

**MASTERY SCHOOLS OF CAMDEN
BOARD OF TRUSTEES MEETING**

April 25, 2017

Mastery – McGraw Elementary

Minutes

Adequate notice of the meeting has been provided to the Courier Post, Daily News – New Jersey edition, and the Camden City Clerk and posted at all Mastery Schools of Camden locations and website.

Members present: Judith Tschirgi, Jim Sheward, Sharell Sharp, Reuel Robinson.

Members absent: Jamie Reynolds

Staff and Guests: Scott Gordon, Yonca Agatan, Joe Ferguson, Jim Leonard, Brian McLaughlin, Tom Greenwood, Tom Johnston (Counsel).

Sheward chaired the meeting and called it to order at 6:03pm.

1. Approval of the Minutes from March 14, 2017 (as attached pp. 14-20).

#042517-01

Resolved, to approve the minutes from the meeting held on March 14, 2017, as presented.

Motion to approve #042517-01: Judy Tschirgi. Second by: Reuel Robinson.

Motion carried (4-0, unanimous)

2. Human Resources

#042517-02

Resolved, to ratify Mastery Schools of Camden staff hired between March 4, 2017 to April 14, 2017 as presented below.

First Name	Last Name	Campus	Job	FTPT	Original Hire	Rate/Salary
Jovaan	Torres	East Camden	SpEd Classroom Asst	P	03/06/2017	\$14.00
Maurice	Towns	Molina	Teaching Assistant	F	03/06/2017	\$40,000
Kate	Johnson	East Camden	Social Work Assistant	P	03/20/2017	\$15.00
Cynthia	Soto	East Camden	Social Work Assistant	P	03/20/2017	\$15.00
Dejon	Gilmore	North Camden	Community Organizer	P	03/21/2017	\$15.00
Philip	Lopez	North Camden	Community Organizer	P	03/21/2017	\$15.00
Charles	Syms	North Camden	Community Organizer	P	03/21/2017	\$15.00
Victoria	Miller	North Camden	Community Organizer	P	03/21/2017	\$15.00
Elijah	Jennings-Guridy	North Camden	Community Organizer	P	03/21/2017	\$15.00
Alicia	Rivera	North Camden	Community Organizer	P	03/21/2017	\$15.00
Tilda	Elias	North Camden	Community Organizer	P	03/21/2017	\$15.00
Kimberly	Davis	North Camden	Community Organizer	P	03/21/2017	\$15.00
Maritza	Camacho	North Camden	Community Organizer	P	03/21/2017	\$15.00
Nia	Darrison	Molina	SpEd Classroom Asst	P	04/03/2017	\$13.00
Yosmeris	Valdez Figueroa	Molina	SpEd Classroom Asst	P	04/03/2017	\$14.00

We report the following terminations from Mastery Schools of Camden between March 4, 2017 to April 14, 2017 as presented below.

First Name	Last Name	Location	Job	Separation Date	Separation Reason
Theodore	Gibson	Molina	Classroom Counselor	03/09/2017	Involuntary
Charles	Syms	North Camden	Community Organizer	04/05/2017	Involuntary
Laura	Campbell	Molina	Teacher - Science	04/07/2017	Voluntary
Ciara	Bouyer	Molina	Teacher - SpEd	04/13/2017	Voluntary

Motion to approve #042517-02: Reuel Robinson. Second by: Judy Tschirgi.
Motion carried (4-0, unanimous)

#042517-03

Resolved, to ratify the \$14,130.49 of “other earnings” compensation paid during March 2017 for Mastery Schools of Camden staff, as presented on the below.

