

Our Mission: We disrupt generational poverty by supporting, preparing, and empowering young people at distinct stages of life to break down barriers on their path to success in adulthood.

**Northwestern University Settlement Association
Board of Directors Regular Meeting**

**1400 W. Augusta Boulevard
Chicago, IL 60642
Guild Hall**

In-Person Meeting – Mask Wearing Optional

Board of Directors members present in person: Chair Amy O'Donnell, Robert Best, Bill Welnhofner, Kathy Elliott, Virginia Burnstine, Lieke Hakkenberg, Tracy Heilman, Christine Jacobek, Kurt Mueller, John Relias, Alice Schaff, Sarah Shumway, Hollis Sunshine, Claire Winnard.

Board of Directors members present on Zoom: Tyrone Washington.

Staff present in person: CEO Carole Wood, CFOO Christian Feaman, Chief of Staff Danielle LaPointe, Rowe Principal, Jason Smith, Alvin H. Baum Family Fund Vice President of Youth and Young Adult Services Elizabeth Howard, Director Board Relations Alison Armstead.

Amy O'Donnell, Chair, called the meeting to order 12:16 PM.

Amy requested for the Assistant Secretary Alison Armstead to take the roll.

Public Comment

Amy acknowledged that there were no members of the public present. Amy provided members with a brief introduction of Melissa Gibson, who will soon be joining the board officially. Amy expressed thanks to Melissa for her upcoming service, with her election to the board planned for later in the agenda under governance.

Board Chair Report

Amy O'Donnell expressed gratitude for the efforts made during a very busy summer, particularly focusing on the refinancing of debt and the Rowe Charter Renewal application submission processes. She noted that the Executive Committee, following the organization's bylaws, had completed the annual review and compensation process for the CEO. Amy extended a formal note of appreciation to Carole Wood for her dedicated leadership, recognizing the hard work of both Carole and her staff, particularly given the challenges posed by the current political climate and the broader difficulties faced by similar organizations. Amy emphasized the board's gratitude for Carole's guidance and expressed anticipation for the exciting initiatives ahead.

Amy also thanked Bob Best for leading the INCS FOIA training, noting the participation of approximately ten members, including a "gold star" for Christine Jacobek, who completed her FY25 training hours ahead of schedule. A reminder was given to board members to check their training progress via the provided link, as compliance tracking will be managed through a running spreadsheet. Amy also reminded everyone of the next virtual training session scheduled for November 4. Amy also mentioned that the board directory, a requested item, was noted as now available both online and in print.

Amy presented an action item regarding the appointment of the Executive Committee for fiscal year 2025. Per the bylaws, the minimum committee members were presented as follows: Amy O'Donnell as Chair, Sami ElSaden as Vice Chair, Bill Welnhofner as Treasurer, Kathy Elliott as Secretary, and Bob Best, previously serving as General Counsel, as Parliamentarian. Amy encouraged board members to consider roles on the Executive Committee and officer positions in the coming year to bring fresh perspectives to the leadership team.

The public is welcome to attend the meeting.

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The report concluded with a call for a motion to approve the Executive Committee appointments. John Relias made a motion to approve the Executive Committee appointments. Virginia Burnstine seconded the motion. The motion was approved by unanimous vote.

CEO's Report

Carole Wood provided an update on key organizational initiatives and priorities, emphasizing ongoing work in several areas critical to the mission. She expressed gratitude for the Board's support during a busy period of the Charter Renewal application submission and the refinancing process, which has positioned the organization well for future growth and stability.

Carole highlighted recent successes in programming, noting steady engagement and positive outcomes from Rowe and ECE initiatives. She acknowledged the challenges posed by the current political landscape and shared how her team is proactively navigating these conditions to ensure continued service delivery. Carole commended the hard work of staff members across departments for their commitment to quality and adaptability.

Carole updated the board on the progress of the charter renewal application, stating that her team has been in regular communication with relevant CPS authorities and is optimistic about a favorable outcome. She committed to keeping the board informed of any significant updates.

Carole discussed initiatives to strengthen partnerships within the community, which will help broaden program offerings and resources for Rowe students and their families. In light of economic and political pressures, Carole mentioned ongoing efforts to enhance organizational resilience, including contingency planning, refining operational efficiencies, and reinforcing financial controls.

Chief of Staff Danielle LaPointe presented an update on data initiatives, focusing on the recent developments within the organization's data management and collaborative partnerships.

