

**Oregon Episcopal
Board of Trustees Minutes
October 18, 2010
*Amended***

Present: Michael Hanley, Steve Grant, Estelle Kelley, Kirk Bass, Steve Lovett, Ann Carter, Raymond Cheng, Kristin Collins, Brenda Henderson, Elizabeth Highet, Mark Hochgesang, Mark Kemball, Kate Lieber, Malcolm Mclver, Urmila Ratnam, Evan Roberts, Leslie Spencer, Pat Trunzo, L. D. Wood-Hull, Kathy Layendecker, Jan Massaro, Tige Harris, Jan Massaro, Phillip Craig, Randa Cleaves, Jordan Elliott, Ace Ellis, Hardister, David Lowell, Jon von Behren, Anne Weston, Tom Wheelock, Marianne Johnson

Steve Grant welcomed all and Bishop Michael gave the invocation.

Malcolm Mclver moved to approve the minutes of the September 23, 2010 meeting, Kirk Bass seconded, and the motion was approved unanimously.

HEAD OF SCHOOL REPORT

Kathy Layendecker reported that Marty Jones is at the KOIN studio with our Upper School a cappella group Notella promoting the Christmas Wreath and Holiday Greens sale, and Susie Gundle is attending enrollment fairs in San Francisco.

We have 295 admissions inquiries to date. Kathy reminded everyone to help spread the word about OES and encourage people to attend our upcoming open houses.

Kathy and Phillip Craig recently returned from Los Angeles where they attended a meeting of heads and chaplains from Episcopal schools. Phillip said that there are only 21 Episcopal schools around the country that are like OES. Roger Bowen, former head of St. Stephen's Episcopal School in Austin, Texas was there to speak. Kathy and Phillip had interesting visits at two Episcopal schools, Harbor Westlake and Campbell Hall. Phillip gave an overview of those visits, focusing on service learning, diversity, and how they express their Episcopal identity.

The OES Fund is off and running, the 1869 Society Appreciation Dinner is October 26th, and the Christmas Wreath and Holiday Greens sale ends Friday.

Randa Cleaves reported on development:

- This year the OES Fund appeal was extended to upper school students. Jordan Elliott challenged them to donate \$1 to acknowledge their support and two days later \$314 was donated by a single student. Jordan then challenged the rest of the students to match that with a \$1 donation.
- The phone-a-thon starts this week and the development office is working with the volunteers.
- The Christmas Wreath & Holiday Greens sale is almost over and it has been more successful than in past years.

- The development office is actively working with alumnae/i and they are already planning for next year's homecoming weekend which will include an oral history project.
- As OES looks towards a capital campaign we will begin to define why the arts center is important in order to make a strong case for support.

DEVELOPMENT COMMITTEE UPDATE

Elizabeth Hight said it is time for the board to focus on the long term health of the school and begin the critical work of fundraising. The committee would like to see the board give 20% of this year's OES Fund goal of \$750,000 with 100% participation. This would bring us in line with the boards of our benchmark schools and send a positive message to the community.

It is also important that trustees be ambassadors of the school. This is accomplished by bringing the OES vision to the greater community to promote the endowment and capital campaign through contacts outside of OES. Elizabeth asked everyone to familiarize themselves with the bullet points of the strategic plan and to think about how they translate into fundraising.

The Development Committee will be generating fundraising statistics from benchmark schools and work to match them in a very deliberate way. Outside consultants believe that people are ready to give again and the timing of our message is critical. The committee will work hard to shift our fundraising culture before the launch of a capital campaign. Estelle Kelley said the board will be hearing a lot from the Development Committee this year, and Mark Hochgesang said the strategic plan is the basis for any capital campaign. Kathy Layendecker added that the strategic plan will be presented to parents in November.

2010-2011 BOARD GOALS

Steve Grant asked committee chairs to identify three key areas of focus for 2010-2011, and asked Finance and Governance committee chairs to report.

Finance (Kirk Bass):

1. Ensure visioning work and strategic plan fits into the long term financial model.
2. Budget review and salary recommendations.
3. Continue the parent financial nights.

Governance (Steve Lovett):

1. Conflict of Interest forms and Confidentiality Agreements (almost all are turned in).
2. Trustee orientation.
3. Board evaluation and Head of School evaluation.
4. Succession planning, officer succession.
5. Bylaw cleanup (L.D. Wood-Hull has begun).

Steve gave a recap of board goals and themes for 2009-10.

1. Support the Head of School.
2. New Head of School and transition.

3. Financial Stewardship.
4. Support the strategic plan.

Brenda Henderson reported that the Mt. Hood Climb Observance Committee will meet in March 2011 to ensure everything is running smoothly for the 25th anniversary.

EXCESS FUNDS RECOMMENDATION

Kirk Bass reported that a task force was formed to evaluate the possible uses of cumulative excess operating reserves and gave an overview of the meeting (refer to report for details). The Finance Committee unanimously supports the following recommendation to the Board of Trustees:

- Keep \$876,209 of the excess reserves as operating reserves in order to achieve a cumulative operating reserve balance equal to 12.5% of 2010-11 operating expenses as the first step toward building a larger reserve base in advance of the expected recommendation from the Finance Committee to raise the target threshold to between 15% and 20%.
- Transfer the balance of the excess reserves, \$675,739, to the plant reserve to be designed as support to the following capital improvement projects:
 - Seismic improvements to the Lower School, Beginning School, and Chapel \$ 80,000
 - Renovation of the Beginning School bathrooms (concurrent with seismic work) \$ 75,000
 - Seismic Improvements to the gym \$140,000
 - Campus security enhancements (cameras, locks, surveillance equip) \$100,000
 - Replenishment of the plant reserve concurrent with the write down of obsolete campus master plan and arts facility plans \$150-\$350K
(amounts and accounting entries TBD)
 - The balance of remaining funds to support the renovation and expanded programming of the Lower School Commons Hall, including energy efficient lighting and HVAC control systems \$0-130K

Jon von Behren noted that the seismic improvements to the gym would work with the plan for improvement in a renovation (it would not be throw-away work). Steve Lovett moved that the Board of Trustees of Oregon Episcopal School approve recommendation of the surplus allocation task force as presented, Evan Roberts seconded, and the motion was approved unanimously.

Meeting adjourned to executive session at 5:30 p.m.

Respectfully submitted,
Anne Weston