



To: DSST Board of Directors

From: Succession Planning Subcommittee (Genn Russo, Peter Frizinger, Gina Rodriguez, Gloria Zamora, and Bill Kurtz)

Subject: The Succession Plan

Date: January 22, 2021

1. Current Status:

- a. Bill Kurtz was Head of School at Stapleton campus from 2003 – 2009, and has been CEO since. The average tenure for a CEO in the United States is six years.
- b. DSST has no immediately ready internal successor to Bill.
- c. Bill Kurtz is an iconic CEO at DSST and would be difficult to replace.

2. The Process: The Succession Planning subcommittee reviewed the current Succession Plan documents, and updated those elements that were still relevant, and added additional ideas.

4. The Plan:

- a. In the event that the CEO position becomes vacant, the Chair will call an emergency telephone Board meeting.
- b. The Board will delegate to the Executive Committee the management of an emergency transition and succession plan (the “Plan”). This document forms the basis of that Plan.
- c. The Executive Committee will name a group of three DSST executives to an Interim Leadership Team, which will manage DSST during an “Initial Phase” expected to last two months or longer. One executive will be designated the final arbiter of management decisions for DSST.

All of the CEO’s direct reports will report to the Interim Leadership Team. Bill Kurtz will be asked to recommend one or more executives, and indicate who he would designate as final arbiter. Bill Kurtz will also be asked to recommend how his goals for the year are to be divided among the team. Final decisions on all these matters will be made by the Executive Committee, in consultation with the Interim Leadership Team, whose members it has designated.

- d. The Executive Committee will name a single Board member as Liaison to the Interim Leadership Team. This will be the Board member that the Committee believes is the best fit from three perspectives: (1) understands DSST financially, (2) understands the operations of

the CMO and schools, and (3) has the confidence and trust of the individuals of the Interim Leadership Team. The most likely candidates to serve as Liaison are the Chair or Vice Chair, if they are able to serve, or some other Board director. The Liaison will be available to counsel the Interim Management Team as needed, but in any event, will meet weekly with that team. The Liaison will report weekly via email or voice conference to the Executive Committee.

e. The Interim Leadership Team in consultation with the Liaison and the Board Chair will execute the Transition Communication Plan. Please see Exhibit I for that Plan.

f. The Executive Committee names a Search Committee, drawing on board members, staff and external resources.

g. The Search Committee interviews and chooses executive search resources, subject to a budget it develops for Executive Committee approval. Please see Exhibit II for a preliminary list of such resources.

h. The Search Committee, using executive search resources as appropriate, develops interim CEO candidates. Bill Kurtz will be asked to identify candidates for interim CEO. The Committee will interview and recommend an Interim CEO to the Executive Committee for approval (but only if it believes an interim CEO is a better decision than continuing with the Interim Leadership Team). Any interim CEO will report to the Board through the Chair and will serve until a permanent CEO is chosen. Service may extend as long as 12 months.

i. The Search Committee, using executive search resources as appropriate, conducts the search for a permanent CEO, interviews candidates and negotiates with the finalists, selecting one for Board approval. Bill Kurtz will be asked for a list of candidates based on his knowledge of charter leadership nationally.

j. The Plan will be updated each year. The CEO will place in a sealed envelope recommendations for the Interim Leadership Team, the final arbiter of the Team, how the CEO's goals for the year should be divided among the Team, possible interim CEO candidates and possible permanent CEO candidates. This information will be shared with the Chair.

5. Other Comments:

a. The Succession Planning Subcommittee Committee reinforced that DSST must develop and train internal candidates for succession.

b. The Succession Planning Subcommittee Committee will review succession plans for the C-Suite and each of the CEOs direct reports.

b. This emergency plan forms the basis for a longer-term succession plan focused on internal succession.

c. It would be helpful to have interim CEO candidates on the Board.

EXHIBIT I

Succession: Transition Communications Plan January 2021

This Transition Communications Plan has been created with the following succession scenarios in mind:

- CEO leaves without advanced notice
- CEO is incapacitated

In the event that the CEO leaves with notice, it is assumed that this document may serve as a resource for communications planning, but that the CEO will create and manage his/her own communications plan, in close consultation with the DSST Public Schools Board Chair and Executive Committee.