First Name	Last Name	Job Title	Other Earnings	Description
Kimberly	Clark	Support Teacher	\$108.00	After Care Coverage
Alexandra	Mazyck	Teacher - SpEd	\$270.00	After Care Coverage
Kristen	Saggiomo	Teacher - SpEd	\$394.50	After Care Coverage
Sean	Burg	Teacher - Social Studies	\$391.50	After Care Coverage
Cintrella	Harris	Teacher - K-2	\$526.50	After Care Coverage
Aaron	Rhock	Teaching Assistant	\$432.00	After Care Coverage
Tyneika	Bond	Teaching Assistant	\$270.00	After Care Coverage
Erica	Carmichael	Teaching Assistant	\$685.00	After Care Coverage
Laura	Schmidt	Teacher - K-2	\$607.50	After Care Coverage
Kenneth	Reyes	Teacher - K-2	\$499.50	After Care Coverage
Mia	Harper	Teaching Assistant	\$675.00	After Care Coverage
Courtney	Johnson	Teaching Assistant	\$634.50	After Care Coverage

First Name	Last Name	Job Title	Other Earnings	Description
Justin	Cole	Teacher - K-2	\$756.00	After Care Coverage
Kimberly	Garvin	Teacher - 3-6	\$783.00	After Care Coverage
Jenese	Tejero	Teacher - SpEd	\$810.00	After Care Coverage
Iris	Hill	Teacher - SpEd	\$877.50	After Care Coverage
Amanda	Vignali	Teacher - K-2	\$999.00	After Care Coverage
Latonya	Evans	Teaching Assistant	\$54.00	After Care Coverage
Christina	Montini	Teacher - 3-6	\$532.00	Extra Curricular Pay
Gregory	Battipaglia	Teacher - Math	\$1,000.00	Tuition Reimbursement
Stephanie	Shanklin	Community Engagement Mgr.	\$1,000.00	Tuition Reimbursement
Ebony	Medina	Dean 10 Month	\$1,625.00	Tuition Reimbursement (\$1,000) and Extra Curricular Pay (\$625)
Genevieve	Cattanea	Social Worker PT	\$199.99	Tuition Reimbursement

Motion to approve #042517-03: Reuel Robinson. Second by: Judy Tschirgi.
Motion carried (4-0, unanimous)

3. Disbursement Approvals (No attachment for payroll, Separate document for invoices)

#042517-04

Resolved, that the Mastery Schools of Camden Board of Trustees ratifies the payroll in the amount of \$541,451 for March 10, 2017 and \$541,405 for March 24, 2017.

#042517-05

Resolved, to approve payment of \$1,009,284.88 for operating expenses as detailed in the invoices listing (Board Document 042517-01).

Motion to approve #042517-04 and #042517-05: Judy Tschirgi. Second by: Reuel Robinson. Motion carried (4-0, unanimous)

4. Finance Presentation (Yonca Agatan) – pp. 10-13 Section I – Enrollment Update Section II – Overview of FY17 Financials

Agatan presented the financial outlook to the board. On enrollment, we have seen total enrollment drop due to the under-enrollment at North Camden and East Camden. East Camden's leadership team is looking to backfill at the middle grades (not the HS, where we are at capacity). All At Risk, Sped, and LEP numbers are on track with the budget.

Based on current Revenue and Expenses, we anticipate ending the year with a higher surplus than what was budgeted. A portion of this surplus will support establishment of general and facilities improvement/capital project reserves.

We continue to maintain a strong cash position.

Agatan also explained the need for an April Budget revision to capture recent transfers and expected expenditures going forward.

5. General Business and School Operations

#042517-06

Resolved, to ratify execution of contracts with vendors for services to Mastery Schools of Camden as presented below.

Contractor / Service Provider	Description of Services	Term of Contract (if applicable)	Contract Amount
Marvin's Education Services	Substitute teachers	April - July 2017	Substitute teachers at \$35/hr, as needed (all campuses)
Advanced Talent Solutions	Substitute teachers	February - July 2017	Short-term substitute teachers at \$175/day and long-term substitute teachers at \$185/day, as needed (all campuses)

#042517-07

Resolved, to approve Proposed Budget Transfers & April Budget Revision (Board Document 042517-02).

Motion to approve #042517-06 and #042517-07: Judy Tschirgi. Second by: Sharell Sharp. Motion carried (4-0, unanimous)

#042517-08

Resolved, to authorize the following individuals to sign checks and authorize disbursements on behalf of Mastery Schools of Camden, Inc. for all bank accounts: Scott Gordon, Yonca Agatan, Tom Greenwood, Joseph Ferguson, Jim Leonard, James Sheward and Judy Tschirgi.

