



Oak Knoll Kinderhaus Montessori School
1200 North Lake Avenue ❖ Pasadena, CA 91104 ❖ (626) 345-0595
www.oakknollkinderhaus.com

Board of Directors

board@oakknollkinderhaus.com

July 12, 2006 Board Meeting,

MINUTES

Attendance:

Board members: Alana Steele, President; Hannah Holland, Vice President; Standrea Williams, Treasurer; Nina Powell, Secretary; Gwen Hourihan (late); Dorothy Chambless; John Chambless; Jonna Dennis; Peter Dimopoulos; Lisa Vigil Ruelas; Julie Brown.
Community: Bill Meurer, Will Pringle.

Location: Flintridge Foundation

CALL TO ORDER

The regular meeting of the Board of Directors was called to order July 12, at 6:15 pm by the President.

SECRETARY'S REPORT

The second order of business, Approval of Minutes from June 8, 2006 Meeting was postponed until later in the meeting, due to the absence of Gwen Hourihan, the Acting Secretary.

ELECTION OF NEW SECRETARY

Lisa nominated Nina Powell to be board secretary. Nomination was accepted and seconded. The vote was unanimous.

PRESIDENT'S REPORT

Action Plan Resulting from July 8 Meeting with Staff

Two more board members are to step down after two new community members are added to the board per a July 8th meeting between board and staff representatives. Maura Joyce of Montessori in Redlands, acting as mediator to resolve Staff issues, will send out a report of agreements reached with Staff at the July 8th meeting and an action plan. The agreement with Staff is not legally binding, but the Board has agreed in principle to fulfill the agreements made with Staff. The Board will have to act on each action item as required by the bylaws and any policies and procedures.

New members will be added through a process to be established by a Nominations Committee. Question regarding how the two board members to leave will be chosen. Alana stated that it will be up to each board member to decide if they will resign, and only those who drew one year terms at the annual meeting in May are eligible to resign, and requested that no more than two members resign.

The board bylaws are to be revised by a Bylaws Committee. A clear separation of duties is needed between Board, parent organization and the Head of School. Question regarding whether the board should approve the parent organizations bylaws since they are a separate organization from the school. Alana states that the parent organization's bylaws still need to be approved by the board to prevent conflict of powers and/or duties between the three groups (Board, Head of School, parent organization).

In response to the July 8th meeting, documentation of the roles and responsibilities of the Board and the Head of School will be written. A CPA will conduct a financial review, and the Board will receive training either with Redland's board or by the same trainer at a different place and time.

Recognize Board Resignations per June 5 and July 8 Meetings

The staff on June 5th requested that five people resign from the board. Resignations have been received from John Barrone (resigns and is not on advisory status), Joyce Barrone (resigns and is not on advisory status), and Jonna Dennis (resigns and is on advisory status until September 1, 2006). Dorothy verbally

resigns and will be on advisory status until September 1, 2006. Peter refuses to resign at this time. Peter requests to see the resignation letters.

Reorganization of Committees

The following committees were formed:

Bylaws Committee to be chaired by Julie Brown. John Chambless, Jonna Dennis, Bill Meurer, and Peter Dimopolous verbally commit to being members of the committee.

Budget Committee will now be called the **Finance Committee** and will be chaired by the Treasurer. The committee will propose a yearly budget and perform internal audits. Peter verbally commits to being a member of the committee. Although open to non-Board members, the committee may not discuss individual salary information or other sensitive or confidential information with non-Board members.

Nominations Committee to be chaired by Hannah Holland. Only Board members may be members of this committee. Suggested that all new board member nominations go through this committee, which would then interview the prospective member and make recommendations to the Board. The committee should also work to keep the Board balanced. A concern is only a few people would get to interview the prospective member, and that it is hard to decide on a new board member based on only a written paragraph. Noted that most boards also allow nominations from the floor and that a "meet and greet" is a possible idea. Suggested to research how Montessori in Redlands handles this, and modify it to suit our school. Alana stated that the function of the nomination committee will be determined by the new bylaws and the nominations committee itself.

