



## **Bright Star Schools Board of Directors Minutes of the Teleconference Meeting**

A meeting of the Board of Directors at Bright Star Schools was held on **Tuesday, December 13th, 2022** via teleconference, pursuant to notice duly given.

In attendance via teleconference were Board Chair Andrew Murr and Board Members Andrew Wang, Jennifer Cole, Lois Levy, Stephen Green, and Manny Aceves.

BSS staff in attendance via teleconference were Olivia Ray, Hrag Hamalian, Melissa Kaplan, Elijah Sugay, Leeann Yu, Kaitlin Foe, China Habte, Laura Gonzalez Reed, and Sunil Kewalramani.

BSS students in attendance were Zahra Ahmed and Milana Richardson.

Also in attendance were guests of the meeting Mike Barr and Shil Gorospe.

1. **Call to Order and Introduction of Guests** - Board Chair, Andrew Murr, called the meeting to order at 6:06pm.
2. **Public Comment Period for Non-Agenda Items** - none made
3. **Guest Speaker Presentation, RKMS Students, Zahra Ahmed, and Milana Richardson** - Zahra shared positive experiences at RKMS including a strong sense of support, safety, and belonging. She identified that Rise supports her excitement to learn and the joy she has found in making friends and connections at school. Milana shared that she has enjoyed making friends who accept her and encourage her to be true to herself. She highlighted the work of her teachers and how their support has helped her to love school.
4. **Executive Director Presentation, Hrag Hamalian**
  - **FY 22 Draft Audited Financial Statements** - Hrag yielded the floor to Shilo Gorospe who shared the 2022 Draft Audited Financial Statements, and the audit process and procedures. She identified there was a prior period error that was corrected as a restatement; however the audit opinion still remained clean-unmodified. And there were no findings in the state or federal compliance portion of the audit.
  - **AB 2449 Teleconference Meeting Update** - Hrag provided an update on AB 2449, including the anticipated end of the State of Emergency, and requirements for meetings moving forward. He shared that this will continue to be discussed at the January Board meeting.
  - **General Organization Updates** - Hrag shared general informational updates, including that Bright Star will celebrate its 20th anniversary in 2023, and planning

for a celebration is in progress, and that the Valor Academy High School Student Council had the opportunity to meet with Councilwoman Monica Rodriguez to learn about local government.

- **Updated 2022-23 Board Meeting Calendar** - Hrag shared a proposal to cancel March Board and committee meetings.
- **Staff Retention Bonuses** - Hrag identified that retention bonuses were previously effective in improving early signing of offer letters and teacher retention. He shared the proposal to offer retention bonuses to teachers and administrators again this hiring season.

#### 5. Deputy Superintendent of Education Presentation, Melissa Kaplan

- **Teacher Retention and Recruitment** - Melissa identified the top two reasons certificated candidates decline offers or leave Bright Star as salary and workload. She presented factors that impact these concerns: total compensation, work load via duration of the school year, and work load via work saturation during the year. She spoke to potential solutions to address these factors. Jen Cole proposed revisiting teacher/counselor salary scales. She asked that some financial modeling be conducted and presented at a future board meeting to take a preliminary look at budgetary impacts of additional changes.
- **Alder Residency Program** - Melissa shared a clip of the Bright Star/Alder Teacher Residency in the news, and that Alder residents report high levels of satisfaction in their role. Bright Star has begun conversations around increasing the number of resident positions we are allotted in the program. We currently have 5 residents and hope to have 8 next year. We are considering giving a signing bonus for residents interested in teaching math or science.
- **Life Experience Lesson Stipends** - Melissa shared teachers' roles in implementing successful Life Experience Lessons (LELs). She shared the proposal of stipends for any salaried faculty or staff member who attends an LEL and the creation of a special LEL rate for certificated staff and potential amounts for those stipends. She shared the fiscal impacts this would have on each school's budget.
- **2023-24 Academic Calendar** - Melissa presented the proposed 2023-24 Academic Calendar noting the number of teacher/counselor work days, and number of days in session. She also highlighted changes to the calendar, particularly the professional development schedule. Since Bright Star has required more teacher work days due to added professional development, these days are being cut so that a Bright Star teacher's work schedule is more in line with other schools.
- **Updated 2022-23 Academic Calendar** - Melissa shared an updated calendar for the 2022-23 school year, impacted by proposed changes to LELs.