#042517-09

Resolved, to appoint James Sheward and Jamie Reynolds to serve as the Board's Facilities Committee in order to support school facilities matters on behalf of the Board.

Motion to approve #042517-08 and #042517-09: Reuel Robinson. Second by: Sharell Sharp. Motion carried (4-0, unanimous)

The board went into closed session in order to discuss real estate and legal matters. Motion made by Sharell Sharp and Judy Tschirgi, 4-0).

The board returned to open session at 7:25pm. Motion made by Reuel Robinson and Sharell Sharp, 4-0).

#042517-10

Resolved, to enter into a Sublease Agreement between Mastery Schools of Camden and MSC Erie Street, LLC for the Pyne Poynt facility (i.e., permanent location for Mastery Camden - High School) beginning March 29, 2017 through July 31, 2017. (Attachment – AGREEMENT OF SUBLEASE).

Motion to approve #042517-10: Judy Tschirgi. Second by: Reuel Robinson. Motion carried (4-0, unanimous)

Agatan and Ferguson walked through the authorization resolution below. The resolution seeks to confirm Mastery Schools of Camden's acknowledgement and participation in the facilities and financing plans related to 4 renovations.

#042517-11

Authorizing Resolutions for Facilities Sublease and Financing

The Board of Trustees of **MASTERY SCHOOLS OF CAMDEN, INC.**, a New Jersey nonprofit corporation (the "**Corporation**"), adopt the following resolutions at a meeting of the Board of Trustees held on April 25, 2017:

WHEREAS, the Corporation believes it is in the best interests of the Corporation to secure, on a long-term basis, access to high quality educational facilities for the benefit of the students served by the Corporation; and

WHEREAS, the Camden City School District (the "**Camden CSD**") and each of (i) MSC Vine Street LLC ("**MSC Vine**"), (ii) MSC Fremont Street LLC ("**MSC Fremont**"), (iii) MSC Stevens Street LLC ("**MSC Stevens**"), and (iv) MSC Erie Street LLC ("**MSC Erie**") and, together with MSC Vine, MSC Fremont and MSC Stevens, the "**Sublessors**"), each a New Jersey limited liability company, previously entered into the following leases for each of the hereinafter described property owned by the Camden CSD:

- (a) the Triple-Net Lease Agreement dated April 14, 2016, as amended by that certain First Amendment to Triple-Net Lease Agreement dated March 2, 2017, by and between MSC Vine, as tenant, and Camden CSD, as landlord, relating to that certain property located at 601 Vine Street in the City of Camden, Camden County, New Jersey (the "**Vine School Facility**") and identified as Block 781, Lot 1, on the tax map of the City of Camden, New Jersey (the "**Vine Property**");
- (b) the Triple-Net Lease Agreement dated April 14, 2016, as amended by that certain First Amendment to Triple-Net Lease Agreement dated March 2, 2017, by and between MSC Fremont, as tenant, and Camden CSD, as landlord, relating to that certain property consisting of the building and improvements known as the Francis X. McGraw school facility located at 3051 Fremont Avenue in the City of Camden, Camden County, New Jersey (the "**Fremont School Facility**") and identified as Block 1053, Lot 2, on the tax map of the City of Camden, New Jersey (the "**Fremont Property**");
- (c) the Triple-Net Lease Agreement dated April 14, 2016, as amended by that certain First Amendment to Triple-Net Lease Agreement dated March 2, 2017, by and between MSC Stevens, as tenant, and Camden CSD, as landlord, relating to that certain property consisting of the building and improvements known as the East Camden Middle School facility and

located at 3064 Stevens Street in the City of Camden, Camden County, New Jersey (the “**Stevens School Facility**”) and identified as Block 1053, Lot 2, on the tax map of the City of Camden, New Jersey (the “**Stevens Property**”); and

