



Oak Knoll Kinderhaus Montessori School
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Board of Directors

board@oakknollkinderhaus.com

**Board of Directors Regular Meeting
October 11, 2006**

MINUTES

Attendance:

Board members: Alana Steele, President; Standrea Williams, Treasurer; Nina Powell, Secretary; Lisa Vigil Ruelas (with proxy for Gwen Hourihan); Maura Joyce; John Chambless.

Staff: Aliete Guerrero, Sarah Prunier-Law; Dorothy Chambless; Jylani Brown.

Community: Heather Hutchins; Will Pringle; Lea Ann Pringle; Jason Feldman; Issa Nesnas; Henry Guerrero; Kevin Dennis; Ricardo Mejia; Laura Shaw; Peter Dimopoulos; Rachel Fine; Jenny Lin; Adam Beroud; Armen Dikranian.

Location: Post Alarm, 610 N. Santa Anita, Arcadia

CALL TO ORDER

The meeting was called to order by the President at 6:38 pm.

SECRETARY'S REPORT

September 21, 2006 Minutes

MOTION: to approve September 21, 2006 minutes as written. **Second. Passed unanimously.**

PRESIDENT'S REPORT

Alana Steele to step down off the Board at the conclusion of this meeting. The President gave a progress report, noting that the school has approximately \$70,000 worth of debt. If the budget for the 2006-2007 year is followed that with today's enrollment, the school will only be about \$7,000 short for the year. The rewriting of the by-laws still needs to be worked on, and some director transactions still need to be approved.

TREASURER'S REPORT

There is a shortfall of about \$1000 per month. In the past, money raised by the auction mostly went to the general fund, and it is hoped that only part of the 2007 auction profits will be needed in the general fund.

The 990 forms are being done with assistance from the CPA.

General Question about the Audit. The treasurer states that this is an internal audit to clean up books. Question on if the IRS will recognize this audit. The treasurer states that the IRS will not recognize this audit since it is an internal audit. This internal audit is being done to prepare the books, so that if an audit is needed, that it can be passed.

John C states that when the income of the school is over \$500,000 that the IRS requires an audit, and questions if a review can be done instead. Maura Joyce confirms that a review can be done instead. John C. states that the school will need a financial review before August, 2007.

FUNDRAISING COORDINATOR'S REPORT

As decided per a motion at a previous meeting, the first \$2,000 raised via the painless fundraisers is to go to the teacher development fund, and any money raised above that amount is to go to classroom materials. The teacher development fund is approximately \$400 at this time.

On November 11, 2006, the school will hold the first annual Fall Art Festival at the Lake campus. A pancake breakfast fundraiser will be held the morning of the fair.

HEAD OF SCHOOL REPORT

(see attached).

NEW BUSINESS

Bill Meurer's Board Application

Bill's application has been received, and John has interviewed him. Question as to what is the next step in the process. Lisa and Sarah, who are also on the nominations committee, comment that they haven't seen a report on the interview. John will get the report to the other members of the nominations committee, and then the committee will need to decide as a group if it will recommend or not recommend Bill for a position on the Board.

Question regarding whether the Board can vote by e-mail on Bill's application before the next Board meeting, or if the vote will have to wait until the next Board meeting. Maura states that an email vote can be done if no one abstains from voting, and if there is no discussion needed.

Statement by Maura Joyce

Maura states that she has been asked to step up as interim President to help transition the Board. She stated that she would only do so if she heard from the parents in attendance that they would support her as interim President in light of the fact that she received a call threatening multiple law suits against Oak Knoll if she did not step down along with all the other Board members except for John Chambless. Maura began helping the school after receiving calls from both Elisabeth Dimopoulos and Alana Steele. Maura noted that she spent most of her effort on the Board because it needed the most help with structure. The Board needs a structure that will last so the school

will continue after all the people in this room are gone. It can't be about personalities, but it must be about enduring structure for the school to last. Montessori trained teachers need to be egoless to be able to train children to be independent. Maura is willing to accept nomination as interim president, as informally asked by some members of the board, but there must be an end to the attacks and threats. The Board should focus on nominations committee work for the next two months to replace current members.

