



MERCERSBURG ACADEMY

Board of Regents Update Fall 2020 Board Meetings

October 27, 2020

To the Mercersburg Community:

As with everything in these very different times, Mercersburg Academy has been busier than ever navigating the uncharted waters of this pandemic. I was honored to be named President of the Board of Regents on July 1, at the end of Debbie Simon's three years of exceptional leadership. While the pandemic forced us to adjust to virtual meetings and conversations, the Board didn't miss a beat over the summer, working on multiple projects and consulting and supporting the school in decisions regarding the fall term. We welcome this opportunity to share with you some of the work being done with the hope that this summary will increase transparency around Board work and to assure you that Mercersburg continues to move mightily onward with strength and stability.

The Mercersburg Academy Board of Regents completed the fall 2020 Board meetings on Saturday, October 10, 2020, after two weeks of virtual committee conversations, strategic design sessions, and full Board meetings. The following is a recap of those meetings for parents, alumni, and friends of the school.

Head of School Update

After a brief update from the Head of School, this segment of the October Board meeting was used as an opportunity to hear from teaching faculty and the president of the student body about the opening of school, the academic experience to date, and life on campus during COVID-19. This group provided insights into their experiences in the classroom and teaching virtually, as well as into living and learning in the Mercersburg community during these unusual times. Although things feel different and routines have understandably changed, the collective sentiment was positive and conveyed a sense of gratitude for the tremendous amount of work that went into the plan to reopen Mercersburg to in-person learning this year.

Strategic Design Sessions

The COVID-19 outbreak has presented a unique opportunity for the school and the Board to revisit the strategic design work that began in the fall of 2017. The global pandemic has already ushered in significant changes to the educational industry and boarding schools like Mercersburg Academy are potentially well positioned to adapt and continue to thrive in the post-pandemic world. With this in mind, the Board engaged in small group strategic design sessions moderated by Christian Talbot of Basecamp, an organization that "exists to help schools deepen their mission through innovation." Additional sessions with Mr. Talbot, the Board, and members of school leadership are being planned for the late fall and winter. Further updates will be provided when that work concludes.

Board Committees

Following the conclusion of the work of the Governance Task Force in the spring of 2020, several changes of note were made to the structure of Board committees to ensure they are evolving to meet the needs of an ever-changing world and to better align with industry best practices and school leadership. While some committees remain the same, others have been adjusted or expanded. The Board committees for Fiscal Year 2021 (FY21) are as follows:

- Executive Committee
 - No changes for FY21
- Finance Committee
 - No changes for FY21
- Governance Committee
 - Name change only, formerly known as the Committee on Regents
- Infrastructure and Technology Committee
 - Formerly known as the Buildings and Grounds Committee, but expanded to include Technology
- Status and Strategy Committee (final name TBD)
 - A new committee developed to provide all Regents with the opportunity to engage in various, generative, relevant strategic topics
- Investment Committee
 - No changes for FY21
- Reach and Reputation Committee
 - Formerly two separate committees (Advancement Committee and Admission Committee) that were combined to better align with the school's structure
- Risk and Audit Committee
 - No changes for FY21

At each full Board meeting (fall, winter, and spring), committees are asked to share reports from their areas of oversight. Below you will find the high-level highlights from the committee reports delivered on October 10, 2020.

- **The Finance Committee** met to discuss the final numbers from the previous fiscal year's budget as well as the school's current financials, both of which are in good shape. It also approved a motion to release all remaining budgeted funds for capital improvement projects that had been on hold for reasons related to COVID-19. This was made possible due to the ability to reallocate other funds to help offset some of the additional costs associated with the pandemic (ie. testing, cleaning, food services, etc.).
- **The Governance Committee** is currently working on the development of a more comprehensive needs assessment for future membership, particularly now that new term limits are in effect and will result in Regents rotating off the Board more regularly.
- **The Infrastructure and Technology Committee** discussed the Campus Master Planning process currently underway, led by the Blanchard Group. It is likely that this process will take the full calendar year to complete. Current Regent Jorge Vargas '84 is also partnering with the school to spearhead an effort to perform a comprehensive review of all of the school's technology systems.
- **The Investment Committee** reported on the total value of the school's endowment, which has rebounded from the drop in the market earlier this year and, although always in flux with the volatility of the market, is currently hovering around the \$300 million mark (keeping Mercersburg's

endowment size in the top 15 of all boarding schools). The committee shared that a considerable amount of endowment dollars are being held in low yielding, but highly accessible areas in the event that immediate funds are needed by the school in the COVID-19 environment.