- (d) the Triple-Net Lease Agreement dated March 29, 2017, by and between MSC Erie, as tenant, and Camden CSD, as landlord, relating to that certain property located at 800 Erie Street in the City of Camden, Camden County, New Jersey (the “**Erie School Facility**” and, together with the Vine School Facility, the Fremont School Facility and the Stevens School Facility, the “**School Facilities**” and individually, a “**School Facility**”) and identified as Block 748, Lot 1, on the tax map of the City of Camden, New Jersey (the “**Erie Property**” and, together with the Vine Property, the Fremont Property and the Stevens Property, the “**Properties**” and individually, a “**Property**”);

WHEREAS, the Corporation being desirous of subleasing real property in the City of Camden for the sole purpose of operating a portion of a Renaissance School Project under the Urban Hope Act, N.J.S.A. 18A:36C-1 et seq. (the “**Urban Hope Act**”) previously entered into the following subleases for each respective Property: (a) with respect to the Vine Property, the Agreement of Sublease dated as of August 1, 2015, as amended by that certain Multiple Sublease Modification Agreement dated July 1, 2016, each between MSC Vine, as sublandlord, and the Corporation, as subtenant; (b) with respect to the Fremont Property, the Agreement of Sublease dated as of August 1, 2015, as amended by that certain Multiple Sublease Modification Agreement dated July 1, 2016, each between MSC Fremont, as sublandlord, and the Corporation, as subtenant; (c) with respect to the Stevens Property, the Agreement of Sublease dated as of August 1, 2015, as amended by that certain Multiple Sublease Modification Agreement dated July 1, 2016, each between MSC Stevens, as sublandlord, and the Corporation, as subtenant; and (d) with respect to the Erie Property, the Agreement of Sublease dated as of March 29, 2017, between MSC Erie, as sublandlord, and the Corporation, as subtenant (collectively, the “**Prior Subleases**”); and

WHEREAS, the Corporation understands that the Sublessors intend to redevelop, renovate and equip the School Facilities (the “**Project**”) and in furtherance of the Project, the Corporation desires to authorize and approve the amendment and restatement of the Prior Subleases through the execution and delivery of four separate Amended and Restated Sublease Agreements, each between the respective Sublessor, as sublandlord, and the Corporation, as subtenant (each as so amended and restated, the “**Sublease**” and, collectively, the “**Subleases**”) upon the terms and conditions substantially similar to those set forth in **Exhibit A** attached hereto; and

WHEREAS, the Corporation desires to appoint James Sheward, who is a Trustee and Chair of the Board of Trustees of the Corporation (“**Board Chair**”), as its designee, and endow him with the full authority of the Board to review and approve the final terms and conditions of the Subleases (provided the terms and conditions are

substantially similar to those set forth in Exhibit A) or execution by the officers of the Corporation; and

WHEREAS, the Corporation acknowledges and understands that in order to finance the Project, Sublessors plans to obtain one or more loans (collectively, the “**Financing Transaction**”), that the rental payments under the Subleases will be structured to enable Sublessors to make scheduled loan payments when due under the terms of the Financing Transaction, and that at least one of the loans will be funded with proceeds of the issuance and sale of Qualified School Construction Bonds, which may require the inclusion in the Subleases of specific requirements related to the activities and performance of the Corporation and the utilization of the School Facilities that may not otherwise be incorporated in other commercial lease arrangements, all as more particularly described in Exhibit A attached hereto; and

NOW THEREFORE, BE IT

RESOLVED, that the above recitals are incorporated herein by reference; and

RESOLVED, that the Board hereby authorizes and approves the Corporation’s entering into the Subleases upon, and with full understanding of, the terms, conditions and restrictions described in the recitals and Exhibit A to this Resolution and upon such terms as shall be approved by the Board Chair consistent with the resolutions contained herein, as designee of the Board of Trustees; and

RESOLVED, that the appropriate officers of the Corporation, be, and hereby are, authorized and directed, in the name and on behalf of the Corporation, to authorize, execute and deliver any and all endorsements, instruments of assignment, pledge agreements, financing statements, security agreements, powers of attorney, or other documents or instruments necessary in connection with entering into the Subleases and to facilitate as necessary the redevelopment, renovation and equipping by the Sublessors of the School Facilities and the Financing Transaction, and to do such other acts and things as may be necessary or advisable in order to carry out and perform on the part of the Corporation the covenants, conditions and agreements on its part to be carried out, or to carry out and perform the full effect, intent and purposes of this Resolution; and be it

