

**Minutes of The Armand Hammer United World College  
Of the American West (UWC-USA)  
Board of Trustees Meeting,  
June 9 and 10, 2023**

A meeting of the Board of Trustees of the Armand Hammer United World College of the American West ('UWC-USA') was held at Morgan Lewis & Bockius 101 Park Avenue, New York with two sessions, the first beginning at 1:00 p.m. Eastern Time on June 9th and the second beginning at 9:00 a.m. Eastern Time on June 10th.

Attachments:

1. Agenda: Meeting of the Board of Trustees
2. Board Meeting: Appendices

Aly Kassam-Remtulla presided as Chair.

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On Friday, June 9th the first session began at 1:05 p.m. Eastern Time.

Trustees present and constituting a quorum were:

Allan Affeldt\*  
Peter Alderman (AC '91)  
Marc Blum  
Klaus Desmet\*  
Eivind Djupedal  
Thomas Hassan  
Christian Janssen ('88)  
Ben Jones (AC '91) \*  
Aditya Joshi ('91)  
Aly Kassam-Remtulla, Chair ('94)  
Preeti Khandelwal (AC '84)\*  
Marybeth Kravets\*  
Marisa Leon ('87)\*  
Victoria Mora, President  
John Morris ('85)  
Belinda Nicholson ('88)

Jonathan Schneider\*  
Subitha Subramanian ('88)\*  
Michael Taylor ('91)\*  
Melanie Weston ('86)

Trustee Dominic Garcia did not attend

Also present by invitation were the following members of the UWC-USA administration and guests of the Trustees

Todd Austin, Interim Associate Head of School\*  
David Ertel, Committee Member, Audit and Risk and Proposed Trustee  
Mark Hodde ('89), Chief Advancement Officer  
Kimi Jackson ('92), Chief Finance and Operations Officer\*  
Andrew Mahlstedt, Incoming Associate Head of School\*

\* attended via Zoom

Board Chair Aly Kassam-Remtulla ('94) opened the meeting and welcomed the attendees. David Ertel, proposed trustee, and Andrew Mahlstedt, new Associate Head of School, introduced themselves. Aly Kassam-Remtulla ('94) asked everyone to give a 30-second quick personal update since our last meeting. He thanked everyone for sharing something about themselves as it helps us to connect with each other. Finally, Aly Kassam-Remtulla ('94) thanked Victoria Mora for securing this space at Morgan, Lewis & Bockius (MLB) again this year, and asked Victoria Mora to give our sincere thanks to her friend and MLB partner, Joan Haratani.

Aly Kassam-Remtulla ('94) reviewed the meeting agenda and clarified that the ad hoc business model committee presentation would be today, but the discussion would happen tomorrow.

Aly Kassam-Remtulla ('94) mentioned that he is interested in setting board-wide goals. This is new and we can work on it this summer. As a Board we should set some small, achievable goals that may be dependent on committee goals.

*Board Actions:*

*The Board unanimously approved the Minutes from the February 2023 Board Meeting.*  
Thanks to Peter Alderman (AC '91) and Rebecca Aguas for preparing the minutes.

*The Board unanimously approved David Ertel as trustee elect.*  
Peter Alderman (AC '91) moved, Aditya Joshi ('91) seconded, all in favor.

David Ertel is the only new member this cycle and he was invited to this meeting so that he could get acclimated ahead of the new academic year this fall. We did have another proposed trustee, Piotr Holysz, but that is currently on hold.

*The Board unanimously approved two new committee members, Julia Hesse and Roshi Mathew, both for the Advancement Committee.*

John Morris ('85) moved, Melanie Weston ('86) seconded. All in favor.

President's Report: Victoria Mora delivered her President's report. She highlighted some of the challenges faced over the last year that impacted continuity of operations, which included the pandemic and wildfires, which are now in the rear-view mirror, as well as 45% staff turnover, increased need for mental health support for students, and the lack of contractors in the Las Vegas area. UWC-USA has some new staff with fresh ideas in added positions and we are doing everything we can to retain employees, including a new compensation market study and implementation, which is crucial given the impact of the "great resignation" and subsequent inflation. The school has made progress on a crucial, foundational piece with the hiring of a new Associate Head of School Andrew Mahlstedt. We are working on financial sustainability - special thanks to Aditya Joshi ('91) and John Morris ('85) - to take care of the structural deficit. Systems are in place, including the capital campaign that will require the full commitment of the Board, which we will talk about tomorrow. We will also discuss innovations taking place within IB including the pilot being done at Atlantic College.

Discussion:

Eivind Drupedal commented that the issue of staffing is universal.

John Morris ('85) asked how turnover is split between faculty and staff. Todd Austin replied that IB teachers turnover is 23%; all faculty is 28%; all faculty and staff in academics is 27%.

Aditya Joshi ('91) asked how these turnover numbers look historically? Todd Austin replied that they have been running in the high teens to low 20s five years ago. As a result we have had to raise salaries.

John Morris ('85) asked what the full complement of security guards is. Kimi Jackson responded approximately 8. We lost almost all of our security guards within the last year. Other companies in the area have raised salaries above ours. As soon as we adjusted our salaries and introduced a night time differential, there was an immediate impact. Folks started volunteering for the night shift and the bleeding stopped.

Kimi Jackson added that the turnover in IT was a matter of the flexibility of remote work, whereas with security it was a pay issue.

Jon Schneider asked if there is a way to anticipate issues and to have a finger on the pulse of attrition? Kimi Jackson responded in the affirmative explaining that this is what UWC-USA did with a security guard. The school increased the person's salary when it became known she might

leave and as a result she stayed. The school did the same with Commercial Driver's License (CDL) drivers.

Victoria Mora added that there were several months when we didn't have someone in Kimi's roll. UWC-USA needs to focus on professional development; if we don't improve in this area then we will continue to have attrition at the SLT level.

Aly Kassam-Remtulla ('94) asked about the policy on remote work. Victoria responded saying when the school rolled back remote work post-covid folks didn't want to come back, but a 24/7 operation like UWC-USA needs bodies in the building. People don't want to work in the Montezuma area all year. We don't have a post pandemic policy as of yet and it's something we need to do. It is on the agenda for decision this summer.

Aditya Joshi ('91) commented that if there are roles that can be done remotely then you free yourself of the challenges of the local workforce. Victoria Mora explained that UWC-USA has done this with Advancement, but it's a slippery slope and presents a challenge given the need for an adult presence in a boarding environment.

Peter Alderman (AC '91) asked if having out-of-state workers added to the costs. Kimi Jackson replied that they are able to do this with ease. Filling administrative jobs is hard everywhere, not just in Montezuma, but everything is harder in Montezuma.

Belinda Nicholson ('88) commented that people are just making different decisions.

Marisa Leon ('87) added that remote work should be fair and equal, but acknowledged that it is a critical piece for administrative staff and leadership. Teachers and support staff have to be on campus everyday. Aly Kassam-Remtulla ('94) commented it's not going to be equal, but maybe there is a way to make things more equitable.

Christian Janssen ('88) asked about the health provisions in town and whether medical services could be sourced with telehealth. Victoria Mora explained that there are rules that patients must first be seen once in person before they can be seen via telehealth. This is an obstacle and it puts pressure on us to provide transportation for students to Albuquerque and Santa Fe.

John Morris ('85) asked about the AC model and changes to IB. Todd explained the AC model which allows students to opt out of two standard level (SL) classes and those available hours will be replaced by a class AC has designed in which the student focuses on one real world problem and works to find a solution for it. It is not yet clear if this will be a group or individual activity, but it is guided by resources to enable a 360 degree view. Victoria Mora added that the IB approves of it and it is easily duplicable across schools. Most students in the IB diploma take 3 higher level and 3 standard level courses so this means they will only have to take 1 standard level course.

Andrew Mahlstedt provided this link to the announcement from Atlantic College about pedagogical innovation with IB:

[https://www.linkedin.com/posts/uwcatlantic\\_systemschange-uwc-uwcachangemakers-activity-7069175614091481088-RkEN/?utm\\_source=share&utm\\_medium=member\\_desktop](https://www.linkedin.com/posts/uwcatlantic_systemschange-uwc-uwcachangemakers-activity-7069175614091481088-RkEN/?utm_source=share&utm_medium=member_desktop).

Subitha Subramanian ('88) added that this change could result in more flexibility for staffing and teaching. Victoria thinks it will attract teachers to Montezuma because they may be interested in

region-specific projects. It also offers opportunities for students to have designated time to do this kind of work - this could be invigorating. 2025 is probably a reasonable timeline for this. Thomas Hassan added that experiential learning and real life experiences are desirable to students.

Belinda Nicholson ('88) suggested that it might be a good idea to hire a teacher in residence for a 2-year term to teach these experiential learning courses.