Danielle reported on the organization's new role as a partner in the Chicago Venture Collaborative (CVC), an initiative that facilitates shared data and insights among multiple early childhood education (ECE) and after-school program providers. Over the summer, the team enhanced the existing Salesforce platform to capture a wide range of data, initially focused on early childhood education and kindergarten readiness metrics for students transitioning from Head Start programs, as well as academic outcomes for participants in traditional after-school and teen programs.

Current work includes entering data for four-year-old students transitioning to kindergarten this fall, along with Teaching Strategies Gold (TSG) data, which will enable benchmarking of the organization's student outcomes against those of other partner programs.

A key benefit of the CVC partnership is the opportunity to compare the organization's performance with that of nine other early childhood programs. High-performing partners will share strategies and best practices, enabling collaborative learning and targeted professional development. This benchmarking will support the organization in adopting new approaches to better support children's development and improve outcomes.

Danielle highlighted recent discussions with the organization's assessment partner, SAYO (Survey of Academic and Youth Outcomes), which will help measure not only academic performance but also key social-emotional skills like problem-solving and conflict resolution. A subset of this survey may be applied to camp programs, allowing for consistent and comparable data across all out-of-school time programs. For the ECE program, all data collection is expected to be finalized by the end of September 2024.

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Out-of-school programs, including after-school and camp programs, aim to complete data uploads, including SAYO surveys and report cards, by the end of November. Danielle noted that while there may be logistical challenges in collecting report cards from students in different schools, the collaborative's guidance has made this process more manageable.

Danielle concluded by acknowledging the support from the CVC team, who provided quick turnaround on data requests and valuable assistance in setting achievable starting points. The structured approach of "starting small and building out" has helped the team make steady progress on data collection efforts.

Elizabeth Howard presented an update on the House In The Wood Camp's progress following a summer consulting engagement with Kaleidoscope, a camp consulting firm. The goal was to explore pathways to financial sustainability, address staffing challenges, and enhance programming.

Elizabeth shared the outcomes of Kaleidoscope's recommendations, supported by assessments and discussions involving staff and board members. Kaleidoscope conducted site assessments, staff interviews, and helped form a working group to create a five-year strategic plan for the camp.

The goals for Summer 2025 Planned six-week camp with a minimum target of 50 campers per session, gradually increasing to 80-100 campers per session in future seasons to ensure high program quality. Expanded staff training to embed social-emotional learning and leadership development into all activities. A finalized five-year strategic plan will be shared with the board, detailing specific goals, implementation timelines, and marketing strategies.

Principal Jason Smith provided an update on the Rowe Elementary School, touching on recent developments, campus reconfigurations, staffing changes, and new programs aimed at improving the overall school environment and culture. School started on August 26th, with an enrollment of 642 students. Grades K-3 are now in the Lower School (new building), while grades 4-8 are housed in the Upper School. The transition has brought about a positive shift, with younger students together, fostering a close-knit community atmosphere. The Upper School is benefiting from more space, enhancing order and flow, especially in hallways and common areas.

Lower School MAP testing is completed; Upper School is finishing this week. Preliminary data suggests the school will achieve "commendable" status for the second consecutive year.

The Diverse Learning team is now led by a Director of Diverse Learning, one for each campus, allowing a more hands-on approach to support special education. Rowe now has a dedicated full-time Director of English Language Services, Jeanette Coronado, with enhanced bilingual instruction and support. Instructional Support has revamped structure for curriculum and assessment support with two instructional coaches per campus. Coaches provide direct support, co-teaching, and professional development (PD) sessions for teachers.

The Conscious Discipline Program expanded to include more teachers and leaders trained as in-house experts, focusing on proactive discipline strategies and understanding student regulation. The school has introduced full-time Deans of School Culture at each campus, partnering with counselors and social workers to manage student behavior. Rowe has adjusted uniform policy to balance formality and practicality, introducing khaki options and darker colors for ease of maintenance. QR codes for easy purchasing options at local stores have been provided.

Regarding parent engagement, mandatory family orientations have achieved approximately 75-80% participation. Sessions reviewed key school policies, dress codes, and expectations to strengthen the parent-school partnership. Emphasis has been placed on in-person events for family engagement and community building, including BPAC and PAC meetings. Parents encouraged to contribute suggestions via feedback sessions at PAC meetings. Principal Smith encouraged ongoing communication and participation from parents and the school community as the new school structure and programs continue to evolve.