Messaging

- Overall goal is to reassure staff, parents and students with transparency
- Clearly articulate who's in charge now
- Introduce leadership team
- Explain process to replace CEO
- To clip the media cycle—goal is for no surprises to dribble out later
- Interim Leadership Team designates a communications lead and media spokesperson(s)—ask all stakeholders to refrain from talking with the press
- If this is a scandal, Leadership Team should consider hiring professional communications crisis management/legal counsel (need to identify resources in advance)

Process

In the event of unexpected changes, the “first call” is always to the DSST Public Schools Board Chair— or, a member of Executive Committee as backup. The board chair will begin to contact key internal stakeholders:

- Board
- Home Office Staff Communication (with CEO, if possible)
- School Leaders: Meeting at Home Office/Video Conference Call (with CEO, if possible)
- School Visit Meetings within 24 hours: Board Chair/Interim Leadership Team (with CEO, if possible)
- Phone calls to key external stakeholders (Board Chair)
- Press Release sent concurrent with parent communication (via email-prepared statement from Board Chair sent by School Directors)

If possible, identify the exact date/time the press release is sent. Before the press release is sent:

- Make initial calls to key external stakeholders that will respect an embargoed press release
- Make the call list manageable

External Stakeholders include:

- Denver Public Schools
- Denver School Board Members
- Key Funders: (defined by CEO, Vice President of Development)
- All Other Funders
- Elected Officials, as appropriate
- Media
- Friends of...
- Local Ed Reform Partners
- Ed Reform Community (at large)

After the Release

- Develop a call list of other stakeholders to be made by interim organization leaders, board chair

Long-Term Communications:

- Weekly communications from Interim Leadership Team/Board Chair to internal stakeholders & key external stakeholders
- Communication to demonstrate stability, credibility of Leadership Team
- Regular in-person meetings from Leadership Team/Executive Committee with school staff

Resources

Materials to have on-hand include:

- Bio of CEO
- Bios of Leadership Team
- List of Crisis Communications Firms and Legal Counsel
- List of Search Firms
- Short List of Interim CEO's
- "Key Five" list of people who need to be notified (needs to be developed)

EXHIBIT II
Executive Search Resources

1. General Comments:

Select firms that specialize in CMO searches or ones that have experience with organizations that are in process of replicating.

- Firms that work with independent or private schools may not be equipped to lead searches for CMOs; they also usually have stables of consultants, so you do not always have choices of who will actually lead search.
- Make sure you can select the individual who leads the search, and the firm that has access to a broad selection of candidates.
- Smaller firms that concentrate on CEO searches for CMOs are unable to manage more than 4-5 searches at one time. Timing is important: some firms may be unable to work with a school depending on their workload.
- Historically, fees are based on 25%-30% of the first year's salary of the CEO, or a specific sum (\$45,000), whichever is more. Additional expenses usually run between \$10,000-\$15,000.
- Determine whether you want the firm involved in the early stages, e.g. communication about an impending transition.
- Identify references that had experience with each firm; try to identify searches that were not as successful.
- Replacing Founder/CEO is more complicated than just replacing a CEO.

2. Overview of firms recommended by Kevin Hall, Attorney (Must be updated)

- Top Two:
Molly Mitchell – K-12 Search Group
Monisha Lozier – Bellwether
- Third choice:
Ralph Protsik – BSG Team Ventures (only if you can get Ralph to lead the search).
- Wild Card:
Local firm (Boulder) of "Hire Education" – Mark Phillips
Kevin Hall notes that several of his colleagues know Mark and have a great deal of confidence in him. Should be explored.



- Two other well-known firms:
Heidrick & Struggles – One of the Largest firms that handled Hewlett Foundation search. Joe Haberman is the “rainmaker” of the firm.
Bridgespan – Concentrates on foundations and social entrepreneur firms. Does get outside the education world for candidates. Kathleen Yazbak leads the search division.