FURTHER RESOLVED, that the Board hereby designates [Board Chair] as its designee, with full power of the Board, to review and approve the final terms of the Subleases, which terms shall be substantially similar in form and substance to Exhibit A attached hereto, and that upon approval of the Subleases by the Board Chair, the appropriate officers of the Corporation be, and hereby are, authorized, empowered and directed,

in the name and on behalf of the Corporation, to enter into, execute and deliver the Subleases together with any and all documents, certificates and instruments related or necessary to the enforcement or recording thereof; and be it

FURTHER RESOLVED, that the appropriate officers of the Corporation are hereby authorized and directed, in the name and on behalf of the Corporation, to negotiate, prepare, execute, issue, deliver, obtain, file and/or record any other document or instrument and to perform any and all such other and further acts and deeds which they, in their sole discretion, may deem necessary, appropriate or desirable in order to effectuate the transactions described in this Resolution; and be it

FURTHER RESOLVED, that all actions previously taken by any of the officers of the Corporation, any trustee or representative of the Corporation, or any of its employees, agents or attorneys prior to the date hereof (including in connection with the matters contemplated by the foregoing Resolutions) be, and hereby are, ratified, confirmed and approved in all respects; and be it

FURTHER RESOLVED, that this Resolution shall take effect immediately.

Exhibit A

Basic Terms of Sublease

- Anticipated terms of approximately 25-35 years, subject to approval of NJ Attorney General
- One time tenant contribution under each sublease, in consideration and support of sublandlord's work, required at closing of between \$75,000 – \$150,000
- First 12 months of sublease payments under the four subleases estimated to total between \$1.65 – \$1.85 million per year, payable monthly
- Approximately 12 months after closing, total sublease payments under the four subleases estimated to increase to a total between \$1.85 – \$2.1 million per year, payable monthly
- Potential rent increases at year 5 of up to \$85,000 per year and at year 10 of up to \$135,000 per year (total across all 4 leases), dependent on current market interest rates at those intervals
- Final sublease payments dependent upon market interest rates at the time of the closing of the Upper Tier Loans

- Potential additional adjustments to lease payments in the event of refinancing or changes to Upper Tier Loan interest rates
 - Certification as to continued status as Renaissance School Project & public school
 - Agreement to file all reports and conduct all operations to maintain status as Renaissance School Project
 - Delivery of periodic reports and information, including, but not limited to:
 - o Enrollment statistics, operations information, academic outcomes and annual reports filed with DOE or state
 - o Financial information, including annual budget
 - o Notices and reports received from authorizer
 - o Additional information as requested by lenders
 - Compliance with certain financial covenants and ratios, as required by lenders in the Financing Transaction, provided same are consistent with the Urban Hope Act
 - Limitations on debt other than a line of credit
 - Agreement to subordinate payments of Management Fees to Mastery Charter High School to sublease payments
 - Agreement to provide access to facilities during normal business hours and upon reasonable prior written notice
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Motion to approve #042517-11: Reuel Robinson. Second by: Judy Tschirgi. Motion carried (4-0, unanimous)

6. Camden City School District Agreements – None at this time.

7. Compliance and Policy Updates

Resolutions #042517-12 and 13 were pulled from the agenda. They will be discussed in a later meeting. No action taken.

#042517-12

Resolved, to adopt the Sports Related Concussion and Head Injury policy to provide guidance on the school's training and response to suspected concussions and head injuries. (as attached)

#042517-13

Resolved, to adopt the Grievance Procedures Policy to institute a fair and efficient process by which internal grievances can be resolved amicably and consistent with the law. (as attached)

8. CEO's Report – None at this time.

9. Closed Session – Legal and Real estate matters – Held earlier in the meeting.

10. Public Comment – None at this time.

11. Adjourn

Motion to adjourn at 7:35pm: Sharell Sharp. Second by: Judy Tschirgi. Motion carried (4-0, unanimous).