

Harambee Institute of Science and Technology Charter School Board of Trustees Public Meeting Minutes

Board Meeting Minutes Wednesday, June 28th 2023

The meeting of the Board of Trustees Public Meeting was held on Wednesday, June 28th 2023 via Zoom at 6:35 p.m.

Open Session

Meeting Called to Order

The meeting was called to order at 6:35 p.m.
by Board Chairman Maurice Baynard

Board Members Present:

Maurice Baynard
Joseph Foster
Larry Bell
Jan Gillespie- Walton
Charis Jackson
Shawn Blue
Donna Holmes Lockett
Renee Whitby

Board Members Absent:

C. Wade Mosely

Others Present:

Gregory Shannon	CEO
Danielle Bryant	Executive Assistant to the CEO
David Rosario	Assistant Principal of School Operations
Michelle Thornton	CFO
Nakia Brown	Assistant Principal of Instruction
Jenita Lunsford	Board Liaison

Libation (Board member Renee Whitby)

Libation was lead by Cultural leader and Board member Renee Whitby._

Introduction of Visitors and Others Present

Jay Hromatka and Hanna Degen from Piper|Sandler introduced themselves and stated that

Roll Call

Board Chairman Maurice Baynard asked Board members and the senior leadership team to give introductions. Board members and the senior leadership team introduced themselves, stated their names and titles.

Review of the May 31st Board Meeting Minutes (Approval of minutes)

Dr. Baynard asked if there were any corrections and/or additions to the May 31st Board minutes. He opened the floor to Board members for comments. There were no additions or corrections. Board member Larry made a motion to accept the minutes as presented, all were in favor, none were opposed and there was a unanimous motion to accept the minutes as presented.

Approval: 8 AYE: 0 Nays: 0 Abstentions: 0 Absent: 1

CEO Report, Greg Shannon

Organizational Expansion

Greg reported that he would be sharing information relative to the closing of the 2022-2023 school year as well as information regarding the opening of the 2023-2024 school year. He gave kudos to the esteemed board, administration, faculty, staff, students and parents. He said that they had another amazing school year in 2022-2023.

School Closing Update 2022-2023

Greg reported that they had an amazing round of summative assessments followed by a round of celebrations at the end of their academic year. Greg expounded on the many activities that took place which included an overnight field trip, their African Street festival and their closing ceremony in which they honored their eighth graders that are moving on to senior high school.

He gave kudos to the administrative team Rosario, Nakia, Deleah and Michelle for working through the school-closing checklist in an organized and efficient manner. They ensured that all of their text and materials were inventoried and that all of the technology was inventoried and stored properly. He said that Nakia and the academic team also did a great job of offering contracts to staff for the upcoming school year along with their class list identifying the students that they will be teaching; their room assignments in terms of where they will be teaching and their grade and subject assignment in terms of what they will be teaching next year.

Greg noted that on parallel tracks the staff set up for the HASSA summer program. They have more than 100 children in the HASSA summer program which began on Monday June 26th for staff and for students on Tuesday June

27th. He said that they have 43 students for the ESY Specialized Services program providing a robust summer program. He told members that in addition to those programs they also have a math camp occurring for rising 3rd graders and rising 8th graders. This is to ensure that their students do not have the learning slide over the summer especially in mathematics. This is a math camp that will focus on math skills as well as financial literacy. Greg told members that they are set for enrollment in August and as they open they know that they can accommodate 643 children, but as is their custom they over enroll the building up front knowing that they will have attrition as they go through the summer.

Leadership Retreat 2023

Greg gave kudos to Danielle who has worked with him over the course of the spring to set up for the leadership retreat. He said that they are all set for July 26th, 27th and 28th and it will focus specifically on instruction. He said that they have grown from a business and finance perspective, an operations perspective and from a specialized services perspective and now thanks to Nakia and the academic team they have their arms around their instructional practices, protocols and foci. He reiterated that they have grown as an organization and are now prepared for a smooth school opening.

School Opening Update 2023-2024

Greg reported that they are now beginning to plan for their teacher institute, which will open on August 14th for new staff and August 15th for returning staff. Their teacher institute is scheduled for two weeks of professional development and they will be opening with the students in six weeks on August 28th. He told members that they are really excited about their school closing and even more excited about their summer program and opening for the 2023-2024 school year. Greg concluded his report and opened the floor for questions.

Board member Renee asked if they have any teacher vacancy positions that they have to fill. Greg said that right now they are fully staffed with the exception of two special education positions and they are in the midst of working through them now. He said that Michelle has done a great job with respect to the Human Resources Division. Board member Renee asked if they were losing anyone and Greg replied not yet, but ask again in August.