- **The Status and Strategy Committee** is new and is designed to focus on relevant and generative topics that range from academic and programmatic to financial and conceptual. It creates opportunities for the Board to involve more voices as each Regent will serve on one subcommittee at any given time and subcommittees are designed to last only as long as needed. Potential topics may include conversations on reimagining education, achieving financial sustainability, and more. The previously mentioned strategic design work will help to inform the first set of subcommittee topics and Regents will commence this work later the academic year.
- **The Reach and Reputation Committee** recapped reports from the external departments at the school related to fundraising, engagement, enrollment, and marketing and branding. The school was able to meet and even slightly exceed the \$3.35 million Annual Fund goal for FY20 and have created more flexibility for giving to preferred areas of the school in this year's Annual Fund. Collectively, the school hosted well over 75 different virtual engagement opportunities for alumni, parents, and prospective families that garnered over 2,000 attendees. The school also opened this year overenrolled, despite facing many unexpected obstacles in recruiting students during a global outbreak. And, lastly, the school's marketing and branding team, who have been exceptional in handling all COVID-19-related communications during this critical period of time, are, among many other things, also finalizing new admission marketing materials, further developing the school's 360° virtual tour, and beginning to leverage more direct student involvement via a new internship program within the department.
- **The Risk and Audit Committee** discussed the recent Blackbaud data incident and determined that they were satisfied with the actions taken to date by the school. The committee is currently reviewing the school's emergency manual and student tracking system with the plan to provide a full report to the Board at an upcoming meeting. Finally, the audit results, which are normally presented to the committee in October, had been delayed because of COVID-19 and were instead approved at a follow up committee meeting.

Along with the standing committees, the Board of Regents may at times also create temporary task forces to address pressing or generative issues of interest. Currently, there are two such task forces operating. Those task forces and a summary of their reports are as follows:

- **Bylaws Task Force**
 - The Bylaws Task Force has been assembled to assess and update the current Board of Regents Bylaws, which were last reviewed in the fall of 2018.
 - Updates to the bylaws will include, but are not limited to, new committee names and charges, new Board president and vice president nomination processes, the establishment of a new compensation committee, and general updates to better align with governance best practices.
 - The Bylaws Task Force is almost finished with their work and the final proposed changes will be presented to the full Board for approval by no later than January 2021.
- **College Counseling Task Force**

- The College Counseling Task Force was assembled in the spring of 2020 as a way for the Board to partner with the school to establish alignment on the key metrics for measuring the success of the college placement program.
- Using a document titled *Measuring Success*, which was adopted by the Board in 2016, as a launching point, the task force will be working to determine the metrics by which the efficacy of the school's college counseling program will be measured in accordance with its individualized, developmental, and fit-based approach to college counseling. The task force will also establish clear expectations on the communication of any agreed upon metrics to the Board.

Business Meeting - General Updates

As is traditional, the fall Board meeting concluded with the Business Meeting where, along with the aforementioned committee reports, other general matters of business are discussed. Updates of note from the Business Meeting are as follows:

- The school shared a new metrics dashboard that was created for the Board and tracks major areas of interest across all departments at the school. Regents will be able to compare historical data, explore statistical trends, and track the school's progress in a multitude of areas.
- In keeping with best practice, the Board moved into an Executive Session, which is a meeting amongst Regents only and without any school staff, to conclude the Fall Board of Regents Meetings for 2020.

Related News

We are also sad to share that Regent Emeritus, Mercersburg alum, and decorated Olympian, Charlie Moore '47 passed away from pancreatic cancer on October 8, 2020. Join us in collectively mourning the loss of one of Mercersburg's giants. Click [here](#) for a link to Charlie's obituary.

As you can see, there is much being done at the Board level to help drive the mission of Mercersburg Academy and to ensure the financial stability of this special place. We always perform our duties and work with the students top of mind and I believe the school is fortunate to have an exceptional group of Board members, school leadership, faculty, and staff who care deeply about Mercersburg. We hope this information was helpful and informative and we will continue to provide these updates on our work with the school after every regularly scheduled Board meeting.

Sincerely,



Stacie Rice Lissette '85, P '14, '14, '17, '23
Board of Regents President