The following committees were dismantled:

Short Term Goals Committee
Strategic Planning Committee

The following committees activities are put on hold:

The Fundraising Strategy Committee (Alana clarified that Lisa Ruelas is still Fundraising Coordinator and that auction planning and actions will continue)
Accreditation Committee (per Maura Joyce's advice)

The following committees are to remain as originally created:

Marketing Committee chaired by Gwen.
Scholarship Committee chaired by Hannah. This committee limited to voting Board members and the Head of School.

Alana noted that the HOS is an ex officio board member and thus able to attend all committee meetings, including executive sessions.

Committee Chairs must give the Secretary the meeting dates to be included on the board calendar, and all board meetings need to go on the parent calendar.

TREASURER'S REPORT

A CPA, Susan Caron, is willing to do a financial review for approximately \$2500. She has previous experience with non-profits and will start work now and not bill until September. Her hourly rate is \$65; her senior partner's rate is \$185 (if he's needed depending on complexities of the review). Question regarding whether the IRS reports are included. Noted that another person willing to do the audit for \$2200 with IRS reports included. Noted that the 990 reports are due by August 15 to avoid paying a late fee.

Standrea wants a procedure for reimbursements. An expense report with receipts should accompany any requests for reimbursements, and should be signed off by the appropriate person (HOS signs off on parent and teacher reimbursements and board president or treasurer sign off on HOS reimbursements). Dorothy states that this procedure is already in place and that Corrina has the information. Lisa comments that as a parent she did not turn in a form or expense report for reimbursements, only receipts. Standrea would also like to institute a need for pre-approval before some purchases. Standrea will make a proposal about a possible procedure for handling this at the next meeting.

Standrea concerned that Luisa D'Amico of L&R Associates has done some work on a financial review at \$28/hour without approval from the board.

Suggested formation of a petty cash fund with strict records kept of use.

Question regarding the school's financial situation. Alana states that the situation is serious but survivable as receivables are coming in to meet bills. Question regarding the June financial report, Treasurer did not receive information needed for the report from the HOS.

MARKETING COMMITTEE REPORT

The first marketing committee meeting on July 10, 2006 was attended by 7 people. The minutes are still being written. The next meeting is July 24 at 6:30pm at the Lake site.

Gwen raised the question of who the committee reports to and Alana stated that the committee was formed by the board, and the chairperson is to be a board member and will provide recommendations to the board for now, but that this might change in the future.

The committee came up with a number of ways to support the enrollment status for fall, which they are researching now.

HEAD OF SCHOOL REPORT

See Attached. No concerns or questions were voiced.

SECRETARY'S REPORT

The minutes from the June 8 meeting were corrected. "Theo's dad" is Will Pringle. Jan Thorslan is from Northwest Montessori. Need to put in time and place of meeting. Need to remove "qualified" from HOS resolution. Aliete referred to as HOS, but she wasn't HOS at that point in time, so her title needs to be changed to Director of Education, future Acting HOS.

The minutes were approved as corrected.

NEW BUSINESS

Aliete's Contract

[REDACTED]

Censure of Peter Dimopolous

Hannah made a motion to censure Peter, due to threatening emails, private request to Julie Brown to resign from the board and attending a closed negotiation between representatives of the board and staff.

John and Dorothy not sure of censure, feel it brings up behavior too far in the past. Alana states that the meeting between the board and staff representatives was July 8, 2006, and John comments that he feels Peter's attending that meeting was odd but not censurable. Dorothy had wanted to come to the meeting too, but Maura had told her not to come, but Dorothy felt it wasn't clear it was a closed meeting. Gwen and Nina both mention that it was clear to them that it was a closed meeting.

Jonna mentions that the board agreed to a code of ethics on June 7th and the board members should be held accountable for their actions.

Peter said that none of the meeting notices said that observers were not allowed. Peter says he wasn't asked to leave the meeting. Peter says he never asked Julie to resign from the board, only to consider not accepting the position on the board. Peter also asks for examples of threatening emails.