Sarah states that we need to be thankful that Maura is willing to commit to the school, even more so since she is doing it under duress. She is an excellent candidate to help pull us out of this situation.

Laura, Jenny and Jason make statements in support of moving forward with the help of Maura.

MOTION: nominate Maura Joyce interim president. **Second. Maura Joyce unanimously elected interim president.**

Mediator

Rachel suggests the hiring of an outside mediator to get to the root of the problem. Maura agrees that outside mediation would be a good idea if all the people are willing to come to the table and be involved in the mediation.

A general discussion is had about mediation.

- Will all parties agree to mediation?
The Board, Dorothy and John agree to mediation; Peter indicated that there was no other choice.
- How to pay for mediation?
Rachel offers to look for a grant, and several parents agree to donate money to the mediation cost.
- How will a mediator be found?
Lea Ann Pringle offers to send the name of a mediator to Aliete. Rachel suggests three mediators be interviewed before one is chosen.

Board Members

There is a general discussion of the make up of the board, and if parents should be on the board. Peter and Dorothy feel that parents are a bad idea on the board. Maura states that parents are invested in the school, and will work hard, and should be a part of the board. The nominations committee should ensure a balance of skills, and ensure any bylaws concerning the ratio of parents to non-parents are followed.

There is a discussion about if the current board should all (except John) step down immediately or gradually. Peter feels that replacing the Board members immediately will end the problems the school has been having. Board members, Head of School and some parents express fear of instability if this happens suddenly, and gradual change is discussed as the preferred option.

Vice President

Gwen Hourihan is nominated. John Chambless is nominated. John's nomination is seconded. John Chambless is unanimously elected vice president.

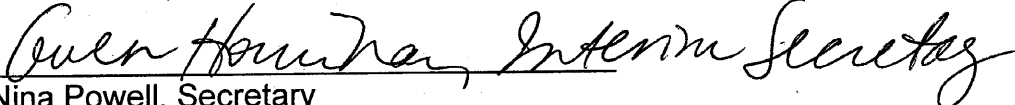
Conference

Funding for staff to attend an AMI conference in San Francisco is informally discussed. The Head of School will submit a formal proposal with cost estimates.

ADJOURN

Adjourn meeting at 8:56 pm.

These minutes were approved by the Board of Directors at its regular meeting held on November 8, 2006.


Nina Powell, Secretary

ATTACHMENTS

- Head of School's Report
- Balance Sheet
- Profit/Loss Statement
- Alana Steele's Resignation
- Hannah Holland's Resignation

October 11, 2006

Report from the Head of School

I could choose to report on many things tonight. I have a lot to say, as always, about enrollment, budget, and so on. But I have two thoughts I would like to share with all of you.

The first one is related to the continuing education of Oak Knoll teachers. I feel this is a high priority, to send our teachers to the AMI conference in San Francisco. Especially now, it is imperative to me that we, Montessorians immerse ourselves into whatever it is that is truly Montessorian. We want to get on a Van, to get on the 5 North and move on...we want to hear about the early works of Maria Montessori, the first Montessori school ever! We want to hear about how to educate the human potential and to educate for peace. It is a priority just now, for our teachers to again dwell in the spirit of which is truly Montessorian. That is a top priority.

My second thought is related to Montessori matters as well. I am now quoting from Maria's own work: "The land was slowly sinking in parts, as it is even now, so forests became swampy that had been dry, and river waters filtered through roots that impeded their course, building with their deposits ramparts round coasts, till sediments covered old roots, new levels were maintained and soil laid in strata. There are places where a hundred forests are found to have buried, one over another, showing how long was the period of sinking. The buried vegetation fermented giving out gases, to become first peat, as found in the bogs of Ireland and Holland. Under further pressure the peat gives way to lignite. Then lit anthrax and lastly coal, destined to form the motor power for our industrialized civilization." (From the book *To Educate the Human Potential*, by Maria Montessori, p. 31).

