

Board of Trustees Meeting Minutes

Board of Trustees Meeting Minutes

May 26, 2021, 6:00 – 8:00pm

Zoom link: <https://masterycharter.zoom.us/j/95742173167>

646-876-9923, 95742173167

Adequate notice of the meeting has been provided on March 25 to the Courier Post, South Jersey Inquirer, and the Camden City Clerk and posted on the Mastery website and on the front door of Mastery High School of Camden.

Roll Call: Jim Sheward, Jamie Reynolds, Judith Tschirgi (exited at 6:27pm), Reuel Robinson (joined at 6:27pm); Absent: Sharell Sharp

Quorum: 4/5

Meeting Start at 6:02pm

Accept Board Meeting Minutes

- R-210526-1
- Resolved, to accept the minutes of the Board meeting of Mastery Schools of Camden from April 28, 2021 as presented.

- Accept Board Meeting Schedule
- R-210526-2
Resolved, to approve the proposed calendar for the Board of Trustees meetings for 2021-2022 as presented.

Hiring, Separation & Other Earnings

- R-210526-3
- Resolved, to ratify Mastery Schools of Camden staff hired from April 17, 2021 to May 14, 2021.

- R-210526-4
- Resolved, to ratify job changes within Mastery Schools of Camden from April 17, 2021 to May 14, 2021, as presented.

- R-210526-5
- Resolved, to ratify the \$41,615 of “other earnings” compensation paid during April 2021 for Mastery Schools of Camden staff, as presented.

- After board discussion R-210526-1, 2, 3, 4 and 5 were adopted. Motion to approve R-210526-1, 2, 3, 4 and 5: Jamie Reynolds; Second: Judith Tschirgi; Motions pass with unanimous approval. (Jim Sheward, Jamie Reynolds, Judith Tschirgi)

III. Finance (Yonca Agatan)

- R-210526-7
- Resolved, that the Mastery Schools of Camden Board of Trustees ratifies the payroll in the amount of \$1,057,851 for April 2, 2021, including \$55,060 of in-person supplemental

compensation and \$21,967 of retention incentives, \$997,953 for April 16, 2021, including \$20,763 of in-person supplemental compensation and \$22,489 of retention incentives, and \$1,038,221 for April 30, 2021, including \$28,568 of in-person supplemental compensation and \$1,368 of retention incentives.

- R-210526-8
- Resolved, to approve payment of \$2,244,617 for operating expenses as detailed in the invoices listing.

- R-210526-9
- Resolved, to approve Camden City School District as the sponsor for Mastery Schools of Camden meal services for the 2021-22 School Year.
- After board discussion R-210526-7, 8 and 9 were adopted. Motion to approve R-210526-6: Jamie Reynolds; Second: Judith Tschirgi; Motions pass with unanimous approval. (Jim Sheward, Jamie Reynolds, Judith Tschirgi)

- R-210526-10
Authorizing resolutions related to the refinancing of real estate loans held by the landlord entities for Mastery Schools of Camden:

Resolutions for Cramer Hill

WHEREAS, on December 29, 2015, the Corporation, as tenant, entered into a lease (the "Cramer Hill Lease") with MSC State & River LLC ("State & River"), as landlord, for certain facilities developed for the operation of a Renaissance School Project, as contemplated under the New Jersey Urban Hope Act, on certain real property commonly known as Block 844, Lot 13, NW East State Street & River Avenue, Camden, New Jersey, and owned by State & River, consisting of an approximately 95,000 square foot building together with the land on which it is situated (collectively, the "Cramer Hill Facility"); and

WHEREAS, in order to finance the costs of the acquisition and construction of the Cramer Hill Facility, State & River obtained one or more loans (collectively, the "Construction Financing") from various lenders pursuant to the terms of a senior loan agreement and certain other loan, security and collateral agreements including, but not limited to, a promissory note, a senior loan mortgage, pledge and security agreements, guarantees and assignments (collectively, the "2015 Loan Documents"), and the rental payments under the Cramer Hill Lease were structured to enable State & River to make scheduled loan payments when due under the terms of the Construction Financing; and

WHEREAS, on December 29, 2017, a portion of the Construction Financing was refinanced with the proceeds of a loan (the "2017 Loan") provided by a certain lender (the "2017 Lender") pursuant to the terms of that certain loan agreement, and certain other loan, security and collateral agreements including but not limited to, a promissory note, mortgage, pledge and security agreements, guarantees and assignments (collectively, the "2017 Loan Documents"), and State & River, as sublandlord, and the Corporation, as tenant, entered into an amendment to the Cramer Hill Lease; and WHEREAS, the Corporation acknowledges and understands that (i) the parties to the 2017 Loan may enter into a new loan transaction (the "2021 Loan Transaction") in order to refinance a loan received in connection with the Construction Financing pursuant to the terms and conditions as the parties thereto shall agree, and according to such loan agreements, notes, assignments, guarantees, escrow agreements, security agreements, pledge agreements, mortgages, and all such other documents, instruments, certificates, amendment, terminations and/or supplements to any of the 2017 Loan Documents and

