



Compass Charter Schools

Finance Committee Meeting

Date and Time

Tuesday April 18, 2017 at 2:00 PM

Location

CCS Central Office: 850 Hampshire Road, Suite P, Thousand Oaks, CA 91361
3305 Buckman Springs Road, Pine Valley, CA 91962
3625 Thousand Oaks Blvd., Suite 245 Westlake Village, CA 91362

Please join my meeting from your computer, tablet or smartphone.

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For questions or requests regarding accessibility, please call Miguel Aguilar at (805) 807-8199.

Agenda

	Purpose	Presenter	Duration
I. Opening Items			
A. Call the Meeting to Order		Kathy Granger	1
B. Record Attendance and Guests		Miguel Aguilar	1
II. CONSENT ITEMS			
A. Consent Items	Vote	Kathy Granger	1

Consent Items - Items under Consent Items will be voted on in one motion unless a member of the Committee requests that an item be removed and voted on separately, in which case, the Committee Chair will determine when it will be called and considered for action. Due to the set-up of BoardOnTrack, approval of any meeting minutes will be done through consent, unless removed and voted on separately as noted above, using the same vote count.

- Approval of April 18, 2017 Regular Meeting Agenda
- Approval of March 21, 2017 Regular Meeting Minutes

B. Approval of the March 21, 2017 Regular Meeting Minutes	Approve Minutes	Kathy Granger
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III. COMMUNICATIONS

A. Committee Member Communication	FYI	Kathy Granger	10
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- Joe Cummings
- Kathy Granger

IV. REPORTS

A. Staff Report	FYI	J.J. Lewis	5
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V. PUBLIC COMMENT

A. Public Comment	FYI	Kathy Granger	5
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Addressing the Committee – Committee meetings are meetings of the Board of Directors and will be held in a civil, orderly and respectful manner. All public comments or questions should be addressed to the Committee through the Chair of the Committee. To ensure an orderly meeting and an equal opportunity for each speaker, persons wishing to address the Committee must send a Speaker Request Message through the form of a text message or chat box message to Miguel Aguilar, Executive Assistant to the CEO (805-807-8199). Messages must contain speaker name, contact number or email, and subject matter and sent prior to the beginning of the Public Comment section of the meeting. Members of the public may address the Committee on any matter within the Committee’s jurisdiction and have **three (3) minutes each** do so. The total time of each subject will be fifteen (15) minutes, unless additional time is requested by a Committee Member and approved by the Committee.

The Committee may not deliberate or take action on items that are not on the agenda. However, the Committee may give direction to staff following a presentation. The Chair is in charge of the meeting and will maintain order, set the time limits for the speakers and the subject matter, and will have the prerogative to remove any person who is disruptive of the Committee meeting. The Finance Committee may place limitations on the total time to be devoted to each topic if it finds that the numbers of speakers would impede the Committee’s ability to conduct its business in a timely manner. The Finance Committee may also allow for additional public comment and questions after reports and presentations if it deems necessary.

VI. UNFINISHED BUSINESS

VII. NEW BUSINESS

A. Review and Discussion of the March Financials	Discuss	J.J. Lewis	10
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VIII. Closing Items

A. UPCOMING MEETING

FYI

J.J. Lewis

1

Tuesday, May 16 at 2 pm

B. Adjourn Meeting

FYI

Kathy
Granger

1

Agenda Cover Sheets

Section: **IV. REPORTS**
Item: A. Staff Report
Purpose: FYI
Key Result: CEO Support & Evaluation
Submitted by: J.J. Lewis
Related Material: Staff Report - April.pdf

Section: **VII. NEW BUSINESS**
Item: A. Review and Discussion of the March Financials
Purpose: Discuss
Key Result: Cash On Hand
Submitted by: Scott Warner
Related Material: CCS - BS - March 17.pdf
CCS - PL - March 17.pdf



Compass Charter Schools

Minutes

Finance Committee Meeting

Date and Time

Tuesday March 21, 2017 at 2:00 PM

Location

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Committee Members Present

J. Cummings (remote), J. Lewis, K. Granger (remote)

Committee Members Absent

I. Opening Items

A. Call the Meeting to Order

K. Granger called a meeting of the Finance committee of Compass Charter Schools to order on Tuesday Mar 21, 2017 @ 2:00 PM.

B. Record Attendance and Guests

II. CONSENT ITEMS

A. Consent Items

J. Cummings made a motion to approve the consent agenda.
K. Granger seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call

J. Cummings Aye
K. Granger Aye

B. Approval of the February 21, 2017 Regular Meeting Minutes

J. Cummings made a motion to approve minutes from the Finance Committee Meeting on 02-21-17.

K. Granger seconded the motion.

The committee **VOTED** unanimously to approve the motion.

Roll Call

K. Granger Aye
J. Cummings Aye

III. PUBLIC COMMENT

A. Public Comment

No public comment.

IV. REPORTS

A. Staff Report

Mr. Lewis shared that AAS/CCS is still waiting to hear about their Funding Determinations from the California Department of Education. The forms were submitted in January. We are hoping to make the April 5 Advisory Commission on Charter Schools agenda, otherwise, we would be heard at their June meeting. He also shared that we are starting to receive individual donations through our new Giving page. The first was a \$100/month recurring gift to the Annual Fund to support scholar engagement activities.