My request is that all of you who are connected with Oak Knoll Kinderhaus give this school a vote of confidence. We will turn this pressure and disequilibrium into Montessori coal... to build an everlasting educational civilization of love, mutual Respect, earning and understanding, and- above all- mutual trust.

Thank you for being here tonight. Thank you for believing that we are moving onward into a place of peace and understanding."

Aliete Guerrero
Head of School, Oak Knoll Kinderhaus

Oak Knoll Kinderhaus Montessori
Balance Sheet
 As of October 11, 2006

	<u>Oct 11, 06</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Petty Cash	179.14
1040 · First Regional	1,903.99
4811 · Reconcile Account Citizens	
Teacher Education Fund	399.30
4815 · Citizens Checking	<u>15,817.06</u>
Total 4811 · Reconcile Account Citizens	<u>16,216.36</u>
Total Checking/Savings	18,299.49
Accounts Receivable	
1200 · Accounts Receivable - Trade	<u>17,708.92</u>
Total Accounts Receivable	<u>17,708.92</u>
Total Current Assets	36,008.41
Fixed Assets	
1510 · Furniture and Fixtures	2,035.28
1540 · Leasehold Improvements	31,800.38
1610 · Accum Deprec - F & F	-5,427.97
1630 · Accum Deprec - M & E	-3,101.38
1640 · Accum Deprec - L/H Improv	<u>-4,135.47</u>
Total Fixed Assets	21,170.84
Other Assets	
1960 · Accumulated Amortization	<u>-2,890.80</u>
Total Other Assets	<u>-2,890.80</u>
TOTAL ASSETS	<u><u>54,288.45</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 · Payroll Liabilities	365.43
Total Other Current Liabilities	<u>365.43</u>
Total Current Liabilities	365.43
Long Term Liabilities	
2571 · L/T Note Payable - Pasadena Dev	19,796.44
2572 · L/T IRS Back Payroll	10,105.63
2580 · L/T Liability Tuition Deposits	18,000.00
2711 · L/T NoteDorthy Chambless	21,950.00
2712 · L/T Note John Chambless	5,000.00
2713 · L/T Note Elisabeth Dimopoulos	<u>9,669.16</u>
Total Long Term Liabilities	<u>84,521.23</u>

Oak Knoll Kinderhaus Montessori
Profit & Loss
September 2006

	<u>Sep 06</u>
Ordinary Income/Expense	
Income	
4010 · Income - Tuition	
4011 · Aftercare Tuition	5,965.00
4010 · Income - Tuition - Other	<u>84,969.50</u>
Total 4010 · Income - Tuition	90,934.50
4030 · Income - Donations	300.00
4040 · Income - Fundraising	
4045 · Misc fundraising	254.00
4040 · Income - Fundraising - Other	<u>25.14</u>
Total 4040 · Income - Fundraising	279.14
4060 · Income - Misc fees	
4061 · Application Fees	1,100.00
4063 · Parent Hours	50.00
4065 · Supplies Fee	900.00
4067 · Reenrollment fees	<u>-175.00</u>
Total 4060 · Income - Misc fees	<u>1,875.00</u>
Total Income	93,388.64
Expense	
6000 · Program Services	
6025 · Temporary Help - Teachers	480.00
6060 · Classroom Supplies	59.29
6100 · Tuition Discount	
6110 · Staff Discount	715.00
6115 · Tuition remission	4,806.70
6100 · Tuition Discount - Other	<u>3,557.00</u>
Total 6100 · Tuition Discount	<u>9,078.70</u>
Total 6000 · Program Services	9,617.99
6560 · Payroll Expenses	26,822.71
7060 · Advertising	32.95
7180 · Employment Benefits	1,137.45
7200 · Insurance - General	481.25
7220 · Interest Exp - Finance Charges	107.52
7240 · Office Expense	202.81
7250 · Office Supplies	13.68
7255 · General Supplies	187.09
7320 · Rent	7,578.00
7340 · Repairs and Maintenance	
7341 · Janitorial	<u>550.00</u>
Total 7340 · Repairs and Maintenance	550.00
7360 · Telephone	188.66
7380 · Utilities	
7381 · Water & Power	780.77
7382 · Gas	53.43