Peter Alderman (AC '91) added that this could be a potential draw for teachers.

Aly Kassam-Remtulla ('94) also suggested that, depending how the opportunity is framed, it might also draw a different teacher applicant pool.

Victoria Mora believes this could jumpstart great innovation at the school, though we also have opportunities within the traditional IB program that we haven't leveraged. Andrew knows the IB and is excited to begin moving in this direction right away.

Education Committee: Marybeth Kravets acknowledged Marisa Leon's ('87) contributions to the committee. The Education Committee report was presented by Marisa Leon ('87). The committee's leadership is changing with Thomas Hassan taking over as co-chair from Marybeth. Catarina Chen has joined as the newest committee member.

The work of the last few years has been to come up with benchmarking and dashboards to look at criteria year after year, which provides a view of how the educational experience at UWC-USA is progressing across 3 pillars - Academic, Residential, Experiential. The committee will continue working on these preliminary dashboards, which help to provide the Board with a clear picture, both qualitatively and quantitatively. At the February board meeting, we presented the Academic Dashboard and overall it was well received with a clear set of data. Now the question is to determine how we will use this data going forward.

For this meeting, we will review the Experiential Dashboard, which looks at how the team is collaborating at the school and how this impacts the students. The Experiential Dashboard follows the same approach as the Academic Dashboard. Discussion at the last Education Committee meeting focused on how to narrow down the criteria to hone in on actually what we are trying to measure. The idea is to have a systematic way to look at this data over time. The committee is looking forward to paring down the data a little bit.

Todd Austin commented that in experiential learning we have used CAS and 3a, b, and c are learning outcomes we have already been working with as part of our assessment and 3d is new. Marisa Leon ('87) continued with the question, How do we measure our progress in residential life in a more formal way that measures our students' experiences? Our first attempt at the Residential Dashboard was to create sub categories - belonging, health and wellness, readiness, constructive engagement of conflict, capacity for shifting and open perspectives. It did not identify indicators for each of these categories but raised up conversation about the IDI (Inter-cultural Development Index) and other tools. Our second attempt featured the UWC values

as a scheme for organizing student achievement/growth indicators, filling out each of these categories with indicators.

Some challenges were discovered using the main objectives of the two-year program. Mainly, how are we going to pare this down to have data that is usable for the school and interpretable by the Board?

Todd Austin remarked about the state of educational objectives. We want to talk more about social and emotional competencies. Do we want three separate dashboards or is there a way to have one dashboard? If so then what would be the organizational scheme for it? Crafting educational aims is one of the most important and challenging things schools have to deal with. Marisa Leon ('87) suggested that we should keep the academic dashboard since this is the core mission of UWC. Her goal was to leave these dashboards ready to go, but unfortunately that is not the case before she departs the board.

#### Discussion:

Subitha Subramanian ('88) commented that whatever we do it needs to be simple. Who is doing the input on this? A separate department or administration? Has Tom Hassan seen something where there are already systems or dashboards like this in place? Tom Hassan responded that there are qualitative and quantitative aspects of this. Should we do student satisfaction surveys at the end of each year and then do some longitudinal studies? Should we be focused on the quantitative stuff and have the student voice on the qualitative stuff?

Belinda Nicholson ('88) stated that this seems to be more school/committee driven. How much extra work does this create? That's why we want to streamline these dashboards.

Marisa Leon ('87) commented that we have to systematize data collection so that we know the data we are collecting is driving decisions. Marisa Leon ('87) agreed that the Educational Committee should not be involved in the day-to-day operations of the school.

Peter Alderman (AC '91) remarked that the continuity of data is one of the most valuable aspects of these dashboards. To collect over time, even if not perfect, would be better than not collecting at all so we should continue collecting data until we have developed the perfect dashboard.

Melanie Weston ('86) mentioned that she is happy to share what she has seen used.

Preeti Khandelwal (AC '84)\* asked if we know what the other UWCs are doing? Victoria Mora said that there has not been a conversation among the heads about this, but she will ask.

Facilities Committee: The Facilities Committee report was presented by Eivind Drupedal. The committee has met regularly, approximately every six weeks, convening in January, March, and April. The minutes from all these meetings are on the trustee website. The focus of attention over the past 6 months has been on projects of master plan including Castle L1; campus study and conceptual plan, part 2; and developing a vision for high performance building construction/renovation. In June the committee will have an extended meeting on campus to meet with architect Conor Reichert of Drawn X Design.

Todd Austin reviewed a slide of campus to help provide the board with a visual update of the two master plan projects. To orient everyone, the blue circle shows Campus Study and Conceptual Plan, Part 1 ("Campus Core Plan"): Castle L1 which is to be a full residential space with administration on level 1. Also envisioned is a new building for additional students (near castle or extending castle) and converting four dormitories into an academic quad. The red circle shows Campus Study and Conceptual Plan, Part II ("Wider Campus"). The wider campus includes everything but we have focused on core buildings in red.

For Castle L1, work started in January '23 and will take 9-14 months to complete, but reasonably could be on the early side of September. The team is still within budget and following through with current MEP contracts for building assessments and construction documents, which will carry us over the \$60K budget. Two contracts, one for chemical and plumbing work and another for electrical work were lined up but we are not moving forward with them because it would take us over budget. Both teams have put an estimate but they have not been green lined yet. Conor and the team have not finalized documents because it would push the project over budget.

Peter Alderman (AC '91) asked if we are pausing before proceeding to Phase 3: Final (Conceptual) Documentation because the committee is seeking approval here? Eivind replied "no" and explained that the committee should have a better idea if the \$800K figure is still correct and what the timeline will look like after the June meeting with Conor.

Todd Austin reviewed conceptual plan part II explaining the rationale for prioritizing Kluge Auditorium and Old Stone Hotel. The east wing of Kluge will connect to the end of the lower campus academic quad. The Old Stone Hotel is part of a wider campus plan because we are looking at developing it as a conference center. We have updated digital drawings of every building on campus and the team is confident that they can finish on a shorter timeline, possibly by September, and very close to the \$60K budget. They are waiting for us to decide what we are doing with the IT and science center. Topographic and landscape survey is not done so if we want that then it will stretch the timeline out. This part of the project will not come to fruition until we have money in hand, which will depend on fundraising.

Allan Affeldt explained that tax credits are currently below the threshold. Doing L1 provides some momentum for the project to upgrade the campus. Allan supports proceeding with L1 while we are looking into part II.

Todd Austin explained how the Castle level 1 fits into a larger scope project.

Kimi Jackson reviewed capital expenditures and deferred maintenance. This year started off slow because of the fire, but then picked up speed, so based on the last 10 months spending we should be close to our \$500K budget. We've done a lot of work in three main areas: fire prevention, general maintenance, and campus appearance and modernization. For example, we invested in fire suppression systems, removed and trimmed trees, increased bear deterrence on trash receptacles as we don't want to repeat the problems we had with this last fall. For next year our main priorities/goals involve vehicles (most have more than 200k miles on them so they need to be replaced preferably with electric or hybrid); IT infrastructure (we are using much more bandwidth than our old systems); water systems (Gallinas river is one of the most endangered

water systems - we used to have pristine water from the mountains but now it is full of ash; city water is taxed and there's work that needs to be done on our water system and we don't know how much these upgrades will cost; and general maintenance (things that come up as needed). There was additional money included in the budget to cover CapX with the exception of water systems because Kimi did not have any quotes. In total, the budget is slightly higher this year at just over \$1M because about \$390K of it is for IT and about \$300K is for vehicles. Vehicles, however, need further discussion before going forward.

#### Discussion:

Christian Janssen ('88) asked if there is an infrastructure in New Mexico to support electric/hybrid vehicles. Kimi remarked that there are a number of staff who have them and that UWC has added charging stations, but we would need to look at where the electric bus would be traveling before we purchase one to see if there are charging sites available. This might be a moot point because there's no electric bus inventory available. UWC-USA's goal for carbon neutrality is 2030, but it's not a believable goal, and Christian Janssen ('88) doesn't believe electric vehicles are the way to attain it. It would be better to invest in HVAC systems instead.

John Morris ('85) reiterated the vehicle fleet is way beyond its useful life. We are at the point that it is a risk management issue. He recommends replacing the entire fleet ASAP. It is one area where we have saved more than we should have.

Aditya Joshi ('86) agreed that it makes sense to replace vehicles just like it does to invest in IT infrastructure. He questioned whether it makes sense to buy instead of leasing. Kimi Jackson will be doing work on this in the coming year. She suggested that short term rentals might be another option. We have a lot of work to do looking at available options to see what makes the most sense. Victoria Mora stated that we need a complete analysis, including differentiating what we use our buses for and what is available in the area to meet those needs. Katrin, our sustainability manager, is working on options.