Alana was one of the Board representatives at the July 8 meeting and stated that she specifically told Peter that he had to leave, that he was not invited. Alana further stated that there were no meeting notices sent to anyone except the representatives. Peter did not let Maura know before hand that he would be attending, thus showing disrespect for the Staff, the Board and the negotiation process led by Maura.

Standra moved to strike the first two reasons and make the censure deal only with Peter's attendance of the negotiation meeting between board and staff representatives. Seconded. Passed.

Vote on amended motion to censure passed.

Move to adjourn the meeting. Seconded. Unanimously passed.

These minutes were approved by the Board of Directors at its regular meeting held

August 9, 2006

Nina Powell

Nina Powell, Secretary

ATTACHMENTS:

John Barrone Resignation Letter
Joyce Barrone Resignation Letter
Jonna Dennis Resignation Letter
Ivan Migel Resignation Letter
Blue Sandefur Resignation Letter
Board Committee List
Auction Raffle Report
Head of School Report

Resignation

June 8, 2006

Having been on Oak Knoll's Board of Directors since 2000 I, other than the Founders, have been associated with the school longer than most. I have seen the school go from not being able to pay their bills to the current situation where the school can at least pay their bills. When the Board had issues with the Executive Director I failed to resolve the issue to everyone's satisfaction. And for that I am truly sorry. However, the Board was in a bind. Despite the Executive Director ignoring the Board's lawful directives and failing to do her job well, the Board was not in a position to fire one of the founders of the school. The Board attempted to hold the Executive Director accountable, doing so was nearly impossible as the Executive Director felt that she was above the Board's authority. As such, the problems that Oak Knoll is encountering today are a result of too little structure and too many personal conflicts between the Executive Director and certain Board members, including myself. An example of her personal conflict is when I arranged for the fire alarm to be installed, something she did not accomplish for several years, she tried to cancel the installation even though the students, who might have been effected, could have moved to a vacant classroom. Please understand that the Executive Director had not installed the fire alarm causing the Pasadena Fire Department to issue several warnings. I received an obscenity laced phone call from her regarding the installation, demanding my resignation.

All of this resulted in the outrageous demand from certain staff members and the founders that certain Board members must resign or else the founders and certain staff will resign. The claimed purpose of such an ultimatum was to move toward a 7-member non-parent Board. I have to wonder why I was asked to resign as I am not a parent of a child attending Oak Knoll. In fact, this was a problem for the Executive Director. She felt that I could not make decisions in the best interest of the school if I did not choose to have my child there.

I feel that this form of extortion is inconsistent with the tenants of Montessori, to which the founders and staff claim to be devoted. I question the judgment of people who would participate in such actions.

I will no longer be a part of an organization that endorses these such unethical behavior. Effective immediately, I resign from the Oak Knoll Kinderhaus Board of Directors.

John D. Barrone

Joyce S. Barrone
1957 Alpha Street
South Pasadena, CA 91030

June 22, 2006

Oak Knoll Kinderhaus Montessori
1200 N. Lake Avenue
Pasadena, CA 91104
Attention: Board of Directors

Dear Members of the Board:

Effective immediately, I tender my resignation as a member of the Board of Directors, severing any and all association with Oak Knoll Kinderhaus Montessori. It is disappointing to resign at this time and in this manner. I have had a seven year association with the school, first as a parent of a child enrolled at the school, then as a member of the Parent Advisory Board prior to the incorporation of the school, then as a full Member of the Board of Directors shortly after incorporation. I have seen tremendous growth in the school and parent community over the past seven years. I have remained a Member of the Board, supporting the school both financially and otherwise during this time. In years past, I have asked the Founders on the Board to allow me to resign but had always been asked to stay on in order to maintain continuity and, in one period, in order that there would be a sufficient number of members that the corporation would not be in violation of the by-laws regarding the minimum Board Members required.

