

Sacramento Waldorf School

Minutes of Board of Trustees Meeting

Thursday, November 29, 2018

6:30 p.m. to 9:00 p.m.

“Our highest endeavor must be to develop free human beings who are able of themselves to impart purpose and direction to their lives. The need for imagination, a sense of truth, and a feeling of responsibility—these three forces are the very nerve of education.” – Rudolf Steiner

Present: Andrew Jensen, Marcela Iglesias, Marianne Gray, Lawrence Olson, Brian Bertossa, Jason Sigel, Tammy Duncan, Tim Carmichael, Michael Fields, Prashant Goteti, Eric Brickson

Absent: Esteri Hinman, Paul Steinberg

Guests: David Sokolowsky (7th grade parent), Erica Beernink, Zach Menser, Wendy Gittleman, Tricia Cloughesy (alumni parent)

| Topic/Presenter | Discussion | Decision/Action | Owner | Date |
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| Welcome/Approval of Minutes – Decision Andrew Jensen | Motion to approve October Minutes by Tim Carmichael, Lawrence seconds the motion. Motion passes. | October Minutes approved | Andrew | Done |

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| <p>President's Report – Inform Andrew Jensen</p> | <p>Andrew reports nothing of significance to discuss under the President's Report at this time.</p> | | | |
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| <p>Administrator's Report – Inform Marcela Iglesias</p> | <p>Teacher training - We will start with training SWS teachers and later open it up to Charter teachers. Looking to hire a part-time employee to help with advertising and other details associated with providing training. We hope to kick off training program in February. The program will run eight weekends throughout the year and two weeks in the summer. We will make it affordable. It will meet AWSNA requirements. It will be innovative and cutting edge. Marcela herself will take the training.</p> <p>Accreditation is coming. Admin has been working in groups to collect information needed for accreditation report</p> <p>Enrollment - We are up to 423. We have had zero attrition since the beginning of this school year. 9th grade for next year continues to track towards 30 which is low. We had 82 shadow days last year and 50 this year, likely somewhat attributable to a reduction in sister Waldorf school 8th grade classes. Two proposals from two marketing firms which Marcela will bring to the BOT with a request for financing; the goal is to use a marketing firm to assist Cyndi Bradshaw/Enrollment in finding prospective SWS students from new sources.</p> <p>Safety – There has been a renewed discussion about increasing defensible space to protect SWS from fire.</p> <p>Air Quality – Marcela believes SWS made prudent, well-informed decisions about when to close SWS during recent fires due to dangerous air quality. SWS is setting a protocol for identifying what number on the Air Quality Index scale will trigger school closure.</p> <p>Form 990 checklist presented by Marcela to BOT.</p> | | | |
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| <p>Development Report Brian Bertossa</p> | <p>Discussion of hire of Kim Winters as Director of Development. She will focus primarily on major donor gifts. Marcela believes we will probably need to hire someone to clean up the data needed for Development. Kim is a professional and is being mentored by John McIntyre and former DOD Rachelle Doyle is assisting in the transition. Kim will have minimal responsibility for supervising others. She will likely approach the job differently due to changed scope of work for the position. Marcela will probably make a pitch for a marketing/communications person later in the year.</p> | | | |
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| <p>Tuition Setting – Discussion</p> <p>Andrew Jensen, Lawrence Olson, Tim Carmichael, Jason Sigel</p> | <p><u>2019-20 Tuition</u></p> <p>We want to set tuition before the holidays to permit Cyndi/Enrollment to provide 2019-20 tuition cost to prospective SWS families well before they have to make an enrollment decision. Another reason for an earlier tuition-setting is the Tuition Assistance (TA) deadline is currently January 18. We need to give TADS a total TA budget number to permit TADS to run its formula and allocate the budgeted total TA dollars among the families who apply for TA.</p> <p>To speed and assist with setting tuition tonight, last month BOT formed a tuition setting committee to take a larger look at tuition models and trends, to look at our TA model, all with an eye to increasing sustainability and to present a recommendation for 2019-20 tuition and possible future changes to how tuition is set and how TA, remission and other tuition adjustments are applied.</p> <p>Lawrence: Other independent schools are consistently raising tuition annually between 3-5%. We looked at whether tuition increases lead to reduced enrollment. We looked at Marin Country Day model of income indexing and a model that looks at setting a tuition price for each family after discussion of individualized information. We looked at the budget and at needs-based tuition models.</p> <p>We looked at automatic deductions - sibling discount, faculty and affiliated- school remission (affiliated school remission is currently a 50% reduction in tuition).</p> <p>Regarding budget, there are several models, income first v. expenses up. One looks at the community's ability to pay first, the other identifies expenses and then sets</p> | | | |