Peter Alderman (AC '91) asked about the water issue and asked if the leak was fixed.

Kimi responded explaining that they wanted to do some metering but they took a really long time to arrive. Two board meetings ago we were suffering water shortage, but we no longer are now. We now have water with too much ash in it, which continually breaks the infrastructure in Las Vegas, which is where the water that is pumped into our reservoir comes from. There is a lot of debris when the city turns the water on and off, which causes a series of problems. Because there is more ash in the water the city adds more chlorine to the water. So we have to have an aeration system to dissipate the by-product into the air.

Eivind thanked all the members of the facilities committee. Many if not all meetings had full attendance.

Aly Kassam-Remtulla ('94) and Victoria Mora thanked Eivind Drupedal for taking the lead on this and thanked everyone else on the committee as well.

[The Board adjourned for a brief 15-minute break at approximately 3:45 p.m. Eastern Time.]

Finance: The Finance Committee report was presented by John Morris ('85). John Morris ('85) reviewed attendance and membership of the committee and all the meeting minutes are available on the trustees website. He encouraged all the trustees to review the committee minutes because every trustee should be fully aware of where we are right now. Kimi Jackson and her team are doing most of the work. There have been significant staffing challenges recently in the business office – the numbers, seats, and the timing of that has had a significant impact on the organization. It reinforced the importance of having access to data that is accurate and that can be had quickly, and more importantly data that comes out of a controlled system. We started to make good progress with this, but then we lost Taylor and experienced a gap before we got Kimi. There's a lot of demand on this unit and one of its key seats was underperforming. As Kimi is rebuilding the department, we are focusing on codifying rules and regulations and policies and procedures that the committee will begin to review on a regular annual cycle. This process will include signatures, who, what, and where. As point number five on the agenda mentions, we had no access to key accounts when our controller left. We are now making progress in this area. We will conduct a search for a new auditor and a bid will be put out soon. Part of the rebuild includes bringing in resources for a budget system so we can build out future budgets based on new platforms as well as expenditures to date. As to fire, we recouped all but about \$200K so net/net the fire from a fiscal standpoint should be a wash. We are facing a structural deficit. A year ago Victoria Mora succeeded in sharpening pencils, but now we need to invest. We have under spent and borrowed from many areas so now we are at a point where we need to make significant investments.

Kimi Jackson reviewed the YTD budget. The actuals now anticipate a deficit of \$580K, but it will be offset by an exceptional draw the Board approved in February. The funds were already transferred to our account in May. The major variance includes salary and benefits because these figures hadn't been accurately accounted for in the budget a year ago. Now we have all the actual numbers. We are aiming for more accuracy and we now have software to calculate benefits, the cost of which has been rising. Other major areas include repairs and maintenance, and food/utilities/travel and supplies. The cost of food isn't as bad now that we stopped using disposable products after the fire, and we serve a lot more casseroles. (Laughs!) There are more details available in the appendices to the board book, but that is the overall picture. For next year ending in 2024 we are projecting only a \$55K higher deficit than originally projected (refer to slide III of the finance presentation). The deficit does not include the \$250K for capital campaign approved by resolution at the February 2023 Board meeting. We have enough cash on hand.

Discussion:

Christian Janssen ('88) asked if debt is amortized. The amounts reflected for IT and the fleet are included as flat dollar amounts. These numbers haven't been amortized in the past, but they should be and we have not distinguished well between them. Our accounting needs work for the purposes of clarity.

John Morris (85) explained the response to the recent banking crisis. We consolidated all our accounts into institutions that are not at risk and our accounts are below FDIC limits. We have also consolidated cash and access to our accounts. There was some good that came out of dealing with this crisis. We are rebuilding the entire business office, there is no one there currently who has institutional knowledge so some things take more time to complete. Kimi and Mike have done an excellent job though. John Morris ('85) feels confident that we will know where we stand shortly, which is a big improvement. Then turnover in the business office needs to be mitigated as best it can. The underperforming seat put us behind where we should be, but the situation has corrected itself and we are moving forward. Aditya Joshi ('86) has done an exceptionally good job with the Ad hoc committee looking at the business model. In regards to the status of special projects, we should be able to meet expectations of L1 and we should know for sure soon, we are in a better position than we were in a few months ago. Within the next few weeks we should be able to say definitively if we can proceed with L1. Water infrastructure needs investment, the reservoir needs repair and we should look into a reductive tank. A five year projection is forthcoming at the next meeting. We could use some hands on deck for the finance committee. Any volunteers? We are looking forward to David Ertel being on board and to his contributions. Marc Blum voiced compliments to Victoria Mora and John Morris ('85) for all their work with the School's finances. We can't repeat Taylor and his decision to cut staff. John Morris ('85) agreed and has encouraged Kimi Jackson and Victoria Mora to raise a hand early if they need resources. We are at the point where we know we need to invest to grow.

David Ertel asked if we maintain a line of credit. John Morris ('85) responded, no, it is an area we are looking into. There are some real estate investment opportunities that may allow us to use credit for financing. Tuition collection is an example of something that fell through the cracks due to staff reduction. Before Victoria joined there was a practice of writing off bad debt. Bills were consistently going out but no one was minding the store and following up. It was a matter of no staff follow-up. At Victoria Mora's suggestion, Kimi Jackson's wife, who is an accountant, was hired temporarily to help with collections. She started with those students who were about to leave and next we will start working on the past. The idea of not getting a transcript or progressing to second year are pretty good incentives for families to pay. We will use a stick and not a carrot if we have to because after all these are people who owe us money.

Tom Hassan commented that he hates to put the kid in the middle, but there are times when it has to be done.

Kimi Jackson added that it was in March when we discovered we had so much in outstanding accounts receivables. We have made a schedule for this for the coming year and it has been marked for follow-up and will be reviewed by the Finance Committee.

Ben Jones (AC '91) asked a budget deficit question, namely, what our options are for plugging deficits in the near/medium term.. John Morris ('85) responded we do have a cash cushion afloat in our operating account that we can probably use to fund L1. From a cash flow perspective we are okay and we are monitoring judiciously. With respect to how we fund the deficit next year, it will depend on factors and can be done in a number of ways, but we need the data first before we decide how to attack it. This cash is accumulated surpluses from previous years, which is separate from the structural deficit. When the audit is complete we will have a better understanding of our cash balance.

Peter Alderman (AC '91) asked what's going on with the audit? Kimi Jackson referred members to the letter from the auditor that was included in the appendices of the board book. The audit should be done by the end of June/beginning of July. Kimi Jackson commented, "this audit has been the biggest thorn in all of our sides since I've been here, I will be so relieved when this audit is done."

Christian Janssen ('88) asked about the \$525K in outstanding receivables. Kimi Jackson explained that the bulk of it is for students from 2023 and 2024 and a good percentage of it is from those who graduated in 2022. She also explained the challenges they are having with tracking and documenting international bank transfers.

John Morris ('85) stated the structural deficit we have now is new to us. A significant gift (Davis challenge) protected us from this in the past, but now that the gift has expired we find ourselves here. He needs to know what the real float is before he can call it safe, and we are getting there. We need a much more stable business office. It's not just a matter of headcount, you lose institutional knowledge. The turnover situation at UWC-USA is a very significant issue. John said when he was on campus he didn't meet any staff member who was there longer than two years. John Morris ('85) thanked Kimi Jackson and her team and Kimi Jackson thanked John Morris ('85).

Aly Kassam-Remtulla ('94) commented that UWC-USA has such high turnover they may need slightly more human resources than one might think so they can account for it. Documenting standard operating procedures is also important because it will give any new folks a starting point.

Marc Blum stated when you are running a capital campaign it is not a positive if you draw on the endowment.

[The Board adjourned for a brief 5-minute break at approximately 4:45 p.m. Eastern Time.]

Ad Hoc Business Model Committee: The Ad Hoc Business Model Committee report was presented by Aditya Joshi ('86). The conversation was framed by briefing everyone about the various levers we have at our disposal. The Board at its February 2023 meeting asked for this committee to be established to look into options for addressing the \$1.5M preliminary budget deficit. Some of the levers are being tackled by other committees or being impacted by things that are beyond our control but we want to examine to what degree we need to flex various levers to address the

budget deficit. It's no surprise to anyone that there is no magic bullet otherwise we wouldn't be here. What are the tradeoffs of the various levers? In -scope and out-of-scope levers were explained. Tuition level, size of the student body, number of GSP students and Davis Scholars are all within the school's discretion to set and therefore in-scope so we need to think of them in the context of some guiding principles and constraints that include "market acceptance" of tuition increases, ability to maintain quality of experience, current infrastructure constraints, number of Global Selection Program (GSP) students, availability of high-caliber candidates with ability to pay, and impact on desired socio-economic and geographic mix of student body as we model it. Modeling was done using John Carpenter's 2022 numbers as a baseline. The updated model reflects a tuition level of \$51K which is slightly lower than Pearson College but higher than Atlantic College. John was ahead of the model in making the adjustments for the incoming class and it was actually more aggressive and ended up being more favorable for us.