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There have been Special Education staffing challenges at the school this year with Rowe short two special education teachers. The school has adjusted schedules to cover minutes missed by absences; Directors and DL staff are covering additional duties.

There have been ongoing efforts to recruit with active job postings and interviews, though many candidates lack required credentials. Teacher retention has been challenging due to competing offers from other districts even with signing bonuses in place. Rowe has a student teacher completing certification in November and could provide additional coverage moving forward.

Dr. Carmona, head of CPS Charter School Office visited Rowe and had positive impressions of school climate, teacher-student interactions, and community-focused initiatives. Dr. Carmona emphasized the importance of well-prepared students transitioning to CPS high schools, expressing support for Rowe's success.

Current enrollment for Rowe is approximately 643 students, with a strong interest in second grade, leading to the addition of a new section to reduce class sizes. We have enrolled 100 new families this year with significant walk-in interest following outreach events and marketing efforts. Enrollment activities for next year will begin earlier to enhance outreach efficiency.

There have been several operational improvements made at Rowe this year including enhanced digital systems for registration, payments, and uniform orders have streamlined processes, with positive results in fee collection. The new Operations Director Cynthia Martinez, focused on consistent operational improvements and efficient follow-through on tasks.

Consent Agenda

Board Chair Amy O'Donnell introduced the Consent Agenda for approval, stating that it would proceed with a single, unanimous vote unless any member wished to remove an item for individual discussion. Bob Best made a motion to approve the consent agenda. John Relias seconded the motion. The motion was approved by unanimous vote.

Financial Report and Budget

Bill Welnhofner provided a detailed overview of the school's complex financing structure, established seven years prior, to support a \$15 million project funded in part by a \$4 million tax credit through a new market tax credit financing strategy. This financing enabled Capital One to take on a significant investment in exchange for tax deductions, with the credit rebated back to the school at the end of the seven-year term. The initial \$11 million needed for the project comprised \$9 million in debt, \$2 million from IFF, and \$2 million from a private foundation.

Bill highlighted that this financing structure matured in July 2024, necessitating a refinancing effort. However, increased interest rates posed challenges, with approximately \$8.5 million needing to be refinanced. The board opted to issue a tax-exempt bond through a state entity, the Illinois Finance Authority, to secure a lower interest rate. Financial advisory firm HJ Sims was hired to guide this process, though market response was limited due to decreased charter school enrollment in Chicago. Fortunately, Wintrust evaluated and accepted the bond issuance around late June 2024.

On August 1, 2024, the entire financing structure was unwound, and refinancing funds were secured through the Illinois Finance Authority bond issuance at a floating interest rate based on the Secured Overnight Financing Rate (SOFR). The bond was issued at a rate of 5.25% with an additional spread, bringing the total to 5.6%. An interest rate cap was purchased for approximately \$200,000 to safeguard against potential rate increases beyond 6%.

Bill and the finance team concluded these efforts with the real estate transition from the nonprofit foundation to direct settlement ownership, allowing greater control and financial stability.

On June 24, 2024, the Board delegated authority to the Executive Committee to finalize refinancing decisions. The Executive Committee met on July 20, 2024, ratifying the selected amendment for refinancing. Bob Best motioned to ratify the actions

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taken by the Executive Committee regarding the audit and refinancing decisions, seconded by John Relias. The motion was approved unanimously by the Board.

Bill emphasized ongoing compliance requirements for the debt service coverage ratio, which mandates that the school generates enough free cash flow over a rolling 12-month period to cover debt obligations. With debt service costs around \$600,000 quarterly, the school narrowly met compliance in September 2023, averting potential penalties. Indications suggest that the upcoming quarterly assessment on September 30, 2024, will meet coverage requirements, although the school remains closely monitored for budget adherence due to this covenant. The budget passed in June 2024 is in effect, and compliance will be reviewed quarterly.

Board members extended their thanks to Bill Welnhofer, Bob Best, and the finance team for their dedication and expertise in managing this complex refinancing process. The Board recognized the extensive time commitment and effort invested over the past few months and throughout the previous year.

Christian Feaman presented an update on the annual audit, noting that an audit is mandated each year, particularly as the organization approaches renewal. This year's audit was successfully completed by the auditors, Plante Moran, on August 30. The financial section of the audit went smoothly, with the auditors commending the accounting team for their effective management. The school operations portion of the audit was also successful despite complexities introduced by a building transition.