The sheer lack of appreciation, ingratitude and lack of graciousness both John and I have experienced over this past year have been extraordinary. From a corporate financial standpoint, I have not always been in agreement of decisions made by the outgoing Head of School and Founders yet I have always been supportive, making all attempts to make those decisions work for the corporation, as it was my duty to do so. That I would be subjected to such a lack of support from these same Founders, during a time when the school is undergoing crises which my conscience would not allow me to resign, leaves me quite incredulous.

While I am in agreement that the school needs to grow and change and that a new structure is necessary, having corporation business being dictated by pedagogical staff is a poor business decision. As the corporate board should not be dictating curriculum to the staff, neither is the staff equipped to run the corporation or make decisions related to the running of the business side of the school. The staff should not be able to dictate who the members of the Board of Directors are.

That being said, I have no desire to remain with an organization in which my presence is no longer required and which is making decisions that I can not support in any way, shape or form. Given the manner in which this resignation is taking place, I would like to formally state, at this time, that I have no desire to retain *any* association, advisory or otherwise, with Oak Knoll Kinderhaus Montessori. It is my hope that the school can weather the current crises in which it faces. However, until the Founders and staff are able to recognize the need to separate the business from their personal feelings regarding individual members of the Board, I cannot see this corporation surviving and flourishing as it has the potential to do so.

Sincerely,

Joyce S. Barrone

June 22, 2006

Oak Knoll Kinderhaus
1200 N. Lake Ave.
Pasadena, CA 91104

**Jonna Lee Pangburn-
Dennis**
1368 El Corto Drive
Altadena, CA 91001
626-345-9002

To the Board of Directors,

I, Jonna Pangburn-Dennis do hereby resign from the Board of Directors of Oak Knoll Kinderhaus effective June 22, 2006 with the following stipulations.

- A competent administrator is placed in charge of the day-to-day business dealings of the school. This shall not include any person who has administered the school business to date.
- The books must be reviewed by a licensed CPA. At that time, a reasonable schedule must be set up to correct the errors and omissions within Oak Knoll Kinderhaus' accounting.
- A systematic overhaul and rewrite of the corporate bylaws must begin no later than September 1, 2006 so that a comprehensive guiding document will exist to guide the actions of the Board of Directors.
- All directors who have been asked to resign do so immediately.

I think these issues are crucial to the school becoming successful and self-sustaining.

I have been disheartened by the way Oak Knoll Kinderhaus has been managed. I see the problem as being fourfold: lack of planning, lack of financial discipline, lack of communication and lack of accountability.

There has never been one person who has accepted ultimate responsibility for the running of the business. In my opinion that should be the Executive Director or Head of school. No matter to whom a job was delegated it is the ultimate responsibility of the school's administrator to see that the job is done. Under past leadership this has not been the case.

What follows are a few examples illustrating the core issues that have plagued the school. No one issue is egregious on its own, but the sum of these and many other similar issues are symptomatic of management that is careless and unconcerned with the ultimate well being of the school – not through overt maliciousness and wrongdoing, but through inaction and a refusal to plan for the future.

The Lake campus was out of fire compliance for over two years because the school did not have a fire bell. I spoke with the Fire Marshall who was understandably upset. While a fire bell in the Claremont building might seem excessive the law requires it. The Executive Director dragged her feet on having the alarm installed and eventually completely refused to address the problem. She told the Board that if we wanted it done we would have to take care of it ourselves. She did have the uncharged fire extinguishers repaired – but it took months rather than days to rectify the issue. I was horrified to learn that fire drill and earthquake drills were not held at either campus for at least a year, I suspect longer. It was at the insistence of the Board that these drills were reestablished, although it was difficult to convince the staff that earthquake drills were imperative due to a staff member's faith in a hoax e-mail that criticized duck and cover drills.

When I was acting as Treasurer, I had a very difficult time acquiring credit card statements so that the charges could be entered into the accounting system. I never received anything other than sporadic statements and the funds charged to the school credit card have never been fully accounted for. I found a recurring monthly charge on one credit card for a service that the school subscribed to and paid for for two and a half years – and NEVER used. It took almost 6 months for the Executive Director to cancel internet service that was not working. It took many months for her to cancel a long distance