Victoria Mora added that we are committed to a tuition figure now through the 2023-24 academic year, but the tuition can change for those entering in fall 2024. She also pointed out that we charge the same tuition for both years of any given class, so increases go into effect only for half of the student body in any given year. Admissions are need blind so it's up to the school to decide how we are going to budget accounting for aid.

Aditya Joshi ('86) commented that tuition levels probably pay 75% of the actual cost of attending. If we look at the GSP breakdown in the updated model there would be fewer students from some categories with lower aid percentages. If we look at the actual students coming in instead of the 34 students in the baseline who were getting full aid we are only actually paying that to 17 students and 15 students are full pay. So the model combination, per class, is a million dollars; across the two classes it is two million dollars. About \$2.3M is what would have come in based on John's numbers. In the updated model we get an additional \$1M between tuition and the national committee.

Victoria Mora stated that we have proof of concept from this coming year's mix, but we don't know what will happen when you layer in the tuition increase. With a tuition increase we will be higher than all other two-year schools except one, Pearson.

Subitha Subramanian ('88)\* said this is great and these are exactly the factors we should consider. Because we have inflation embedded in our fee structure, we need to make sure both our partial-and full-pays are linked to inflation. Aditya Joshi ('86) clarified that the model specifies that they will pay a percentage of the tuition, not just a flat amount. Discussed Increasing tuition - consideration (2 of 2) slide. If these numbers have gone up then it makes the \$51K much more palatable.

Andrew Mahlstedt stated that a jump from \$44K to \$51K for tuition is quite large and it would be noticed among the movement. The pressure on national committees is very high to find fee payers. This is very important so let's use this for the discussion tomorrow.

Aditya Joshi ('86) continued with the presentation commenting that coming into this exercise the deficit was going to be \$1.5M. We kept the second years at the same tuition level so this created a one year problem for us. If we had to fund the deficit on the backs of the entire first year class it

would look closer to the more aggressive scenario at a tuition of \$52K because the student financial mix is more favorable than we had anticipated.

So, we are probably going to need a combination of a tuition increase together with a change in the financial mix of the student body mostly around the national committee students. You could make a case that the assumptions are not totally wide, they are reasonable, but there will be tradeoffs.

Melanie Weston ('86) asked if we have any data on how many full paying students other schools have or what their breakdowns are? Aditya Joshi ('86) referred back to presentation slide that showed a baseline 16% of our students got no aid; 84% get some aid at UWC-USA (aid of 50% or more) and even the updated model shows 25% would be full pay so you still have 75% receiving significant aid. It is possible that we could have a couple of tough years where there is less aid but then we could revert back to being more generous with a positive capital campaign.

Ben Jones (AC '91) commented that last year's tuition was \$42.5K and our annual increase is about 2.5%. This year's tuition was \$44.4K and we increased our last class 4% so we haven't been keeping pace with inflation to even cover our cost. The \$51K figure is probably closer to where we should be at this point.

John Morris ('85) underscored what Ben Jones AC ('91) said. Tuition is below our cost. Even people who are paying full cost, essentially get a 25% discount. Out of this we will get a tuition policy to stay ahead of it in the future. In January we should be on the calendar to get a recommendation from the finance committee as to the tuition increase.

Tom Hassan asked "What's our peer group that we are benchmarking? Where do we want to be in that, highest/lowest?" This will be part of the discussion tomorrow.

It was the general consensus that an incremental tuition increase over two years may be more palatable.

Aly Kassam-Remtulla ('94) commented when he was applying we ranked our school choices. Where is UWC-USA in rankings/choices? Andrew Mahlstedt responded that we have a good reputation in the national committee system because we are one of the more generous schools. We can get this quantitative data. Aly Kassam-Remtulla ('94) added this might be a metric we could use as we go through this, or not.

Victoria Mora added for GSP we are in the top third of chosen schools, but Atlantic is far ahead in that upper tier.

Aditya Joshi ('86) commented if full pay can pay \$46K then they pay \$51K, probably, especially if other schools are charging more.

Subitha Subramanian ('88)\* said from a budgeting perspective why would we ever not increase tuition with inflation? Instead of making it a discretionary choice each year, it goes up each year with the rate of inflation. The point Ben Jones (AC '91) made about inflation being at 17% and we are raising tuition 2.5% is a good one. Wages are also going up and wages will probably catch up with inflation. We are making the economics sequentially more complicated for us. We should decide more holistically what business model we want to follow. We can't have our economics work against us.

Aditya Joshi ('86) thanked Kimi Jackson and John Carpenter for his heroic efforts.

Executive Session I: The Trustees, including Victoria Mora, held an executive session beginning at approximately 5:45 p.m. Eastern Time.

[The Board adjourned for the day at approximately 6:30 p.m. Eastern Time.]

At day's end, the Trustees attended a cocktail reception and dinner hosted by Trustee Melanie Weston ('86) at her home.

\* \* \*

On Saturday, June 10th, the second session began at 9:00 a.m. Eastern Time. Trustees present and constituting a quorum were:

Allan Affeldt\*  
Peter Alderman (AC '91)  
Marc Blum  
Eivind Djupedal  
Thomas Hassan  
Christian Janssen ('88)  
Ben Jones (AC '91)  
Aditya Joshi ('91)  
Aly Kassam-Remtulla, Chair ('94)  
Preeti Khandelwal (AC '84)\*  
Marybeth Kravets\*  
Marisa Leon ('87)\*  
Victoria Mora, President  
John Morris ('85)  
Belinda Nicholson ('88)  
Jonathan Schneider\*  
Subitha Subramanian ('88)\*  
Michael Taylor ('91)\*  
Melanie Weston ('86)

Also present by invitation were the following members of the UWC-USA administration and guests of the Trustees

Faith Abiodun, UWC International

Todd Austin, Interim Associate Head of School\*  
Fayruz Benyousef (FBC)  
Sebastian de Halleux ('96)\*, Co-Chair, Campaign Committee and Former Trustee  
David Ertel, Committee Member, Audit and Risk  
Dori Flores (FBC)  
Mark Hodde ('89), Chief Advancement Officer  
Kimi Jackson ('92), Chief Finance and Operations Officer\*  
Marcia Levy, Campaign Team  
Andrew Mahlstedt, Associate Head of School\*

\* attended via Zoom

The meeting convened at 8:35 a.m.

Aly Kassam-Remtulla ('94) started by thanking Melanie and her family again for hosting those of us in New York for dinner last night.

Aly Kassam-Remtulla ('94) asked Peter Alderman (AC '91) to start with the ByLaws review. Last time we did bylaws was about 6 years ago. An old version and new version with the proposed updates were included in the Board Book appendices.

Peter Alderman (AC '91) presented the ByLaws review and outlined the proposed changes that are essentially in three categories: 1) removed gender identifiers, 2) updated titles, and 3) removed some committee descriptions, but kept key committees such as audit, executive, and finance. In addition, the max size of the Board was changed from 35 to 25 and odd references to regular meetings of the Board including the annual meeting and other special meetings were updated. There was also a typo in article 4 section 12 that was corrected. The word therefore was missing an "e" at the end.

David Ertel asked about different settings and if there might be situations where some things might only be done in person while still permitting hybrid due to the nature of the composition of the board.

Peter will make tweeks accordingly and recirculate the proposed revisions to the Board, but he doesn't think we should overthink this.

Melanie Weston ('86) commented the Bylaws should be reviewed every three years. She also asked if this is something that should be added to the Bylaws. Peter Alderman (AC '91) said he would not put that in, but rather it should be a matter of practice for the Governance Committee to regularly review the Bylaws. It could be part of the Governance Committee remit.

Former Chair Steve Dichter and Melanie Weston ('86) looked at the Bylaws in 2020 but determined no changes were needed.

Marisa Leon ('87) thinks the governance handbook should be reviewed every three years and that the Bylaws should be a more lasting/evergreen document that should be reviewed periodically, but not revised anymore.

## Board Actions

1. Motion to approve officers as required by the Bylaws at the June (annual) meeting.

*The Board unanimously approved officers as required by the Bylaws*

Aditya Joshi ('86) moved, Tom Hassan seconded, all in favor.

Chair Aly Kassam-Remtulla ('94)

President Victoria Mora

Treasurer John Morris ('85)

Secretary Peter Alderman (AC '91)

## Discussion

The Board discussed the transition period for membership. The UWC-USA fiscal year ends May 31. That is why the annual meeting used to be in May.