2015 Loan Documents, as shall be deemed necessary by the parties thereto (collectively, the "2021 Loan Transaction") and (ii) in connection with the 2021 Loan Transaction, the 2017 Lender may also require that certain terms of the Cramer Hill Lease be reaffirmed, amended, supplemented or revised, and require that the Corporation execute such other certificates, agreements, documents and instruments deemed necessary to effectuate the 2021 Loan Transaction (collectively, the "Corporation Documents"); 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") and James M. Reynolds, who is a Trustee of the Corporation ("Authorized Signatory"), as its designees, and endow them with the full authority of the Board to review and approve the final terms and conditions of the Corporation Documents or execution by the officers of the Corporation; 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 Corporation Documents upon such terms as shall be approved by the Board Chair or Authorized Signatory 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 Corporation Documents and to facilitate as necessary the 2021 Loan 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 the Board Chair and the Authorized Signatory as its designees, with full power of the Board, to review and approve the final terms of the Corporation Documents, and that upon approval of the Corporation Documents by the Board Chair or Authorized Signatory, 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 Corporation Documents 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.
Resolutions for Molina, McGraw, East Camden Middle and the High School

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, as amended by that certain Multiple Sublease Modification Agreement dated March 29, 2017, each between MSC Erie, as sublandlord, and the Corporation, as subtenant (collectively, the "Prior Subleases"); and WHEREAS, on May 24, 2017, in order to finance the costs of the redevelopment, renovation, and equipping of the Properties, the Sublessors obtained those certain loans (collectively, the "2017 Loans") from various lenders (the "2017 Lenders") pursuant to the terms of those certain loan agreements, and certain other loan, security and collateral agreements including but not limited to, promissory notes, mortgages, pledge and security agreements, guarantees and assignments (collectively, the "2017 Loan Documents"), and each Sublessor, as sublandlord, entered into an Amended and Restated Sublease Agreement with the Corporation, as subtenant, for its related School Facility (collectively, the "Subleases"), each of which amended and restated the Prior Subleases and the rental payments under such Subleases were structured to enable the Sublessors to make scheduled loan payments when due under the terms of the 2017 Loans; and

WHEREAS, the Corporation acknowledges and understands that (i) one or more of the 2017 Loans will be refinanced from one or more lenders (the "2021 Lenders") pursuant to the terms and conditions as the parties thereto shall agree, and according to such loan agreements, notes, assignments, guarantees, escrow agreements, security agreements, pledge agreements, mortgages, and all such other documents, instruments, certificates, amendment, terminations and/or supplements to any of the 2017 Loan Documents, as shall be deemed necessary by the parties thereto (collectively, the "2021 Loan Transaction") and (ii) in connection with the 2021 Loan Transaction, 2021 Lenders will also require that the Corporation enter into one or more subordination, non-disturbance and attornment agreements and such other certificates, agreements, documents and instruments deemed necessary to effectuate the 2021 Loan Transaction (the "Corporation Documents"); 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") and James M. Reynolds, who is a Trustee of the Corporation ("Authorized Signatory") as its designees, and endow them with the full authority of the Board to review and approve the final terms and conditions of the Corporation Documents or execution by the officers of the Corporation; 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 Corporation Documents upon such terms as shall be approved by the Authorized Signatory 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 Corporation Documents and to facilitate as necessary the 2021 Loan 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 the Board Chair and the Authorized Signatory as its designees, with full power of the Board, to review and approve the final terms of the Corporation Documents, and that upon approval of the Corporation Documents by the Board Chair or Authorized Signatory, 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 Corporation Documents 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.

- After board discussion R-210526-10 was adopted. Motion to approve R-210526-10: Jamie Reynolds; Second: Judith Tschirgi; Motion passes with unanimous approval. (Jim Sheward, Jamie Reynolds, Judith Tschirgi)
- R-210526-11
- Resolved, to approve the Revised Mastery Schools of Camden staff funded with federal grants during FY21 as listed.
- After board discussion R-210526-11 was adopted. Motion to approve R-210526-11: Jamie Reynolds; Second: Judith Tschirgi; Motion passes with unanimous approval. (Jim Sheward, Jamie Reynolds, Judith Tschirgi)

Additional Discussion:

- Board passed the resolutions and asked for an update on the pending Cramer Hill refinance if it is not finalized by the next board meeting.

IV. CEO Report (Scott Gordon)

Additional Discussion:

- Board discussed Camden Competitiveness Analysis and directed management to come back with a proposal as to how high school will support programming related to academic, career readiness, and robust extracurriculars.
- Management will return to Board with proposals for Molina and the HS.

V. Human Resources (Charity Hughes)

- R-210526-6
- Resolved, that the proposed teacher retention incentive strategy is approved, total cost no more than \$800 thousand over 2 years.
- After board discussion R-210526-6 was adopted. Motion to approve R-210526-6: Jamie Reynolds; Second: Reuel Robinson; Motion passes with unanimous approval. (Jim Sheward, Jamie Reynolds, Reuel Robinson)

Additional Discussion:

- Chief Talent Officer (CTO) presented overview of teacher retention strategy & results.
- CTO presented commonly reported challenges to teacher retention.
- Because long-term staff retention is key to our ongoing *Continuous Improvement* and meeting our mission goals & a competitive compensation package is critical to our employee value proposition, CTO presented a teacher retention incentive strategy for approval.
- CTO will present results from teacher insight survey in future meeting.

End

- No public comments
- Meeting adjourned at 7:34pm