

**Cardinal McCloskey Community Charter School
685 East 182nd Street, Bronx, NY 10457**

**Board of Trustees Special Meeting Agenda
January 11, 2022**

1.0 The meeting was called to order by Phyllis Thorne, Chairperson, at 6:00 p.m

2.0 Attendance: Was taken by Dr. Reva, Gershen-Lowy

a) Board Members :Ms. Phyllis Thorne, Ms. Joy DeVries, Dr. Reva Gershen-Lowy, Sister Patricia, Dunica Charles, Kamlesh Singh, and Monroe

b) CMCS Partners : Jennifer Fedele, Desiree Grand, Grace Bendick, Allyn Thompson

c) Guests : Margie Medina, Christian Adamkiewicz and Frances Garcia

3.0 Sanctuary Community Meeting was facilitated by Phyllis Thorne.

4.0 Motion to approve today's agenda January 11, 2022

A motion to approve today's agenda was duly made by Joy Devry, seconded by Dunica Charles- and carried unanimously the meeting was approved and accepted.

5.0 Motion to approve minutes of the December 7, 2021 Prior to Amending Minutes

A motion to approve the minutes of the December 7, 2021 Board Meeting amending minutes to include the 25k needed for Ms. Thorne to use towards moving forward with the friends of organization was made by Jim McCarthy, seconded by Dr. Reva Gershen-lowy, the motion was approved and accepted.

6.0 Motion to approve the Board Calendar

A motion to approve the Board Calendar was duly made by Dr. Ursillo, seconded by Dr. Reva Gershen-lowy- the motion was approved and accepted.

7.0 Sanctuary Commitment: Open Communication

Ms.Thorne presented the open communication commitment. She emphasized how important this commitment is and difficult at times. Individuals require to be emotionally intelligent and listen to others speak. When looking at the board we all need to listen deeply to each other

without judgement to fully understand what each one of us is saying and then move forward. We have a better chance of learning from listening clearly. Making an environment so comfortable that we aren't afraid to speak. Say what you want to say without being mean when you say it. Emphasized how everyone brings valid points.

8.0. Chair Report

8.1 What our goals are?- Phyllis discussed knowing what goals are as a board.

Everyone on the board as well as each committee is responsible to come up with what their goals are for 2022 and how each person will show up to make those goals attainable. This is due for February's board meeting.

8.2 Lease Assistance

We have been working on this for a few months now and are looking to move forward. At the previous meeting there was a vote made in regards to this and how much funds would be potentially allocated so Ms. Thorne can move forward with it. Since then she had a meeting with Matthew Greenburg from Growing Green Charter School. Ms. Thorne expressed it was a good meeting and discussed the feedback Mr. Greenburg shared in regards to a friends of organization. Ms. Thorne has reached to him in two different occasions in regards to documents he had promised to share but no luck as of yet. Ms. Thorne had been mixed feelings about the documents that are needed to move forward with the friends of organization. She introduced Peter so he can share with the board once again what is needed to move forward with the friends of organization and why we should move forward with it and how the school would benefit from it. Peter addressed where we stand at the moment which is needing to approve the assignment of the lease to the friends of organization. At that point some of the documents such as the bylaws will be requested. Those documents will not be produced until the friends of organization are not up and running. The agreement will connect the assignment of the lease that will connect the two organizations. The allocations of expenses spreadsheet was shared with everyone and as it stand today it's 71/29. A discussion can be held on what discussions will be allocated to the friends of organization in an effort to gross up the lease. The next steps are to vote on the assignment of the lease this enables the attorney, Ms. Thorne and the landlords attorney to work on that agreement. That agreement will be hashed out and brought back here and voted on by the friends of board members. The school is going to assign the lease to the friend of organization simultaneously the lease for the school will be subletted back, the building would be submitted back to the school and contained within that over all agreement for the protection of the landlord. There will be guarantee to the school that for whatever reason the friend of organization did not pay the rent, the recourse would be back to the school which will have the funds anyway. He explained this is a common procedure, common practice to have these guarantees within the lease assignment. Peter assumes that the sisters or the attorney will use Paul Michaels once again as he is well versed and experienced on doing the assignment of this lease. Ms. Thorne asked if anyone had any