Melanie Weston ('86) suggested that the proposed new trustees should not be at the June meeting where they are voted on and the vote should be at the end of the June meeting so that current members are still active. Subitha Subramanian ('88) agreed as did Tom Hassan who commented there should not be overlap. The consensus was that members should be active as of June 30 and transition July 1 with orientation and onboarding in August and September so that they are up and running by the October Board meeting.

2. Approved process for election of trustees

*The Board unanimously approved the process for election of trustees. The end of the general meeting will be when outgoing trustees will conclude their service and incoming trustees will begin their service.*

Eivind Drupedal motioned, Melanie Weston ('86) seconded, all in favor.

3. Motion on By-Laws

*The Board unanimously approved proposed changes and adopted the revised By-Laws*

John Morris ('85) moved, Aditya Joshi ('86) seconded, all in favor.

The position of vice chair was not voted on because there is no one currently serving in the role formally. It is an important role and is usually filled by someone on the Executive Committee.

Chair Aly Kassam-Remtulla ('94) would like to think about this more as he has his individual summer meetings with trustees. He would also like to revisit the topic of assistant officers (i.e. assistant treasurer, assistant secretary etc.) as we have not had these.

## Ad Hoc Business Model Committee Discussion:

Aditya Joshi ('96) opened the discussion following yesterday's presentation. We have had this structural deficit for a very long time but we have had ways to fill it via the Armand Hammer trust and Davis. We have increased annual fundraising. This is a great moment for us because we

realize we have additional levers. This model is showing us that we have more financial agency than we initially thought. Aly Kassam-Remtulla ('94) remarked "I feel really good about this" and thanked the Ad Hoc Committee for doing this important work.

The consensus is the tuition rate should be adjusted regardless of a structural deficit. It is the right thing to do. It is usually an annual discussion with Boards like this one. Also, when and how we look at faculty salaries should be part of the discussion brought to the Board by the Finance Committee with the President and the SLT.

Aditya Joshi ('86) framed the discussion. Yes, we want to have a holistic view. We took the \$1.4M number as the amount we want to cover. Anything we decide today should be subject to revision depending on where things come out on the \$1.4M numbers. We need to determine what we want to finance at the school level. We need to bring the two sides together (tuition and costs). Tuition rate hikes haven't kept pace with costs. Tuition is lower than it should be. Question is where, what principles should be used to decide the tuition figure, and how do we get there? There is a deficit we have to address for next year. And we have to think about the desired mix of students – where do we want to land? – because this is a big lever. Do we make a temporary change and then adjust after the capital campaign?

The conversation started with tuition. Increasing tuition - referring to the presentation slide deck, these figures may already be outdated, but the tuition number we are contemplating is in line with the other schools.

Victoria Mora brought up the fact that some S/Cs charge a different rate for GSP students, but being that we don't get all our full fee paying students from GSP, Aditya Joshi ('86) felt it would have a small impact because we only have 6 students from this group.

Marisa Leon ('87) added payroll should not be more than 70% of the budget. She believes tuition should be increased in a two-step process to avoid sticker shock and she thinks that full paying students out of national committees from 2 to 16 then 17 to 20 is aggressive and may result in having more students from the first world (US, Europe etc).

Peter Alderman (AC '91) commented on the sticker shock point adding that if you are locked into two years it won't be sticker shock for parents unless they have kids who attended already.

Victoria Mora is concerned with national committees sticker shock not families sticker shock - it could be enough for them to say "I'm sending my kid to another school this time, you are out pricing us."

Eivind Drupedal asked in respect to the UWC movement, what is our vision in regards to taking more students from the developed world and potential changes to the student body? Victoria Mora responded that the shared vision is to have as many scholarship students as possible, but it's not equally distributed across schools. This is a huge starting point of our discussion then.

Preeti Khandelwal (AC '84) commented that UWC is robust at leading on the philanthropy front. What is the sensitivity about how far we want to go? Belinda Nicholson ('88) agreed with Preeti

Khandelwal (AC '84) that there is a balance of consideration that needs to be taken into account, which includes our reputation in the movement, innovating our program, and our goals for the actual physical plant. Having a product that balances tuition and people's willingness to come in order to stay true to who we are. There's a lot to consider and there has to be a point in the seesaw where we have to land.

Jon Schneider said there are no solutions, only trade offs. Talking about how important it is to put a flag in the ground around philanthropy but we have challenges attracting and retaining faculty. How do we attract the type of talent that makes the institution attractive in the first place? We are going to have to balance goods against each other.

Aly Kassam-Remtulla ('94) added we have already made trade offs. We have underinvested over the years, including in our teachers, so as not to pull the tuition lever. Who are the beneficiaries if we pull this lever? Students and faculty – that's where the money would be going.

Subitha Subramanian ('88) agreed with Aly Kassam-Remtulla ('94) and Jon Schneider. It's a trade off. The reality is we have had a litany of challenges and have been in a phase of austerity over the years. We have severely underinvested. We continue to have challenges and we have skirted around the edges at the expense of an exhausted leadership and staff. Financial sustainability has to be at the top because without it we can't continue to exist. Under these circumstances we should lean toward pulling the levers then adjust as we move forward.

Ben Jones (AC '91) commented that in some sense he doesn't think we have many choices. We can't run a structural deficit. Without philanthropic dollars we don't have a structural deficit but without this support we do and we can't run with it. The budget has some informational gaps and lack of clarity but regardless of what we think it is exactly we still have a capital expenditure deficit. The reality is we have to spend \$1M a year in capital investment and if we aren't budgeting that we don't have a real budget. This has been the case for a long time and it all suggests that we need to pull these tuition levers. Also, inflation needs to be addressed on the cost side of the budget. We should reprice regularly to keep up with inflation. This should be part of our principles - no structural deficit - and capital expenditure needs to be more realistic.

Aditya Joshi ('86) said provocatively, there's plenty of money in the developing countries. He is not sure we would end up with all rich kids. John Carpenter's numbers show that we did it. The fact is it's just not true that we will be at a different price point. Of course we can philosophically have a different viewpoint, and people have made some really good points, but this would put the institution on a more sustainable path. Referring to page 12 of the Ad Hoc Committee presentation (green and yellow highlights), the student body composition changes, John Carpenter's numbers are closer to the more aggressive scenario.

Andrew Mahlstedt added that in 2014 the established norm in the movement was 25% revenue from tuition revenue. He disagrees that we can generate revenue from tuition and national committees in perpetuity. And reputation among national committees means a lot.

Marisa Leon ('87) agreed with Andrew Mahlstedt and added in terms of national committee mix perhaps we can get away with the next several years, perhaps even with the more aggressive

scenario, but it is not sustainable. Capital investments (L1) need to move quicker to justify higher tuition and demanding full pay families

Peter Alderman (AC '91) added the structural deficit is created by our annual draw (5%) from our endowment. We are overspending our endowment, which is down \$20M, and this is a concern that should be discussed by the Board in the future.

Christian Janssen ('88) said we should have a realistic budget to determine an actual tuition figure. We have been short changing ourselves for a long time.

Aly Kassam-Remtulla ('94) said we don't have a proposal from John Morris ('85) and the Finance Committee yet for a figure for a tuition hike. John Morris ('85) said part of this would come in our 5-year financial model and to do this we need the data - we are making progress on this. We have been operating on the backs of the staff and leadership. The narrow mandate the Ad Hoc Committee was given will enable us to make a step towards a decision. A proposal should come from Victoria Mora and the SLT, and as the data are clarified and we get the audit, we will be able to build a multiyear financial model. This proposal will come in October.

The discussion was paused to hear the Capital Campaign presentation.

#### Capital Campaign:

Sebastien de Halleux led the Capital Campaign presentation with help from members of the FBC consulting team. Our objective is to raise \$50M, a cornerstone through alumni giving. We want to bring in new anchor donors to become the new future Shelbys. "The Shelby Journey" will come out of a talk with the Shelby family to determine what they want their role to be in this campaign. We are shifting gears toward the conversion phase. How do we transform this into dollars coming into the school? Excitingly, we decided to invite top prospects to the NY Gala, where we had a full table of new donors, first ever UWC contact. They all accepted our invitation and flew in for the gala. \$230K was raised that night and Shelby matched 2:1 and monies have already been wired to the school. We are resonating with new donors, especially philanthropists. This is really powerful. Sebastien de Halleux reviewed figures. We are going to need a lot of support so with that Sebastien introduced the campaign's new external team: Fayruz Benyousef (FBC), Dori Flores (FBC) and Marcia Levy (FBC), who wanted to determine how invested the trustees are in the capital campaign and to encourage them to commit to making a significant (stretch) pledge. Fayruz Benyousef (FBC) provided an update on the status of the campaign and talked about a thriving culture and community. She focused on the role of the Board in this and reviewed the timeline for the process. There has been great planning by the leadership. An average time table is 3 to 5 years and Universities and larger institutions can be 7-10 years. UWC is in the quiet phase (leadership/confidence building phase - when leaders and Board members make gifts early to establish confidence), which makes going into public phase easier.