Currently, Plante Moran is in the process of finalizing their review, and their findings (if any) will be provided shortly. Christian reported that the organization concluded Fiscal Year 2024 in compliance with its debt service coverage ratio at 1.22, partly due to additional COVID-19 and special education funding received in the spring. He noted, however, that expenses for related services providers, especially for special education, remain high, with costs nearly doubling the \$1.2 million received from CPS.

For Fiscal Year 2025, revenue projections appear strong, aided by adjustments to CPS's funding allocations that provided additional revenue beyond initial budget estimates. Enrollment remains a focus, and financial performance is being closely monitored to meet a forecasted debt service coverage ratio of 1.23 for the first quarter.

A resolution was presented to transfer the primary endowment account from William Blair to Wintrust Bank, with Carole Wood (CEO) and Christian Feaman (CFO) as signatories. Christian explained the decision, citing improved financial terms offered by Wintrust in exchange for moving the endowment. Bob Best made a motion to approve the endowment transfer resolution. Kathy Elliott seconded the motion. The motion was approved by unanimous vote.

A motion was presented by Bob Best to dissolve the Northwestern Settlement Foundation, created seven years ago as part of a tax credit financing arrangement. With the successful unwinding of the financing structure, the foundation's purpose is now fulfilled. Bill and Kurt Mueller explained that, if necessary in the future, a new foundation could be established with updated bylaws. Bob made a motion to dissolve the Northwestern Settlement Foundation. Kathy Elliott seconded the motion. The motion was approved by unanimous vote.

Governance Committee Report

Kathy Elliott presented the Governance Committee report, beginning with the introduction of Melissa Gibson as a new board member candidate. Melissa, a parent of a six-year-old son in first grade, had already contributed valuable perspectives on school operations, especially from a parent's viewpoint. Kathy highlighted the importance of having a parent representative on the board to provide insights that board members may not directly observe.

Kathy formally nominated Melissa to join the board, effective immediately pending the board's approval. Ginny Burnstine seconded the motion. The motion was approved by unanimous vote.

Kathy continued her report by stating that Christian had been working on a draft procedure for partnerships to establish guidelines for entering or considering future collaborations. The Governance Committee had reviewed the second draft and expected to present a finalized version at the next board meeting in December.

Kathy advised the members that following the meeting, members should look out for an email from Alison containing several key documents, including the conflict of interest policy, board member expectations, the current organizational chart, board roster, and other essential documents to be reviewed annually. Kathy asked each member to verify their contact information and report any needed updates to Alison.

Education Committee Report

Alice Schaff delivered the Education Committee report, noting that the board had already received comprehensive updates on Rowe and early childhood education, so only a brief overview was needed. Alice thanked the committee members for their active engagement, sharing that the committee had been meeting monthly throughout the charter renewal process and would likely shift to a bi-monthly schedule in the coming months.

Alice highlighted the committee's productive discussions on Rowe programming, activities, and early childhood education, which had generated valuable updates and insights. She emphasized the committee's focus areas for the upcoming year:

Alice noted progress in fully enrolling the three-to-five-year-old programs, which not only benefits preschool enrollment but also establishes a pipeline for kindergarten admissions at Rowe Elementary.

Alice outlined three primary goals for Rowe:

Charter Renewal: Ensuring a smooth renewal process with Chicago Public Schools (CPS) remains the top priority.

Enrollment Growth: Efforts are underway to increase enrollment, particularly in the lower grades, to sustain the larger class sizes in the upper grades.

Academic Performance and SEL Monitoring: The committee is focused on tracking student academic performance, social-emotional learning (SEL), and behavior management to support the school's educational goals.

Program Integration Committee Report

Tracy Heilman provided the Program Integration Committee report, noting that whether by design or organically, the committee had divided into two working subcommittees to focus on specific areas of integration.

Community Mental Health Center Subcommittee is led by Bryan Heidel, Vice President of Family Cares, this subcommittee concentrated on identifying funding opportunities for the community mental health center. Bryan has also explored collaborations, including a new connection with the Greater Chicago Legal Clinic, facilitated by Ginny Burnstine. This collaboration aims to provide legal aid services to the organization's constituents. Additional work included a review of policies led by Holly Sunshine and performance quality improvements led by Christine Jacobek, which aligned with new organizational requirements.