Oak Knoll Kinderhaus Montessori
Profit & Loss
September 2006

	<u>Sep 06</u>
7383 · Waste Removal	<u>72.00</u>
Total 7380 · Utilities	<u>906.20</u>
Total Expense	<u>47,826.31</u>
Net Ordinary Income	<u>45,562.33</u>
Net Income	<u><u>45,562.33</u></u>

Alana Steele
10517 East Avenue R6
Littlerock, CA 93543

October 10, 2006

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

Dear Staff, Parents and Board:

In an effort to bring the Board, the founders and the staff together, I have become the focus of the latest crisis that Oak Knoll Kinderhaus has faced. To avoid having our school split in two over whether to abide by agreements made between the Board and the Staff or to do whatever it takes to bring Dorothy Chambless, a founder of the school and teacher, back to her classroom, Aliete Guerrero has asked me to step down. Agreeing wholeheartedly with Aliete's reasons, I am stepping down as President and as a Director on the Board of Directors effective at the close of the Board meeting tomorrow, October 11, 2006.

I hope that my decision will send a clear message that neither I nor the other members of this Board of Directors are intent on keeping control of the Board or of the school just for the sake of power. I believe that the agreements the Board and the Staff made on July 8, 2006 are crucial for the future of our school. I believe that to be the best solution to the recurring crises the school has faced throughout its short history as a non-profit. As a parent, I want Oak Knoll Kinderhaus to survive and I believe that structure, as opposed to personalities, is what will carry us into the future. Consequently, I personally committed to abide by the July 8 agreements, regardless of the fact that such agreements were non-binding.

However, I cannot continue to do that work under the present circumstances. I asked the Staff to send those Board members being asked to step down by the founders a clear message by having a vote. The message we received was definitely not clear. Moreover, I had no intention of creating divisiveness among the staff. More importantly, however, I will not be a part of creating such divisiveness among the parents.

If Oak Knoll Kinderhaus is to survive in a healthy way, we have to come together as a community and all contribute to the solution. It will take all of us and so I make this gesture of goodwill to the founders, the staff and the parents. To my fellow Board members, I say thank you for having confidence in me.

I ask all of you to reconsider your positions. I ask the parents to forego voting. It will only highlight a division we all know exists and will only result in further entrenching our positions. I ask Dorothy to return to her classroom. The children and their parents need you. I ask the remaining members of the Board to continue forward. I ask all of you – the Board, the parents, the founders and the staff – to put your faith in Aliete, our Head of School, to lead us, once and for all, past the cycle of crises.

With hope for the future,

A handwritten signature in cursive script that reads "Alana Steele". The letters are fluid and connected, with a prominent loop on the 'A' and a long tail on the 'e'.

Alana Steele
William's mom

HANNAH HOLLAND

1167 N. Chester Ave, Pasadena, CA 91104
626-345-0085 Rhannay@aol.com

October 8, 2006

Oak Knoll Kinderhaus Montessori
Board of Directors
1200 N. Lake Ave.
Pasadena, CA 91104

Dear Board,

Please accept this letter as my formal resignation as Vice President and Director of OKKM Board of Directors, effective immediately. The ability of Elisabeth Dimopolous, Peter Dimopolous, Dorothy Chambliss and others to continually block progress made by the Board and to increasingly prevent the day to day functioning of the school, have led me to this decision. I believe the current actions of the above mentioned people, inciting teachers to abandon their students and encouraging the personal harassment of board members, to be the latest example of their reprehensible, despicable and down right disgusting behavior. I choose to no longer be associated in any capacity with an organization that holds at its core such vicious people.

Thank you.

Hannah Holland