Dori Flores (FBC) continued the presentation stating that at FBC they believe there are four Ts of a thriving culture of philanthropy - Time, Talent, Treasure, Trust, and she outlined each.

Time - How are you giving your time to this organization? Time on the Board, on committees, everything you're doing for UWC. You are giving a substantial amount of your time.

Talent - Using your talents that contribute to a larger toolbox to further the mission of the school.

Treasure - There is more to treasure than the dollar bill, it is connections, and you opening up and allowing us to tell your story. You yourselves are treasure

Trust - As the Board you trust everyone in the SLT, Victoria Mora, her team, other trustees, Sebastien, the process, etc.. This is a marathon not a sprint. We are looking to create meaning and to establish life-long relationships with you and all our other groups. The Board is the guiding light and will enable others to have trust in giving their treasures with you all. Because as you know, you have to trust your guts. It has to feel right.

Feruyz Benyousef (FBC) outlined the five prongs of success as depicted in the image of a five legged stool in the slide deck, which starts with why we are doing this.

1. Compelling case statement - this is really important. We know we have it, but now how do we leverage it?
2. The right leadership - We have it, both internally (SLT) and externally (Sebastien, Carla, Abby, the board, external team).
3. The right donor prospects - People of influence and affluence who believe and support what we are doing. Individuals who are part of the network and who trust this is really essential. And they trust the people they are giving their gift to.
4. Internal systems - This is about the internal capacity, infrastructure, and tools that allow us to have success. The ability to aptly steward donors, which deepens relationships, and includes the will to drive purposefully to the end of the campaign, to see this project through from start to end. The desire to make this happen.
5. Role of the Board in this process. The Board is at the heart of this, and must continue to be advocates and ambassadors as you already are today. Give your gift early - think of it as an asset based opportunity. And help connect us to others.

Marcia Levy spoke about the critically important role Board members play in this campaign. It is vital to have a powerful, dynamic partnership between the Board and the campaign steering committee. Success has its genesis with you. It is time for the Board to be fiscal partners in this campaign effort. All Boards have the capacity and must become a hugely supportive fundraising partner. Your individual role is to codify the campaign's efforts with your contribution. The Board must be 100% committed to this campaign by making a meaningful financial commitment of a stretch gift - multi year gift in addition to annual giving. As the UWC-USA Board you are essential. You must lead with intent, embrace your leadership role. engage your spheres of influence, and be a partner in sustaining donors.

We will bring tools to each trustee to give you an idea of what your gift might look like. There is a pledge fulfillment schedule, which is a tool that was attached to the board materials, that helps figure out what a gift might look like. A capital campaign counts pledges, not checks, so there can be multi year commitments to the campaign. A \$2,000/year donation over 5 years is a \$10K

pledge and the tool breaks this down into payments. A written pledge is a tool the campaign uses to get other potential donors. The pledge document is now online thanks to Mark Hodde. Think of a stretch gift, no gift is too small. Consider tax benefits of large contributions to maximize value. Determine over the next few weeks where your gift will fall. 100% trustee participation is the expectation.

#### Discussion:

Tom Hassan commented that he has been associated with two independent schools that completed two successful campaigns and agreed that it is vital to get the entire board involved early. How does the annual fund connect to a stretch gift? You don't want the annual fund to deflate. Victoria Mora added that she is already making a 5 figure stretch goal for the annual fund, so now she is trying to determine how much more she can stretch for the capital campaign. The important thing is we go beyond the annual fund to support the campaign and to keep it going. David Ertel agreed. 100% board participation before the launch is vital. He asked about timing. Is this an endowment campaign per se or general reserve raising? whatever the donor may want? Sebastien de Halleux responded that the timing is never ending because the next one will start when this one finishes, but we are 12-24 months out. We would like to do the launch in 12 months to coincide with the school's 40th anniversary, if we can do it. This is why the timing with the Board is now so that we can launch with 100% board commitment. There is a campus component and an endowment component.

Marisa Leon '87 asked for clarification between non-binding vs. binding pledges. Sebastien de Halleux said we prefer to get binding pledges. Non-binding pledges are when someone hasn't identified where exactly the money will come from or they don't want to set up consequences for their heirs, but the intent to pay the pledge is there.

Aly Kassam-Remtulla ('94) asked about matching gifts. How does this factor in? Sebastien de Halleux responded that there is usually a time and amount limit and encouraged folks to check with their employer's HR department. There is also a strong possibility that existing donors may match new donations.

Thank you to the campaign team.

Aly Kassam-Remtulla ('94) added that every trustee except one gave to the last annual fund round so he is confident that we will have 100% participation from the Board for the capital campaign. Tom Hassan said that it would be important for the Board to vote on the campaign so it is recorded. This will be done at the October meeting once we have finished preparing a case that outlines the school's needs (\$120M) and capital campaign (\$50M). Mark Hodde added that in the conceptual model alumni are thinking about paying it forward in the form of scholarships and endowed chairs support. New donors may want something more tangible and transformative, and probably will support more capital projects.

### Appreciation of Outgoing Trustees:

Aly Kassam-Remtulla ('94) wants to begin a more formal recognition to thank our outgoing trustees for their substantial contributions to UWC-USA. He and Victoria Mora took turns reading prepared citations found [here](#). THANK YOU!

### Opened to board for comments

Tom Hassan commented "this group of three are wicked smart" as we say in Boston. They will be missed. It's important and meaningful to articulate what everyone has done.

Christian Janssen ('88) commented "Subitha roped me in" and now she's leaving, and this makes me sad, but from a practical point of view, who is managing the pipeline? Aly Kassam-Remtulla ('94) responded Melanie Weston ('86) and Subitha Subramanian ('88) have been coordinating things, but Aditya Joshi ('86) is the new Chair of the Governance Committee. There is a process and going forward it should be fairly crisp.

### Ad Hoc Business Committee Discussion Resumed (15-20 minutes)

Aditya Joshi ('86) resumed the discussion following the Ad Hoc Business Committee presentation. We want to achieve financial sustainability and we also want to rejuvenate and reinvest in the school and in innovation. What does this mean in terms of actual dollars? Immediately, we need to formulate a five year perspective. If we have to settle on a tuition number in the next X period, when can we have 90%+ clarity on the budget? We need to get a better sense of timing and understanding on when the budget will be finalized. Likewise we need to decide on the mix of levers/options. Andrew Mahlstedt and Marisa Leon ('87) both brought up valid considerations, what is our degree of freedom? This needs to be determined so that we don't find ourselves in the same situation again.

Victoria Mora commented on the question about the timing of some of the inputs. She thinks we are pretty satisfied that we have our arms around next year's budget, but how much direction can we get from the board about sequencing over two years to move tuition to \$50K and beyond? We need to communicate to John Carpenter in a timely fashion.

Scenarios of a one-year and a two-year jump will be presented at the next Executive Committee meeting on July 20, 2023. There is a consensus to increase tuition, but how aggressive and over what period of time we do it is the question. Victoria Mora and the SLT will work with levers and come back with a proposal to the Board, and thereafter they will make a recommendation annually on what that figure should be.

John Morris ('85) commented that from a year and a half ago Victoria Mora and SLT have been very responsive in regards to the budget deficit. John Carpenter has an idea of what to do now and John Morris ('85) is confident that we can get there.

Aditya Joshi ('86) added that we need to continue to look at cost and inflation.

John Morris ('85) asked what does John Carpenter need? Victoria Mora wants to get this done this summer because applications start in the fall. We need to roll this out and give John enough time.

So, Victoria Mora feels some urgency. Victoria Mora will bring the recommendation to the Executive Committee July 20th meeting and then we will look to have full board ratification via email. Aly Kassam-Remtulla to share Princeton communications about tuition hikes with the members of the board. It's an important point that we pay attention to how this messaging is sent out.

Victoria Mora said going forward the proposed budget and tuition hike discussion needs to be at the finance committee in February so by June we have a tuition number that corresponds with tuition and cost rather than backing into it with our eyes closed.

Preeti Khandelwal (AC '84) asked if we are going to let the national committees know if we change our student distribution numbers or just tuition? Victoria Mora said John has excellent individual relationships with national committees. If we take little pieces off a lot of students it will add up. Recording the mix going forward will be a good thing to look at in a more granular way.