Tracy informed members that she chairs the Data and Strategy Subcommittee which is focused on the organization's data strategy. Tracy emphasized the importance of supporting Danielle and her team's internal data efforts. At the previous meeting, the subcommittee discussed creating an "impact story" for the organization, aiming to use data to illustrate the impact the organization seeks to achieve. This story would also serve to help prioritize ongoing data-related projects internally. Tracy expressed her hope to present a refined impact story at an upcoming board meeting.

Emerging Leaders Chicago Board Updates

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Carole Wood provided an update on the Emerging Leaders, now transitioning to the Chicago Board, and explained that the group was in the process of selecting a new name. She noted they were moving away from the title "Emerging Leaders" but had not yet decided on their final name.

Carole highlighted recent activities, including a social pickleball fundraising event at Social Pickleball Fun (SPF) in August, which drew around 50 participants. This event not only raised funds but also introduced several new people to the organization and its mission. The board scheduled to hold its first formal meeting in November. Although the former Chair stepped down due to new job commitments, several members from the former Emerging Leaders group have continued to serve on the new board. Additionally, Ashley Sprowl, previously a member of the old Chicago Board, agreed to join the newly restructured board as well.

North Shore Board Updates

Claire Winnard provided an update on recent North Shore Board activities, noting that the board members continued to work actively on key initiatives. She highlighted a successful visit to camp, where several board members, including a few new members, participated. This experience was particularly beneficial for newer members, providing valuable exposure to the organization's mission and operations.

Claire also reported positive developments with the Junior Board, which recently saw around ten senior members graduate. They are currently recruiting new members from North Shore schools, achieving a strong mix of students who have been engaging in fundraising efforts.

The primary focus for the North Shore Board has been preparing for their upcoming gala, scheduled for November 9 at the Hilton. This venue change from the Ritz offers a more cost-effective option. Invitations are in the final stages of printing and will soon be mailed out to attendees, as well as distributed virtually. Claire expressed optimism that the event would be successful and well-attended.

Evanston Woman's Board Updates

Holly Sunshine provided an update on the Evanston Woman's Board activities. She shared that the Board was gearing up for the launch of its annual Dollar Letter Campaign in October. This campaign, which has been a longstanding tradition, was originally created to engage the community and raise funds to support ongoing initiatives.

Holly noted that preparations for the campaign were well underway, with materials being finalized and distribution plans in place to maximize outreach and participation. The board anticipates strong engagement from both students and the wider community, and Holly expressed optimism about the campaign's potential impact on funding support for the year.

Winnetka Board Updates

Lieke Hakkenberg provided an update on recent and upcoming activities of the Winnetka Board. She noted that the board experienced a relatively quiet summer, which was a welcomed change after a busy start to the previous year. She shared that the board is eagerly anticipating the return of their annual wine event, scheduled for May 2, aimed at gathering funds for future projects.

Hakkenberg highlighted the success of the outdoor classroom project, completed this year in collaboration with Jason. This initiative has provided the board with a tangible example to showcase to donors, demonstrating the impact of their contributions. She commended the efforts of board members, especially Tracy, Diane, and Bill, for their dedication throughout the process. Diane, in particular, navigated various challenges, including securing permits and managing other logistics.

Looking forward, Hakkenberg expressed a goal to recruit new board members and to explore ways to adapt board membership to fit the lives of full-time working professionals. The board is focused on creating a sustainable structure that enables members to balance their careers with their commitments to the organization.

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Questions/Other

Before concluding the meeting, Amy thanked everyone for their ongoing support and reminded them of the upcoming Better Futures Luncheon on Wednesday, September 25, at 11 a.m. at the University Club. She encouraged everyone to attend and bring guests to further support the organization. Amy also reminder members that the next Board of Directors meeting had been scheduled for Monday, November 18, Noon and in person attendance was strongly encouraged.

Closed Session

With no further questions or comments, the meeting prepared to transition into a closed session for discussions on real estate and other matters requiring confidentiality. Kathy Elliott made a motion to go into closed session pursuant to Section 2(c)(6) of the Illinois Open Meetings Act to discuss the setting of a price for the sale or lease of property owned by the Settlement: and Section 2(c)(1) of the Illinois Open Meetings Act to discuss the appointment, employment, compensation, discipline, performance, or dismissal of one or more specific employees. Bob Best seconded the motion. The motion was approved by unanimous vote. The open session adjourned at 2:11 PM and the Board of Directors went into closed session.

Open session adjourned 2:11 PM

Minutes submitted by Alison Armstead