Working with Faculty Affairs Committee and school leaders, implement new Career Stages Model (faculty compensation plan) in a way that maintains and strengthens culture of trust, respect and excellence.
 - b. **Staff Compensation and Retention:** Review Gateway's organizational structure, compensation and employee policies to ensure that Gateway appropriately values and supports staff who are not part of Career Stages Model.
2. **Gateway's Leadership and Visibility in the Community**
 - a. **Political Landscape:** As the political landscape re: charter schools becomes more complex, proactively position Gateway as a collaborative (as opposed to combative) charter school organization working in support of other public schools and students
 - b. **Gateway Impact:** Launch Gateway Impact website and expand forums and opportunities – both live and virtual – to share Gateway's best practices, encourage collaboration across schools, and position Gateway as a thought leader in the public sphere.
 1. Increase Gateway's digital and media presence as educational leader and innovative force in public education.
 2. Expand Gateway's partnerships, networking, and external facing events (such as relationships with city officials, District, like-minded nonprofits, Conversations for Impact, conference presentations etc.) in support of Gateway's role as thought and community leader.
3. **Development and Finances**
 - a. **20th Anniversary:** Working with Director of Development and Outreach and school leaders, lead community-wide celebrations in honor of Gateway's 20th Anniversary.
 - b. **Major Donor Initiatives:** Contribute to leadership, strategy and activities as we transition from Gateway Impact Campaign to ongoing major donor initiatives to ensure ongoing major funding over the next 3-5 years.
 - c. **New Donors and Pipeline:** Increase Gateway's funding pipeline including new cultivation events, foundation research and outreach, corporate sponsorship, donor analysis, etc.

Gateway Public Schools - Financial Overview FY19
For Financial Activity through 4/30/19

1	Narrative
Prop uGh continues to be a source of frustration and mystery! We don't have a significant amount of new news, however we do know the following: 1) <i>It may be 2 years or longer before the legal challenge is resolved and we won't receive funds until that happens</i> 2) <i>The City is using their "windfall" funds to backfill the missing Prop G funds for SFUSD, but charters are not included in that plan..yet?</i> 3) <i>The Prop G \$\$ have been collected, and our position remains that it is still more likely than not that Prop G will ultimately pass.</i> 4) <i>During this wait there is risk and opportunity around the relationship between charters, SFUSD and the City around this topic...it is time to consider if</i> Contracts have been issued to teachers and other staff on the school calendar. All other employees will receive letters of salary increase around the end of May.	

2	Operating Surplus		Operating Cash	3
Year End Forecast		Comment	Rolling 6-Month Projection	
FY18 Budget	982	We continue to project a modest surplus. We are watching closely what happens with <u>Prop G. There is a chance that we will not be able to record this revenue this year, which would = \$340k hit to bottom line</u>	April	126,947
September	(47,745)		May	(12,225)
November	(7,217)		June	(23,339)
January	(7,217)		July	112
February	24,436	Our projected cash flow continues to be choppy. We removed Prop G from the projection and we have also now <u>transferred the full amount of BD budgeted to be used this year ~\$500k</u>	August	(17,000)
March	24,436		September	118,000
April	24,436		October	225,000

4	ADA - GHS	Budget	P-2	Variance	Consolidated Financial Forecast			5
	Enrollment	480	481	1	Fcst. Operating Surplus		24,436	
	ADA%	96.0%	95.6%	-0.4%	+ Investment Return YTD		263,799	
	ADA	461	460	(0.7)	- Board Designated Draw		(275,000)	
	\$\$ Impact*	28,000	(4,900)	23,100	- Other Internal Transfers		(202,000)	
	-28k represents the attendance contingency in our budget				Consolidated Results		(188,765)	
	ADA - GMS	Budget	P-2	Variance	Gap Analysis (Gap=budget \$ unfunded by gov. revenue)			
	Enrollment	310	307	(3)	School	Cost/Student	Gap/Student	
	ADA%	96.0%	95.2%	-0.8%	GHS	14,123	3,006	
	ADA	297.6	292	(5.4)	GMS	12,608	2,652	
	\$\$ Impact	21,000	(37,520)	(16,520)	TOTAL	13,561	2,793	



