Dinner at 5:45 pm.

I. Opening Prayer (6:00 pm)
Board Rector, Msgr. Robert Wenzinger led the opening prayer.

Campus Ministry Project (6:05 pm – 6:20 pm)
Director of Campus Ministry, Clarissa Myers, spoke of the school wide project for this year’s Catholic Schools Week. It was for everyone to paint a river rock, using the color chart to represent a gift received or given in our time at Memorial. Each color represents a gift (red is dynamic, vital, passionate, commanding, joyful, fun; orange is helpful, active, a good friend, excited, communicative, inspiring; yellow is creative, bright, cheerful, curious, playful; green is patient, natural, adventurous, athletic, relaxed, generous, blue is deep, protective, peaceful, clean, authoritative, technical; and purple is artistic, fantastic, solemn, thoughtful and intelligent). The goal is that these rocks will be used to create a beautiful piece of art that represents the many gifts of everyone at Memorial. The scripture that goes with this project is from 1 Peter 2:5: …you also, as living stones, are being built up as a spiritual house for a holy priesthood, to offer up spiritual sacrifices acceptable to God through Jesus Christ.

II. Call to Order – General Meeting Session (6:20 pm – 6:25 pm)
There being no quorum, there was no approval of the January Board minutes.
III. Superintendent’s Report (6:25 pm – 6:35 pm)
This is budget time for all the schools, with them being due to her by March 1. She then prepares a report for the Bishop by March 6.

Statewide, K-12 Catholic school enrollment has declined over the last 20 years by about 35,000 students at the same time that the number of faculty and staff has increased. If we lost that many students, our staff also needs to come down. This is the unpopular part of this budget process; we have to trim our staff. That will come after the budgets are submitted. Some schools are downsizing by closing cafeterias or any program that does not pay for itself or make a profit. Each school needs to be more financially independent and not rely so heavily on the parishes.

Board Chair Susie Byers asked how these changes are being manifested. Superintendent Faulkner replied that in the past Kindergarten teachers always had an aid. This year there were only 9 students in a Kindergarten class and so there was no aid. 26 students are needed in a classroom to break even.

A balanced budget must be presented to the Diocese. Although last year the budget included a draw from McGarry funds to balance the budget, a budget with a deficit is not one that the Diocese can fully support on an ongoing basis.

IV. Chairperson’s Report (6:35 pm – 6:45 pm)
A. Submission of New Items for New Business

B. Head of School Search Update
   Susie Byers brought everyone up to date on the search for a new principal. Working with Carney Sandoe has been very thorough vetting process, very detailed. There are nine applicants, five of which will be interviewed via video, starting tomorrow. From those five, 2-3 will be selected to visit the school. Everyone will have an opportunity to meet the candidates. The Search Committee will take all opinions into consideration. The first round of interviews will be done the first week in March. We must move quickly, as this is the time when people are getting offers.

C. New Board nominations for the 19/20 school year
   There are two nominations for new board members, as Jeffrey Peracchi and Doug Sampson will be ending their terms the end of June. The biographies have already gone to the nominating committee who has approved them. The names now being presented to the Board are: Michael Thomason ‘88 has committed to being on the construction subcommittee and wants to be part of facilities; Frank Hambalek, Jr. has been part of the Finance Committee for some time now.

V. Finance Committee Report (6:45 pm – 7:15 pm)
In the absence of Doug Sampson, Chair Byers made the finance presentation. Current enrollment is 543 and the graduating class is 153 students.

Board member Doug Sampson tasked the staff to prepare a balanced budget with 490 domestic students based on three, with results following:

1. No increase in tuition resulted in a $540,000 deficit.
2. A 1.47% tuition increase resulted in a $443,769 deficit.
3. A 13% tuition increase resulted in a $150,000 surplus.

Looking at a freshman class of possibly 120, Principal Tom Spencer said there are not enough areas that can be cut to wipe out the $540,000 deficit if there is no tuition increase.

Other items in the discussion included:
- Not provide financial aid to upper division transfer students, with the exception of families transferring new to the area.
- Accepting students all year long, as opposed to having a four-week cut off date after the start of a new school year. Superintendent Faulker suggested we reach out to Garces to see how they are now taking students all year long.
- The effect a big increase in tuition would have on enrollment.
- If there is not a tuition increase this year, does this mean the increase will be big next year?
- If we balance the budget with an increase in tuition, this may not be the solution if we have less students because of the increase.
- A tuition increase would necessitate an equal raise in financial aid.

Principal Spencer, Vice-Principal of Academics, Joan Bouchard and Kathy Ramirez, Business Manager, have already scrubbed the budget, taking out about $350,000. We don’t want to undermine the instructional program we have. 490 domestic students is a feasible number to anticipate for next year’s attendance. The actual cost to educate a student is $14,400. Tuition does not cover that amount. A 7-10% increase in tuition is needed, with the majority of the present Board members going for the higher number. A balance budget needs to be approved without drawing on any of the McGarry funds. Superintendent Mona Faulker will not approve any budget with a deficit.

As the tuition rate needs to be set before Freshman Registration, March 7, and there being no quorum to vote on a motion, Chair Byers will send out the motion via email to all Board members seeking their collective vote. The motion will include an increase in registration from $400 to $450.

VI. School Operations Reports
A. WCEA/WASC Self Study (7:15 pm – 7:30 pm)
   The WCEA accreditation team will be here Sunday, March 31, to meet with the Board and other members of the San Joaquin Memorial High community. Principal Spencer shared the report that will be sent to the accreditation team and encouraged all to become familiar with its content.