#### 6. Chief Business Officer Presentation, Elijah Sugay

- **October Monthly Financials** - Elijah shared the Bright Star Schools Monthly Financials including the Income Statement, Balance Sheet, Cash Flow Forecast, and Budget-to-Actuals.
- **Enrollment Update** - Elijah shared that student enrollment remains higher than budgeted enrollment across the organization. Two schools are below budgeted enrollment and he identified the reason for the majority of withdrawals, as well as forecasts for enrollment.
- **Attendance Update** - Elijah shared the Average Daily Attendance rates remain higher than budgeted across the organization. He noted Elementary Schools' ADA has seen a decrease, and the reason for that decrease, as well as projections for ADA in the upcoming months.
- **Facilities Update**
  - **RKHS** - Elijah identified an expected completion date of December 15th, 2023 for the RKHS project, and shared the team is working on a temporary holdover site and LAUSD Prop 39 site
  - **RKMS** - Elijah shared that a Zoning Exemption Vote will be on a future LAUSD Board Meeting Agenda in 2023 when all members are present.
  - **VAES** - Elijah shared that the Conditional Use Permit is under review and the public hearing with the City Planner is calendared for December. He also shared news coverage about the project, and updates on marketing and public opinion regarding the project.
  - **SHCA**- Elijah identified that the SHCA lease was extended.
- **State Budget Update** - Elijah provided an update on Hold Harmless Revenue, how the revenues will be booked, when they will be disbursed, and provided an update on additional grant funding to continue with strategic programming and initiatives.

#### 7. **Chief Operations Officer Presentation, Leeann Yu**

- **Updated COVID-19 Discretionary Leave Policy** - Leeann shared that the State of California COVID-19 Discretionary Leave Policy expires shortly and Bright Star is proposing to continue its policy through March 2023. She shared details of the policy.
- **Revised Conflict of Interest Code** - Leeann provided an overview of Conflict of Interest and shared proposed updates of position additions and title changes to Bright Star Schools Conflict of Interest Code.

#### 8. **Manager of Compliance and Special Projects Presentation, Olivia Ray**

- **Advancement Procedures and Strategy (Gift, Grant, Naming)** - Olivia provided an update on development work within the organization and introduced three proposed advancement policies: a gift acceptance policy, a grant application policy, and a namesake consideration policy. She went on to share the purpose and procedures for each policy.

- **Annual Holiday Giving Campaign** Olivia introduced the annual Holiday Giving Campaign including the timeline, fundraising goal, mediums for fundraising, reasons to give, and how to give.
  - **Compliance Monitoring Board Certification** - Olivia shared the Compliance Monitoring Board Certification form for LAUSD, and identified each of the nine Bright Star Schools level of compliance with the items on the document. The Board reviewed the school's compliance with legal, charter, and District policy requirements for each of the nine Bright Star Schools.
9. **Committee Presentations** - Manny Aceves reported that all items from the Governance Committee were thoroughly covered in presentations. Stephen Green spoke to the Finance Committee's discussion of the LEL stipend and retention bonuses, including the trajectory and rationale of the two items, as well as how to anticipate costs in future budgets. Lois Levy shared that the Academic Committee discussed the importance of teacher recruitment and retention including possible options to increase recruitment and retention rates and looking at salary modeling.
10. **Approval of Consent Agenda** - Jen Cole made the motion to approve, Lois Levy seconded the motion.
- **Governance**
    - i. Minutes from November 2022 Board Meeting
    - ii. Minutes from November 2022 Board Meeting #2
    - iii. Minutes from November 2022 Governance Committee Meeting
    - iv. Minutes from December 2022 Finance Committee Meeting
    - v. Minutes from December 2022 Academic Committee Meeting
    - vi. Resolution considering the continued state of emergency and circumstances for Board meetings by teleconference pursuant to the Brown Act
    - vii. Updated 2022-23 Board Meeting Calendar
  - **Compliance**
    - i. Compliance Monitoring Board Certification for Stella Elementary Charter Academy, Stella Middle Charter Academy, Stella High Charter Academy, Rise Kohyang Elementary School, Rise Kohyang Middle School, Rise Kohyang High School, Valor Academy Elementary School, Valor Academy Middle School, Valor Academy High School
  - **Finance**
    - i. October Monthly Financials
    - ii. FY 22 Draft Audited Financial Statements
    - iii. Life Experience Lesson (LEL) Stipends
    - iv. Staff Retention Bonuses
  - **Operations**
    - i. Updated COVID-19 Discretionary Leave Policy
    - ii. 2023-24 Academic Calendar
    - iii. Updated 2022-2023 Academic Calendar