Gateway Public Schools
Operating Budget 2018-2019

		Budget	Forecast		
	REVENUE	FY19	FY19	Variance	Comment
1	State - LCFF	7,283,118	7,257,974	(25,143)	LCFF calculator from CCSA had bad formula
2	State - Other	375,120	360,699	(14,421)	Some one-time funding converted to LCFF
3	Federal	124,153	132,874	8,721	
4	Local Government	748,864	755,432	6,568	Includes Prop G parcel tax, \$340k
5	Fundraising	1,820,000	1,820,000	-	
6	Board Designated Annual	275,000	275,000	-	
7	Board Designated Other	137,000	202,000	65,000	Additional \$ to support admin salary adjustment
8	ADA & Other Contingencies	(49,000)	(49,000)	-	
9	TOTAL REVENUE & CONTRIBUTION	10,714,254	10,754,979	40,725	
10					
11	EXPENSE				
12	Salaries				
13	Faculty Salaries	4,269,641	4,209,032	(60,608)	Hiring, FTE changes
14	Program Admin	2,513,214	2,454,911	(58,303)	Salary reclass (-), admin salary adjustment (+)
15	Other	154,000	171,000	17,000	Subs higher
16	TOTAL SALARIES	6,936,855	6,834,943	(101,911)	
17					
18	Employee Benefits				
19	Health Care	766,500	731,000	(35,500)	Turnover and employee selections reduced costs
20	Retirement	838,374	836,333	(2,041)	
21	Employer Taxes	232,425	223,235	(9,189)	
22	TOTAL BENEFITS	1,837,298	1,790,568	(46,730)	
23					
24	PROFESSIONAL DEVELOPMENT	84,500	84,500	-	
25					
26	Program Expenses				
27	Student Activities	65,500	148,500	83,000	BGCSF, \$65k from salary/benefits line items above
28	Classroom Expense	185,689	187,689	2,000	
29	Special Education	125,575	125,575	-	
30	TOTAL PROGRAM EXPENSES	376,764	461,764	85,000	
31					
32	Operating Expenses				
33	Professional Services	125,364	135,199	9,835	
34	Insurance	156,289	168,000	11,711	
35	Office Supplies and Services	217,734	222,634	4,900	
36	Administrative Expenses	93,759	111,659	17,900	GHS admin training, leadership expense budget
37	Plant and Facilities	645,955	676,455	30,500	Utilities, rent
38	District Oversight Fee	72,831	72,580	(251)	
39	TOTAL OPERATING	1,311,932	1,386,527	74,594	
40					
41	Capital				
42	TOTAL CAPITAL/Depreciation	165,923	172,241	6,318	
43					
44	TOTAL EXPENSES	10,713,272	10,730,543	17,271	
45					
46	OPERATING SURPLUS / (DEFICIT)	982	24,436		

May, 2019 Committee Updates

Audit Committee

Kevin Rafter – Chair

none

Development Committee

Dina To – Co-Chair

Sharon Gillenwater – Co-Chair

none

Executive Committee

Sapna Boze – Co-Chair

Susan Masto – Co-Chair

none

Facilities Committee

Aaron White – Co-Chair

Chris Hero - Co-Chair

none

Faculty Affairs Committee

Annie Klebahn – Co-Chair

Mary Plant-Thomas – Co-Chair

none

Finance Committee

Laura Spivy – Chair

1. Our forecast for our current fiscal year is unchanged. We are projecting a \$24k surplus, although, if Prog G funds do not come through, we will not be able to record this revenue this year which would be a \$340k hit to our bottom line.
2. Our budget for next fiscal year is included in the board packet. The finance committee is recommending this final budget to the board for approval at the Mayboard meeting. We have not made any changes to the list of steps for balancing the budget that we reviewed at our last meeting.
3. We reviewed our investment results. The two biggest takeaways –
 - a. the market has been on a wild ride this year, mostly down in the first half of our fiscal year and thankfully, mostly up in the last 4 months. To illustrate

that, we are up 11.63% from January 2019 - March 2019, and up 5.01% July 2018 - March 2019 despite being down big in October and December.

- b. Because of cash flow concerns especially as related to the delay in the receipt of the Prog G funds, the Investment Committee decided to liquidate \$500k of our equity holdings into cash. They timed that perfectly, completing the transaction before the market went down at the end of last week.

Gateway Impact Campaign Committee

Hospitality Committee

Julie Wise - Chair

none

Investment Committee

Sara Byrne - Chair

none

Strategic Initiatives – College and Community

Beth Berliner – Co-Chair

Rachel Kamen – Co-Chair

none

Trustees Committee

Sharon Gillenwater – Co-Chair

Jackie Quella – Co-Chair

The Trustees Committee will present at the board meeting.