questions and sister Patricia shared her concerns and that being she really didnt understand the process or how it worked. She was more concerned because she said she asked the landlord and the landlord seemed to not know what was going on or if it was even going to happen. Another concern was if something happened to the charter school where does it get reassigned and are we getting the lease back? what obligation does this other agency have. she doesnt want to feel we're giving something away. Peter explained the verbiage is in the lease and recommended everyone to read the lease carefully. He addressed her other concern in the event the school went away so would the friends of organization, specifically because the main reason for this entity is to further the mission of the school. Ms. Thorne reiterated that the main purpose of this friends of is to gross up the lease so that we can include operating expenses with our lease. and continued summarizing everything Peter explained for a better understanding to everyone in the meeting. She shared that she had to read and break it down to understand the process better to feel comfortable with this process. She emphasizes it is more of a support than a threat. A lot of money and time has been spent during this time. The responsibility of the school has been given to us and she wants everyone to do the very best for the school and the children. She voiced to the board what people's fears or threats were during this time. Sister Patricia addressed the board that they were spending 43,000 on starting the school but the lawyer was not able to answer a lot of the questions that came up. She's wondering if we will continue paying her and would it really be necessary? She feels as if it may be taking a risk. Wondering if other schools have used this process to see what their experience was. Peter addressed that a lot of the funds spent were because of the landlord and not because of the function of the board. Peter has thought of many ways to go about helping the school this one being the best option. He explained there are three different avenues we can go about this and those are Lease assignment, fundraising and having CMCS subsidize the operation expenses of the building he's not sure CMCS wants to subsidize expenses, fundraising is difficult to begin with and after a lot of Peter also emphasized when George was still around early on he was doing the discussion of the lease the intention was to gross up the lease but the landlord was unwilling to do so that's why we are in a net lease situation. Once the process is complete and our board as well as the friends of board approved it we can immediately submit the gross lease to the DOE for reimbursement as we wait for the 501C3 exemption of the friends of organization. Joy emphasized if the board agrees to approve to go ahead with this potentially can save money every 30 days that go by is an additional 50,000 that is being spent. Peter mentioned that as a board if we can not get a majority vote to assign the lease to the friends of organization then we need to find a plan B to avoid wasting another couple of months and not receive the support that is necessary. Sister Patricia asked if we had spoken to CMCS about helping the charter school. Dr. Ursillo mentioned that one of the things that came up for him were that CMCS could be the 501C3 that can take on the responsibility. CMCS already has a relationship with the Dominican sisters. He also stated that another school that can be looked at is The New York Foundling school corporation owns the building and sublets space to their charter school and one of the things that can be done is ask that group to ask our board of directors if CMCS could take on that responsibility. Peter believes that may be a conflict of interest and the DOE may not approve the gross lease reimbursement. Peter mentioned to Dr. Ursillo that the reason it has worked for the other school is because there is a difference in being a landlord and a landlord and a sponsor. Peters asked for clarity from the

board as they agreed on a lease assignment just not on the friends of organization? Dr. Ursillo said that's not what he meant he just feels that assigning the lease to CMCS may be an easier process and much less legal fees. He also mentioned he didn't feel right about it either when the Dominican sisters didn't know anything about it either. Peter shared that this language is in the lease and once again encourages everyone to read the lease but also emphasizes that he has been mentioning this since fall of 2020. Sister Patricia shared that she just wasn't as clear to the process so that made her hesitant. Ms. Thorne chimed in to reassure her that the friends of organization is not an entity working alone is all three entities working together and agreed that it was a little difficult to understand. Joy also stated that the longer we take to agree we are losing roughly 50k every month this discussion has been happening for about 6 months and we have lost 300k that we can't get reimbursed and losing money that we can use on the children. She has been looking at grants adding on the pipeline and getting negative responses. Every month were wasting money and asks everyone in the meeting to help her understand what the disconnect is. Dr. Ursillo said that he agrees that we want what's best for the school and the needs of the children. He feels that CMCS can help in this area and thinks what makes sense and can work and avoid all the other things like legal fees. Peter says that the legal fees would still be whether it is the friends of or CMCS Dr. Ursillo feels there is a relationship between the Dominican sisters already. He wants to work in good faith and everyone's wishes and concerns are heard and addressed. Peter says that exactly that is what is happening now or at least trying to make happen with open communication and discussions. He explained we are trying to be open with negotiations with our council and their counsel. Dr. Ursillo is looking for the more expeditious way since CMCS is already a 501C3 he doesn't see why they couldn't take over. Peter expressed that the DOE might not approve. Joy mentions wanting for a clean way to do this and not have questions asked and receive more approvals if we go about it with CMCS might stagnate the process yet again. Dunica states that it sounds like it would be a conflict of interest. She asked if going with CMCS would be the only way to expedite this process? Dr. Ursillo said he doesn't know if it's the only way it can be quicker but what he does remember is creating a 501C3 and it taking about a year. Peter reiterates that the corporate entity is already established and once the lease assignment is agreed upon and assigned to friends of organization we can immediately start the reimbursement process because the 501C3 process is retroactive. The key to this is the assignment of the lease to the friends of organization. Joy thinks that this is great news to hear. Jim's views on this matter stand the same; he is not for the 501C3 and wants to know if someone on the board can ask CMCS if they would be willing to be our 501C3 and if we can ask the DOE. Dr. Ursillo offered to ask the board chair the next day. Peter emphasizes that the information shared is not his opinion is advise council Ms. Susan Briggs is not Peter's lawyer, she is the school's lawyer and she was the one that said having CMCS as the 501C3 is a conflict of interest. Jim wants confirmation from Susan and clarification from the DOE. Joy feels we should look at it as a least resistant way trying to contact the DOE could take months. After 6 months of Peter doing research speaking to other schools seems promising. Peter feels that we will receive majority vote and won't receive the necessary support and should adjourn. Ms. Thorne states that she feels we are still in the same place, Joy also feels the same way and if it's not going to go forward we should start thinking of Pan B and C. Ms. Thorne asked for everyone to vote and if we don't go forward it should be dropped and start looking into fundraising and ask CMCS to help us financially. Fundraising from Ms. Thorne's