John Morris ('85) commented the immediate task that Aditya Joshi ('86) headed up looked at tuition, but Melanie Weston's ('86) earlier point about what we are going to do about staff and faculty remuneration going forward is a good one. We are at a point where we realize we really need to invest and where do we put this going forward?

Victoria Mora said the school gave a 4% raise each of the last two years to do what we could to meet inflation as opposed to the usual 3 or 2.5%. These raises got us to our market benchmark, though we'd like to have a higher benchmark with time.

Aly Kassam-Remtulla ('94) asked if a certain amount /percentage could be allocated in the budget? We had been doing that consistently and there was a time when we were giving above the CPI.

[The Board adjourned for break and lunch at approximately 11:50 a.m. Eastern Time and reconvened at 1:00 p.m. EDT.]

#### Governance "Deep Dive" Session I: Governance Intersections Between UWC-USA and UWCI

Victoria Mora introduced Faith Abiodun, the Executive Director of the UWC International Office, which he has converted into a high trust, high functioning environment in the last year. We invited Faith to share governance perspectives at the international and school levels. Those who attended UWC-USA graduation this year might recognize Faith as one of our guest speakers. We also spent time together last month at the gala in New York. Faith started his presentation by explaining how the movement is organized from his perspective. He asked the question, what is the difference between these four things: UWC, UWC movement, UWC international, and UWC international office?

Marisa Leon ('87) who was a former member of the international board responded.

- UWC is one of the schools/college and is short for United World Colleges,
- UWC Movement is everybody who is associated with UWC,

- UWC international is the board, council, and international office
- UWC international office is the executive director and officers and the serving arm of UWC international.

Marisa Leon ('87) was correct. UWC is United World Colleges. In essence, UWC is defined by the missions and values that determine the entire movement. The movement is the collection of schools. Terms are defined in the Memorandum of Understanding (MOU). The movement is the schools, the colleges, and the national committees. Students, alumni, teachers claim membership to the movement. This means this is a membership group. Schools need to be legal members in their home country and subscribe to the mission, values, governance of the associational group - and are subject to shared principles of the movement. National Committee members are subject to the same policies but in some cases you are not required to be a registered entity of the movement in your country.

UWC International is a sunset. United College International was established in 1967 to become UWC International. Registered both as a company and a charity in the UK.

UWC movement is 178 organizations/entities in one. 18 schools and colleges and about 160 national committee members at maximum capacity. When you take the leadership of the schools and the chairs this equals number of National Committee

At maximum capacity there are about 80 members of UWC International. Victoria Mora and Aly Kassam-Remtulla are members.

UWC International = 36 school leaders and board chairs from 18 schools

- + Members at large
- + Professionals

Membership organization equates to a subset of the leaders of them. The UWC International Board is a smaller subset of the entity. 2 heads of schools of the 18; 2 chairs of the 18; 2 national committee heads of the 18; then 7 members at large to equal 13 members. They are legally liable in the UK for operations of UWC International and its entities.

MOU agreement between 178 entities and UWC international (legally established in the UK) with Articles of Association, a legal document by UWC international that enables the entity to exist in practice.

Governance structure was reviewed including the UWC International Congress, the Board of Directors, and the Council.

Subitha Subramanian ('88) asked if we were going to start today, is this the structure we would have today? What would be the process if you were to rationalize the structure? The membership structure as it is seems to make it challenging for decisions to be made.

Faith Abiodun responded, How do you build commonality in a membership movement? You would still need a board, a general assembly (UN), committees, etc. So you would still end up with something similar to what we have. What influence does a board have that meets twice a year in London you ask? If we dig into what it means in practice to work together.

The MOU outlines 3 areas of how the board governs the movement:

1. Leadership - specifies what leadership means in practice; values and principles; strategy and policy
2. Oversight - what does it mean to have oversight of the broad network; expected to comply with shared policies;
3. Support - provide valuable support to membership; shared communications, assets, resources, training.

UWC International is operating through the Board, advised by the Council, and assisted by the International Office.

Preeti Khandelwal (AC '84)- asked about what sort of information (data) sharing we are seeing i.e.. tuition, admission, metrics of student populations, etc. to get a sense of where we stand?

Faith Abiodun replied that whatever gets published in the movement's annual report is the information that is shared. There is top level data that is publically available at UWC.org where documents are published. Some data that goes deeper is not publicly available, but it is accessible to the board to see in detail what the health of the movement is. The chairs receive it. There was a heads of school survey that looked into the health of the leadership of the schools. He recommended Aly bring this up in the chair's group.

Ben Jones (AC '91) asked how the organization is set up on the staff side and what the allocation of time and effort was in fundraising? Faith Abiodun replied that the International Office works on Education, Advancement, Finance, Administration & Governance. We are a lean organization, 35 at full capacity with support from 1-2 consultants. The reason for this is how the International Office is funded. International is funded by all the schools and their revenue doesn't grow alot year after year. We are set up to provide shared services.

Michael Taylor ('91) commented in the 34 years that he has been involved with UWC, a top 3 unsolved problem is the gap we feel about the excellence of UWC and how incredibly unknown UWC is. One plausible explanation is that the responsibility for marketing is large.

Faith Abiodun responded we haven't invested in the center to lead on communications.

Location plays a huge role in visibility. Territorial responsibility is your responsibility and you are responsible for your own budget. How to get a niche project into the mainstream? The example of Formula one getting a contract with Netflix was given. In the end, we want our money to go towards scholarships so we won't pour money into brand recognition. We spend very little on marketing.

Preeti Khandelwal (AC '84) asked what are your top three challenges?

Faith Abiodun responded that there is so much more demand on the International Office than there is capacity to supply. We are tiny with a heavily junior staff so we have to fund it and make it work, but folks are burning out. We want to see the movement move in the same direction, but it's impossible to implement because of local laws and jurisdictional responsibilities. We know fundraising is the bread and butter of this organization, but we don't have the capacity. The desire and demand is there, but we don't have what we need and we haven't invested in the capacity.

Aditya Joshi ('86)- Thanked Faith Abiodun for his work. Given challenges of the leanness of the structure and the diverse nature of the movement, there are some paradoxes that we have always had. We have had some very famous, big names associated with the movement who obviously have name recognition with the potential for optimizing their networks for marketing and fundraising benefits.

Faith Abiodun responded that these affiliations and networks have been under utilized. The challenge is keeping the brand visible. Reputation is built and sustained over time. We don't have the operations today to maximize the assets we have. My team of two just isn't sufficient, there is no capacity to be out there like we need to be.

Ben Jones (AC '91) remarked that we have a really interesting customer acquisition problem, our customers largely don't pay, so we want/need to raise money.

Faith Abiodun added being visible makes everything else a little easier and there needs to be consistency of message. Big brands are out there all the time. We have to find every way to be out there. We all know that we have great assets, and we want those assets to do more for us.

A brief discussion among the Board members ensued about high profile UWC individuals with connections and the cost/benefit to the organization and the recent *New York Times* article about two princesses graduating from Atlantic College.

[The meeting adjourned for a brief 10-minute break at approximately 2:30 p.m. Eastern Time.]

### Governance "Deep Dive" Session II: Board Committees: Roles, Responsibilities, and Opportunities

Aly Kassam-Remtulla ('94) presented an overview of committees as a practical way to structure and manage the board's work. He reviewed the current committee structure, which is relatively new, and the committee mandates as well as the role of the chair of these committees. In the past we did not have such a robust complement of committees we have now. And many of us are relatively new so this provides a great opportunity for us to be aligned. Committees are an efficient way to help manage the board's work and to provide levels of expertise. Whatever committees do must be approved by the board and the board encourages recommendations and scenarios. We have standing committees and ad hoc committees. Roles of standing committees include: focus on strategic and long range issues; focus on ongoing, often multiple charges, year after year; develop and recommend broad institutional policies for board approval; advise the administration and serve as a resource for the SLT; some hands-on work and other advisory; work varies by committee by year. Governance does a lot of work that picks up a significant

amount of bandwidth. Ad hoc committees include capital campaign and business, some have chairs and some have co-chairs. We are trying to get board members to serve on two committees. The slide with the standing committee assignments was reviewed.

Eivind Drupedal asked if it was by design that some standing committees are small and some are large. Aly Kassam-Remtulla ('94) responded that most are where they should be. The Investment Committee is a little big but the Audit Committee is small as it should be. It is up to the committee chairs to decide how big they need their committees to be.

Marybeth Kravets commented that she felt the Education Committee needed to be big because they have three buckets they we are dealing with - so they divide and conquer.

Todd Austin added that they also have admissions and college counseling so the mission of the school is all here.

Melanie Weston ('86) raised the question if schools should even have an education committee. It's recommended they do not have one because it is essentially the core business that should be handled by the SLT. .