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| | <p>tuition to meet the budgeted expenses.</p> <p>Recommendations for 2019-20 year:</p> <ol style="list-style-type: none"> 1) 2% increase to Kindergarten tuition; 2) 5% increase to LS and HS tuition; 3) Elimination of affiliated school remission; and 4) Reduction of sibling discount from 20% for second child and 30% for third to a flat 10% discount for second and additional children. <p>It is committee's opinion if we do not implement these tuition increases and reductions in remission/TA we will need a 7% across the board tuition increase to balance this year's budget. Question regarding sustainability of a model that requires 7% annual increases in revenue to break even.</p> <p>Michael: Maybe we do not eliminate affiliated school remission this year because there is only one family affected and it eases the pain of transition to a new tuition model.</p> <p>Motion by Jason - 2%, 5% and reduce sibling discount to a flat 10% for each additional child; 2nd by Lawrence.</p> <p>Discussion of perception that Kindergarten parents are frequently unprepared for tuition jump from Kindergarten to 1st Grade and raising Kindergarten tuition by 5% rather than 2% may actually assist in preparing Kindergarten parents for 1st Grade tuition and thus increasing the number of Kindergarten families who</p> | <p>Motion by Jason - 2%, 5% and reduce sibling discount to a flat 10% for each additional child; 2nd by Lawrence. Friendly amendment by Tim: make it 5% for Kinder, LS and</p> | | |
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| | <p>continue to 1st Grade.</p> <p>Friendly amendment by Tim: raise tuition 5% for Kindergarten, LS and HS. Friendly amendment accepted by Jason and amended motion re-seconded by Lawrence. Motion passes.</p> <p><u>Discussion of Future Possible Tuition-Setting Models</u></p> <p>Possible future changes to tuition-setting under consideration by the committee:</p> <p>Sibling discount reduction from 20% for second child and 30% for third child to 10% for each child (approved for 2019-20 and recommended that this become school policy going forward).</p> <p>Elimination of affiliated school faculty and staff remission (recommended that this become school policy for future years 2020 and beyond).</p> <p>Reduce 9th grade empty seats while having a positive impact on net revenue. Lawrence: One issue to look at is the social and economic cost of empty seats in the HS. We recommend looking at that differently than we have in the past and managing towards filling those empty seats even if done through indexed or reduced tuition. Note made that SWS cannot indefinitely sustain incoming 9th grade classes of 30 as is predicted or 2019-20.</p> <p>Transition to a model of tuition adjusting that is confidential, understood, fair and meets the needs of the</p> | <p>HS. Friendly amendment accepted by Jason and re-seconded by Lawrence. Motion passes unanimously, with Marianne Gray abstaining.</p> | | |
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| | <p>school.</p> <p>Discussion of potential threat of losing quality staff and faculty if we reduce faculty/staff remission. Emphasis made that there is no recommendation on the table to reduce/eliminate remission for SWS faculty/staff.</p> <p>Discussion of fact that reduction of sibling discount and affiliated school remission will increase the need for TA. TA is currently budgeted at \$660K.</p> <p>A family that currently receives sibling discount and TA may be eligible for more TA when sibling discount reduces - all based on need. We are roughly estimating that if sibling discount (budgeted as an expense of \$380K) is reduced by half to \$190K, this will result in an approximately \$100K in additional revenue and \$90K in additional TA. Reducing affiliated school remission (budgeted at \$123K) will increase TA by \$123K so it is revenue neutral.</p> <p>Discussion of discomfort many will feel at losing automatic sibling discount and being compelled to apply for TA. For some, there is a stigma to applying for TA.</p> <p>Discussion of importance of appropriate messaging for this change. Perhaps not using terms like “needs based” and “assistance” and instead using terms like “indexed tuition” or “family contribution” to convey that the school is willing to meet families at a tuition point that is mutually agreeable in order to promote the important goal of economic diversity, rather than implying that accepting TA is something to be embarrassed about. Tuition Setting Committee to craft message for distribution regarding tuition for 2019-20 and changes to</p> | | Lawrence, Jason, Tim | ASAP |
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| | <p>sibling discount.</p> <p>The goal is in three years to have more TA to distribute through increased enrollment, increased tuition for those who can afford it and the endowment.</p> <p>Marcela: The work of this committee should continue throughout the year. For example, the next phase may be to study the demographics of the surrounding community to manage enrollment efforts.</p> <p>Agreement that ad hoc Tuition Setting Committee will continue to meet monthly and will report back to BOT quarterly going forward. Committee will seek additional faculty member for faculty perspective.</p> | <p>Tuition Setting Committee to craft message for distribution regarding tuition for 2019-20 and changes to sibling discount.</p> <p>Tuition Setting Committee to meet monthly and will report back to BOT quarterly going forward.</p> | <p>Lawrence, Jason, Tim</p> | <p>1st Quarter 2019 report to BOT</p> |
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These Minutes are not an official record of the meeting of the Board of Trustees until signed by an officer of the Board.

Signed: 
Andrew Jensen, President

Date: 1/24/19