experience is not easy and asking a non for profit organization to help us is also not going to happen. Sister Patricia thinks we should hold off another month and speak to someone from the board and if we dont get the feedback we want then look into this before dropping everything. Joy tells sister Patricia that regardless of it being CMCS or an independent vendor there will still be a negotiation and its still a third party and Dunica also reiterates the same the issue that sister Patricia is having will also be the same. Ms. Thorne emphasizes that sister Patricia is more comfortable with CMCS bring the 501C3. Sister Patricia just feels why not stay with CMCS. Peter states its a waste of time, it is a clear conflict of interest and the DOE wont support it. We have to vote on the assignment of the lease on the 501C3 and everyone on the board would have to recuse themselves. He feels to stop wasting everyone's time and move on to plan B as the assignment of the lease is DOA. Dr. Gershen asking if we should vote now? Ms. Thorne thanks sister Patricia and Peter for their candor. She talked about the elephant in the room and learn to trust one another and heal from those things that make us untrustworthy. She asked everyone to learn to trust one another for the children. Ms. Thorne did not want everyone to vote and asked everyone to vote and understand what's at stake here. She wants everyone to be comfortable and stop fighting with one another but fight together to accomplish the mission. Jim wanted to point out that he is not in itself against the friends of organization and he is not affiliated with CMCS.

8.3 Operation Allocation - n/a

9.0 Principal's Report- Empire charter consultants currently reviewing the employee handbook and family handbook. COVID regulations are always changing but we are always in contact with the situation room to stay updated and informed. In the past 2 weeks we had 12 employees test positive for covid and 10 children. A student's mother passed away this week due to complications with covid. Sarah from CMCS is still coming on Thursdays to support us including our student whose mother passed away. Joy asked how the board can help support the family. A lot of fun events in the making at CMCCS but she wanted to share the most important news which was the passing of the student's mother.

10.0 Reports

10.1 Executive Committee Report - n/a

10.2 Academic Committee Report- n/a

10.3 Finance Committee Report - n/a

10.4 Fundraising Committee Report - n/a

10.5 Ad Hoc Governance Committee - n/a

11.0 Partner's Report - Dr. Gershen reported meeting with Ms. Thorne, Jen and Leslie from CSBM. She shared a spreadsheet with everyone via email of the shared expenses between CMCS/CMCCS with the allocation listed on the document. A meeting will be held on Thursday to put all this information in one document and send it to our lawyer to review and vote on moving forward with this. Jen mentioned the 139K can be covered by the cares act because it is covid related and its 4 crew members 5 nights a week. Dr. Gershen also mentioned trying to expedite this because headstart ends their fiscal year on 1/31/22. Joy offered to represent the finance committee. She will follow up with Peter tomorrow. Dr. Gershen will meet with Monroe tomorrow and then continue from there. An emergency meeting was set up on the 18th at 6pm for the approval of allocation of expenses and voting. Dr. Gershen asked about meetings being remote Ms. Thorne said right now it's extended for remote meetings.

12.0 Empire Consultants - Report is in the board packet Jen will discuss during her report and for clarification these are the consultants that will assist us in staying compliant. Essers report placed it in next month's board meeting.

Public Comment n/a

Action Items- Board calendar is in the board packet. Calendar will be on the website.

Adjournment

A motion duly made by Jim McCarthy, seconded by Joy Devry and carried unanimously; the meeting was adjourned at 7:43 p.m.

Attachments:

Agenda

Minutes of January 11, 2022 Board Meeting

Minutes of December 7, 2021 Board Meeting