Victoria Mora added that in her experience education is a "visiting" committee to request recommendations. She would prefer not having this committee.

John Morris ('85) commented the board should be eyes in hands out. We went through a turbulent period and the board had to dive in and hold on to get through such as in supporting and building finance functions when the school didn't have a finance person. Kimi Jackson is doing everything. Should all the committees be this way? Probably not. We need to fully mandate the President and hold the President accountable.

Aly Kassam-Remtulla ('94) added that our aspiration is to be hands off and to operate at a strategic level, however right now that varies across committees.

Tom Hassan commented that governance, executive, and investment should be more involved, and there should be no staff on the committees.

Peter Alderman (AC '91) added the board is responsible for the audit.

Victoria Mora cited examples of when a hands on committee might be needed such as in the case of the ad hoc business committee and the experience of members on the education committee' with dashboards. However, it's important that these committees eventually step back then leave it to the school. This is where we are with the changes that have been made and given the strength of the current SLT.

### Board Committee Mandates and Responsibilities

Aly Kassam-Remtulla asked each committee chair to look at their committee mandate (available on the trustees website) to see if it's accurate and appropriate or if it needs to be changed.

Peter Alderman (AC '91) referring to the February board meeting minutes noted that in addition to what was already in the bylaws about the audit committee's responsibilities we added an additional mandate about risk.

Non-trustee members on these committees vary by need and topic. What about Audit and Governance? Rebecca Lloyd? Non-trustee provides an opportunity to bring on folks with special skills and we can “audition” future trustees. It also creates opportunities for former trustees to keep serving or former folks to serve again (Ben said he’s open to talk). There is value in delineating non-trustee groups. Outlining responsibilities. The committee members are vetting UWC as much as we are vetting them as future trustees.

There was an exception made for Piotr Holysz to be co-chair for Marc Blum, which is a special situation. Since 2007 there is no term limit if someone is a chair of a committee.

David Ertel will be on audit and risk and finance.

Subitha Subramanian (‘88) commented that she thinks we have done a really good job building committees. Committees actually responsible for managing their own membership including non-trustee committee members. The committee chair is in charge of record keeping. Chairs should be clear about what they expect of non-trustee members and how they will assess them. They should also communicate with the governance committee to work together to find people with skills they need.

Marisa Leon (‘87) added that when we create ad hoc committees we have to be careful about being too specific and setting narrow goals. Also, it is important that we know what type of work we are bringing a member in for and what the timeline is.

Tom Hassan asked if we are stealth and keep it project specific as not to create expectations they will become a trustee? Do we need to audition potential trustee candidates through this mechanism? The document Steve Dichter drafted is loose and depends on need and it is not an automatic pathway to the board. If we narrow a skill too much then we might bypass people who might be good board members in the future. In theory we want people to serve on a committee first.

Preeti Khandelwal (AC ‘84) asked that folks send through names as they get them so they can be entered into the system.

Melanie Weston (‘86) added that board diversity has to start with committee diversity. We need to bring in more committee members since it is the feeder. We also need to refresh the pipeline. We may want to do a deeper dive into this topic at our October board meeting. We need to cast a wider net, as we are especially in need of diversity as to gender.

Aly Kassam-Remtualla (‘94) said that there is some question as to the requisite to serve on a committee. Melanie Weston (‘86) will pull policy to look at the wording and the board will revisit Aly Kassam-Remtualla (‘94) continued with his presentation and reviewed committee responsibilities that include annual goal setting, membership, and leadership. Committees usually meet 3 to 4 times a year in between board meetings. Goal setting calendar is as follows: October- share goals with the full board; January - review progress; June -evaluate progress; and Summer - discuss goals for next cycle.

Committee goals will be dependent on the school’s goals, and Victoria Mora’s goals are obviously related. Victoria Mora will share her goals during the executive session.

Ben Jones (AC '91) commented committee goals should be based on the school's goals. Maybe the June board meeting should include a deep dive on strategy (education program, etc) then that leads to Victoria's goals, committee goals, etc.

Aditya Joshi ('86)- This year, after we complete Victoria's review, we should circulate her goals (level goals, personal goals, and institutional goals) in advance to committee chairs this summer so everything is synchronized for October.

Marisa Leon ('87) said it is important to differentiate between the different goals.

Tom Hassan said it should be strategic "posture" instead of goals for Victoria Mora.

Ben Jones (AC '91) said we should have one set of strategic goals then committee's have goals within that alignment.

Subitha Subramanian ('88) added that the evaluation process is only three years old. Victoria has historically shared her goals at the October meeting and at the June meeting she has reviewed them and through the evaluation process the board has assessed if she has achieved her goals.

Aly Kassam-Remtulla and Victoria Mora agree to take this offline and to tighten it up a bit.

Aly Kassam-Remtulla continued the presentation by outlining the committee membership cycle: October - vet nominations for committee membership; January - interview potential committee members and propose them to the Governance Committee; June - bring new committee members to board for approval; Summer - onboard new members.

We need the chairs to help put names forth for the pipeline.

Committee Chair responsibilities include:

- Management
- Assessment
- Staff liaison
- Communication
- Logistics - keep minutes
- Executive committee

We have an expectation that everyone who comes on the board has the capacity to serve as chair if asked or as needed. We are all volunteers and a lot of work happens at the committee level.

Service on committees could be the most valuable experience of the Board. We ask chairs to help navigate conflict. It is important that conflicts are addressed promptly even though we may not want to. Also, chairs should ask for guidance from Victoria Mora when asking staff/committee liaisons to do tasks/additional work.

Aly Kassam-Remtulla ('94) is going to try to be more communicative to the Board to keep people up-to-date on things from the committees and to escalate to the Executive Committee and President as needed.

Chairs are responsible for taking simple minutes at each meeting and for sharing them for posting to the trustee website. These records are important in case we are ever audited.

## Committee Best Practices

- Occasional committee retreat to tackle a strategic or complicated issue.
- Annual call with each committee member to seek feedback on effectiveness, alignment; probe leadership/succession potential; seek input on composition gaps
- Annual call with Governance Committee to discuss committee composition and succession planning
- Semi-annual training/check-in of committee chairs with board leadership and senior staff. This is something we haven't implemented, but we would like to hear if it would be useful.

## Discussion

What are the biggest challenges facing our committees?

How can we evaluate the effectiveness of a committee?

Should any of our standing committees be sunsetted after crucial work has been completed?

Preeti Khandelwal (AC '84) suggested that we could do a simple survey to gauge the effectiveness of committees.

Subitha Subramanian ('88) given where we are with strategy work the Strategic Planning Committee could potentially be sunsetted. Ben Jones ('91) commented that strategy should be talked about a lot and he thinks you do need a committee, but it has to be something that is aligned with goals as determined by Victoria Mora and the SLT. Can't be additional work. The practice of convening a subset of the Strategic Planning Committee followed by Steve Dichter worked so it might be a possible model to follow. We might structure it a little differently though.

Aly Kassam-Remtulla ('94) asked if people thought it would be valuable to have a committee chairs meeting. We could invite committee chairs to an Executive Committee meeting to share items/goals.

John Morris ('85) and Aditya Joshi ('96) both suggested standardizing operational things and there should be corresponding email or written communication. They both prefer email communication rather than a meeting. Christian Janssen ('98) was in favor of a meeting. Subitha Subramanian ('88) said it would be really helpful to have one meeting in September before the October board meeting so that we can get everyone in line and it will help bring the board closer together.

Aly Kassam-Remtulla ('94) said that we can try it and see if it has value. It might provide a good opportunity to review goals, review cycles of activity and to help manage responsibilities, and it could have an additional benefit of cohesion. We will try in September and see.

[The meeting adjourned at 4:05 p.m. for a brief 10-minute break and the SLT was dismissed.]

Executive Session II: The Trustees, including Victoria Mora, held an executive session beginning at approximately 4:15 p.m. Eastern Time. The second session adjourned at approximately 5:30 pm, Mountain Time.

Board Actions:

*The Board unanimously approved a second board term for Tom Hassan and Allan Affeldt.*  
Peter Alderman (AC '91) moved, Eivind Drupedal seconded, all in favor.

*The Board unanimously approved one more year for Melanie Weston ('86), Marybeth Kravets, Marc Blum, and Jon Schneider*  
Eivind Drupedal moved, Aditya Joshi ('86) seconded, all in favor.

Executive Session III: The Trustee, without Victoria Mora, held an executive session beginning at approximately 5:30 p.m. Eastern Time. The third session adjourned at approximately 6:15 pm, Mountain Time.

[The meeting adjourned at approximately 6:00 p.m. Eastern Time.]

[At the conclusion of the meeting, the Trustees were invited to an informal dinner at Melanie Weston's home.]