VII. Principal’s Report, Tom Spencer & Shawn Carey (7:30 pm – 7:45 pm)
A. Position Postings and Interview Processes
   The position for Vice Principal of Academics has now been posted. When the new Head of School is hired, he will have applications from which to hire someone. The staff was uneasy in not having this position filled. Another open position that has been posted is that of Counselor, as Roxanne Rogers will be leaving the end of this school year.
Initial interviews for the new director of international school have been completed. The pool of candidates was good. The cook at the international school is now the Resident Manager.

For the current school year, departments were blended, with a chair and an assistant chair. At last curriculum meeting, the wish to return to individual departments was expressed.

Intent to Return Notices were sent to all staff.

B. Enrollment Update
127 Total Applications
112 Incoming 9th Domestic (75 Partner Schools; 37 Other)
7 Transfer 10th Domestic
3 Transfer 11th Domestic
2 Transfer 12th Domestic
3 International (2 Incoming 9th; 1 10th)

There are 52 scheduled shadow visits, with 41 completed. Of this, 35 are incoming 9th graders, all of which have applied.

C. Curriculum Update
Course catalogues have been updated with new courses (Foundations of Physics replacing Astronomy for better alignment with our other science courses, and AP Research added as the sequel to AP Seminar.) Prerequisites have been modified for some courses to allow for greater student access and to reduce the number of appeals.

February 28 there will be a meeting for parents whose students want to do the Seminar Class. We are in the process of encouraging more sophomores and juniors to sign up for this.

VIII. New Business –

IX. Adjourn / Closing Prayer
Fr. Borges said the closing prayer.

X. Executive Session (If requested) – None

ADDENDUM: Board Chair Susie Byers sent out the following on March 4, 2019 to all the Board members for their vote:

Good afternoon SJM Board,

As you know, the board held its regular monthly meeting last Wednesday (2/27/19).

One of the primary discussions was the 2019/2020 budget analysis and vote. Unfortunately, due to illness and travel for many members, we didn’t have a quorem and so could not vote on the issue surrounding the budget and tuition. This email serves to synthesize the conversation that we did have and solicit votes from the board by THIS TUESDAY, MARCH 5, 2019 AT 8AM.
The administration and staff requires the board’s approval of the budget and [possible] changes to tuition because Freshmen registration is Thursday, March 7th and it is crucial that our counselors and administration have a clear understanding of the tuition situation.

After a lively discussion, the members present (Mr. Dupertuis, Father Robert Borges, Monsignor Rob, Mona Faulkner, Kathryn McDougal, Eddie Fanucchi, myself and Tom Spencer), thought it necessary to implement a tuition increase that results in a balance budget (without drawing on any of the McGary funds). This move is supported by the finance committee. Additional context for this decision was offered by Mona Faulkner, our superintendent:

“**No one serving on boards for our Catholic schools wants to see tuition rates rise. The fear of raising tuition is that as we raise tuition we will lose students so nothing will be gained financially and the loss of those children is counter to the mission. I certainly wish there were more funding sources for our schools other than tuition that we could rely on to operate our schools, but that is not our reality right now. SJM must significantly raise its tuition for the 2019-2020 school year. I understand that there has been a great deal of turnover and this may not be the best time to raise the tuition 9 or 10% but we cannot wait for a time when leadership turnover and teacher turnover lessens because we have no idea when that time will come. Tom, Joan and the entire SJM staff have cut expenses and are continuing to do so, but we cannot let the instructional excellence falter. Lastly, the facilities are continuing to age and with little money in reserves for unplanned repairs, we need to insure that the entire staffs salaries and benefits are covered in case of emergency.**”

Mona also offered what I think was some useful insight about the decline of Catholic school enrollment over the last 20 years. Interestingly, we’ve lost up to 35,000 students (as a state) at the same time that the number of faculty and staff have increased. Put simply, our schools – in general - have not necessarily evolved or changed in a way that is commensurate with the changes we’ve seen in enrollment.

Importantly, the school administration, in conjunction with the school board, must present a balanced budget to the diocese. Although last year we were allowed to draw from McGary funds to balance the budget, this was not the technically correct approach and it’s not one that the diocese can fully support on a go-forward basis.

I have attached an analysis provided by the finance committee that was presented during the meeting last Wednesday and modified slightly for this current discussion. This analysis provides the budget estimate for the 2019/20 school year based upon enrollment of 490 domestic students. The finance committee believes this estimate of the domestic student population is slightly conservative to accurate. The analysis shows the budget surplus or deficit based upon keeping the tuition the same, increasing tuition by a modest amount (1.47%) and increasing tuition by roughly 10% (9.945%). This budget still includes auction revenue, endowment funds and scholarship funds. It also presumes the same percentage of financial aid as in the 2018/19 budget.

What is obvious from this analysis is that in order to present a confident balanced budget, tuition must be increased by 10%, from $11,825 to $13,000 per student/per year. The registration fee also increases from $400-$450.

I have received a first and second by Doug Sampson and Jerry Laval for the below motion:
Motion: SJM shall increase tuition by 10% for the 2019/20 school from $11,825 to $13,000 per student; with a corresponding increase in registration from $400 to $450.

Action: I am now seeking the entire voting board's collective votes (either a “yes” or a “no”). For timing purposes, please respond via email to me with a “yes” or “no” by Tuesday March 5, 2019 at 8AM.

Thank you,

Susie Byers
Board Chair, SJM

The vote was as follows:
Neil Angelillo – Yes
Fr. Robert Borges – Yes
Steven Campos – Yes
Edward Fanucchi – Yes
Michelle Kusch – Yes, reluctantly
Jerry Laval - Yes
Kathryn McDougal – Yes
Ralph Muñoz – No
Jeffrey Peracchi – Yes
Douglas Sampson - Yes
Anthony Smith – Yes
Msgr. Robert Wenzinger - Yes