Board Member	Yes	No	Abstain	Absent
Andrew Murr	X			
Andrew Wang	X			
Dora Dome				X
Jennifer Cole	X			
Larry Klein	X			
Lois Levy	X			
Louisa Wee				X
Manny Aceves	X			
Marisol León				X
Robin Elledge	X			
Stephen Green	X			
<b>Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>3</b>
<b>Motion Carries?</b>	<b>YES</b>			

11. **Closed Session: Public Employee Performance Evaluation (Government Code § 54957(b)(1)) Name: Hrag Hamalian, Position: Executive Director.** Board members entered the closed session at 7:55pm. Board members exited the closed session at 8:48pm. Board Chair, Andrew Murr, reported the following decision came out of Closed Session:

*After 8 years as our CEO, Hrag Hamalian has indicated he will be stepping down effective June 30, 2023. Hrag has done an amazing job and it will be difficult to replace him. In order to ensure a smooth transition and ensure that Bright Star continues to operate at its peak ability, we have prepared an amendment to Hrag's 2022-2023 agreement and a new employment agreement for 2023-2024.*

*The 2022-2023 amendment provides for:*

- *A retention bonus of \$25,000 to be paid in equal installments from January 1st through June 30th;*

- A performance bonus of up to \$25,000 based upon performance metrics to be agreed upon by the CEO and the Board;
- If terminated without cause prior to June 30th, there will be a severance package equal to the outstanding amounts of the bonuses.

The 2023-2024 agreement provides the following:

- Hrag will continue to be CEO until a new CEO starts or 9/1/23, whichever is earlier. Hrag will then provide 6 months of support and transition services to the new CEO. Hrag will continue to earn his current salary of \$260,000 plus any cost-of-living adjustment the Board gives to the certificated staff as well as normal employee benefits. Hrag will also continue to earn his normal vacation allotment of 30 days per year.
- After supporting the transition for a six-month period, Hrag will have the option of continuing to work for Bright Star on the Alumni Workforce initiative at a salary of \$80,000 for another six months. Other employee benefits remain the same.

Consistent with Hrag's current salary, other similar positions in the LA area and the current employment market, we find that this compensation package is fair and reasonable.

12. **Approval of Leveled Talent Contract** (pulled from Consent Agenda by Andrew Murr).  
Jen Cole made the motion to approve, Manny Aceves seconded the motion.

Board Member	Yes	No	Abstain	Absent
Andrew Murr	X			
Andrew Wang	X			
Dora Dome				X
Jennifer Cole	X			
Larry Klein	X			
Lois Levy	X			
Louisa Wee				X
Manny Aceves	X			
Marisol León				X
Robin Elledge	X			
Stephen Green	X			

Total	8	0	0	3
Motion Carries?	YES			

13. **Approval of Executive Director Agreement Amendment** (pulled from Consent Agenda by Andrew Murr). Jen Cole made the motion to approve, Robin Elledge seconded the motion.

Board Member	Yes	No	Abstain	Absent
Andrew Murr	X			
Andrew Wang	X			
Dora Dome				X
Jennifer Cole	X			
Larry Klein*				
Lois Levy	X			
Louisa Wee				X
Manny Aceves	X			
Marisol León				X
Robin Elledge	X			
Stephen Green	X			
<b>Total</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>3</b>
Motion Carries?	YES			

\*Larry Klein recused himself from the vote

14. **Adjournment:** Andrew Murr adjourned the meeting at 8:52pm.

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Andrew Murr, Board Chair

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Olivia Ray, Recording Secretary