Dr. Baynard commented that under the CEO's watch they have thoughtfully closed down which at times can be messy and all over the place, however Harambee has done an exemplary job and the structure that they have placed around starting school is smooth and ending school is smooth and really a thing of wonder. He is also really glad to hear that they have a Math specific camp especially after all those conversations that they have had regarding whether it is math and/ or reading that should really be focused on. Secondly, he asked if they know anything at least preliminarily about the data and if not now, would they know anything by the next board meeting. He said that another question is

regarding special education because it tends to be a big deal and it would be nice to have a summary of what they did with special Ed all year and which direction it is going in. Another question is how much money have they saved this year because there have been a lot less law suits than there have been in the past.

Greg said that their special education data in terms of enrollment of special education students follows the national trend and as they are seeing more students now needing specialized services, he believes at last count, at the end of the year there were 83 special education students identified in the building. He said that all of their special education files for the year are in compliance and they don't have any compliance issues nor do they have any pending litigation at this time.

He said that he is also proud to report that five years ago when he began there were nine students receiving approved private school education and now there is one. He said that they have gotten that number significantly reduced. In addition, based upon his one on ones with Dr. Archer, it appears that enrollment patterns in the new year have seen a spike in children coming in in kindergarten and in other grades on the autism spectrum. He sated that one of the vacancies may need to be filled by a teacher who's certified to teach autism.

Greg turned the meeting over to Michelle for her report and introduction of Jay Hromatka and Hanna Degen from Piper|Sandler.

Budget and Finance, Michelle Thornton

Michelle indicated that she would have two items this evening. She said that one she would save until after the presentation from Jay Hromatka but it's related to their 2022-2023 rate adjustment and their final 2023-2024-rate announcement that will impact the budget that they spoke about last month.

Michelle told members that she wanted to give a little bit of background for those member's that are new to the Board. She gave an overview and background information on the history of the Institutes financial challenges. She then turned the meeting over to Jay Hromatka for a review of Harambee's Refunding Opportunity.

Jay stated that he was very impressed with what the school has done over the course of time and that they have been involved with Michelle and Dr. Shannon, as time has progressed with investor calls every year to bring investors up to speed with what's going on. He proceeded to share his screen with members and introduced Hanna again indicating that he and Hanna Degen would be the team that Harambee would work with to execute the refunding opportunity. He shared slides of the following:

Plan of Finance

He discussed what refunding is and told members that it is a procedure whereby a borrower refinances outstanding bonds by issuing new bonds. He said that there are generally three reasons for refunding outstanding bonds:

1. To reduce the borrower's interest costs
2. To remove a burdensome or restrictive covenant imposed by the terms of the bonds being refinanced and
3. To extend the final maturity of the bonds to lessen the debt service burden.

The new bonds are referred to as the "refunding bonds," and the outstanding bonds being refinanced are referred to as the "refunded bonds" or the "prior issue." The refunded bonds will be retired and will not be considered a part of the outstanding debt. Jay said that the benefit of this opportunity for Harambee is the proposed refunding is a market driven opportunity in which Harambee can realize Interest Savings over the remaining term of the Refunded Bonds and showed an interest rate comparison.

- Average interest rate on outstanding Series 2017 Bonds: 7.68%
- True Interest Cost (TIC) on proposed Series 2023 Bonds: 6.51%

Market Update

Jay provided an overview of the economic backdrop, the long-term market overview, the weekly high-yield fund flows and an economic update with market expectations. He then reviewed **Bonds 101** and finalized the presentation with highlights and an overview of their firm (Piper |Sandler) as a Leading Investment Bank and Institutional Securities Firm. He pointed out that they were the number one underwriter in the country in 2022 of those types of bonds. He discussed the cost of their services and answered the Boards questions regarding fees. Board member Joe asked what is the total fee that Piper Sandler will be charging. Jay pointed to the slide that indicates source and use of funds. He said that 438,000 would be the total fee for everyone involved which includes Piper, the attorney's, borrowers, bond council and the organization's council.

Sources and Uses of Funds

Sources of Funds

Par Amount 6,895,000

Original Issue Discount -156,302

Total Bond Proceeds 6,738,698

2017 Reserve Fund 552,903

Bond Fund Transfer 170,566

Total Sources of Funds 7,462,167

Uses of Funds

Refunding Series 2017 Bonds 6,504,215

Reserve Fund 519,275

Cost of Issuance and Rounding 438,676

Total Uses of Funds 7,462,167

Jay informed the Board that the power point is available for members to review and to pose any questions that they have

Action Items: Bullying/Cyber Bullying

Vote: that the updated Bullying Policy be approved as presented.

Motion: The Board made a motion to approve the updated Bullying/Cyber Bullying policy as presented. All were in favor, none were opposed and it was passed unanimously.

Approval: 8 AYE: 0 Nays: 0 Abstentions: 0 Absent: 1

Old Business

None

New Business

None

Public Concerns

None

Motion: The Board made a motion to adjourn the public session; all were in favor none were opposed.

Approval: 8 AYE: 0 Nays: 0 Abstentions: 0 Absent: 1

Next Public Meeting: The next Public Board Meeting will be held on Wednesday, August 30th 2023.