V. NEW BUSINESS

A. Review and Discussion of the Second Interim Reports

Mr. Lewis and Mr. Scott Warner, School Business Manager from CSMC, led the committee in a review of the second interim reports. It was noted these were submitted on March 13 to our authorizers and we have fielded a few follow-up questions on revenue. The reports reflect information through January 31, and we are tracking to expense projections.

B. Review and Discussion of the February Financials

Mr. Lewis and Mr. Scott Warner, School Business Manager from CSMC, led the committee in a review of the February financials. Mr. Cummings asked about the monthly expenditures. Mr. Warner shared we are spending roughly \$600,000/month though we would need to review the data as there have been several one-time expenditures this year. Dr. Granger suggested this was a good piece of information to share with the full Board of Directors at their upcoming March meeting.

VI. Closing Items

A. UPCOMING MEETING

B. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 2:20 PM.

Respectfully Submitted,
J. Lewis



Staff Report
April 18, 2017

This report is meant to provide updates to the Board of Directors Finance Committee:

2016-17 Audit

We are in the beginning stages of our 2016-17 audit with Christy White Associates. They will be on-site Thursday and Friday, April 20 and 21, to begin work on attendance auditing.

2016-17 Funding Update

The Advisory Commission on Charter Schools will take up our SB740 Funding Determination Requests at their June 7 meeting. The packet, along with CDE recommendation, will be released on Friday, May 26.

2017-18 Budget

Staff worked with CSMC on Thursday, April 13 to lay the groundwork on the 2017-18 operating budget. Time was spent reviewing budget to actual for 2016-17, projections for the balance of the year, and projections for the upcoming year. A formal presentation will be made during the May Finance Committee Meeting, followed by the Public Hearing scheduled for Saturday, June 24 at 2pm.

Chase Bank (checking account)

The primary account for CCS is a checking account at Chase Bank. Balances are as of the end of the reported month:

- March: \$2,253,129.15

Form 990

All nonprofit organizations are required to annually file the Form 990 with the IRS. We are working with Christy White Associates, our auditing firm, to complete the Form 990 and anticipate filing prior to May 15.

JP Morgan Chase (CD account)

CCS has a laddered CD account through JP Morgan Chase. Balances are as of the end of the reported month:

- March: \$3,751,586.89

Leases

We currently sublet two (2) properties to iLead Charter School: Bethel Church in Encino, and Friar Street in Van Nuys. These are the former locations for VIP North and VIP South, which were closed in June 2014. We anticipate renewing our subleases with iLead through July 31, 2018.

Compass Charter Schools

April 2017

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

Group Description	Account	Account Description	
Liquidity Ratio			8.5
Assets			
Current Assets			
Cash	9120-010	Cash in Bank(s)	\$1,251,215
Cash	9125-020	Cash in County Treasury Account	\$269,190
Cash	9125-030	Cash in County Treasury Account	\$784
Cash	9125-050	Cash in County Treasury Account	\$3,068,843
Investments	9150-010	Investments	\$3,714,503
Accounts Receivables	9290-020	Due from Grantor Governments	\$1,849
Accounts Receivables	9290-030	Due from Grantor Governments	\$64,707
Accounts Receivables	9290-050	Due from Grantor Governments	\$176,769
Accounts Receivables	9290-060	Due from Grantor Governments	\$172,173
Prepaid Expenses	9330-010	Prepaid Expenses	\$68,599
Total Current Assets			\$8,788,633
Fixed Assets			
Total Fixed Assets			-
Other Assets			
Total Other Assets			-
Total Assets			\$8,788,633
Liabilities And Net Assets			

Compass Charter Schools

April 2017

Current Liabilities			
Accounts Payable	9590-020	Due to Grantor Governments	\$125,721
Accounts Payable	9590-040	Due to Grantor Governments	\$861,408
Accounts Payable	9590-060	Due to Grantor Governments	\$35,753
Accrued Salaries, Payroll Taxes, Postemployment Benefits	9503-010	Accrued STRS	\$17,140
Total Current Liabilities			\$1,040,022
Long Term Liabilities			
Loans Payable	9620-010	Security Deposit Payable - ILead	\$25,000
Total Long Term Liabilities			\$25,000
Total Liabilities			\$1,065,022
Net Assets			
Unrestricted Net Assets	9780-020-15	Temporarily Restricted Net Assets	\$12,172
Unrestricted Net Assets	9780-030-15	Temporarily Restricted Net Assets	\$9,679
Unrestricted Net Assets	9780-040-15	Temporarily Restricted Net Assets	\$12,612
Unrestricted Net Assets	9780-050-15	Temporarily Restricted Net Assets	\$13,639
Unrestricted Net Assets	9780-060-15	Temporarily Restricted Net Assets	\$26,104
Unrestricted Net Assets	9780-060-39	Temporarily Restricted Net Assets	\$15,226
Unrestricted Net Assets	9790-010	Undesignated Fund Balance	\$12,100,904
Unrestricted Net Assets	9790-020	Undesignated Fund Balance	\$365,052
Unrestricted Net Assets	9790-030	Undesignated Fund Balance	\$483,355
Unrestricted Net Assets	9790-040	Undesignated Fund Balance	\$740,750
Unrestricted Net Assets	9790-050	Undesignated Fund Balance	\$122,942
Unrestricted Net Assets	9790-060	Undesignated Fund Balance	\$1,492,283
Profit/Loss YTD			(\$7,671,108)
Total Net Assets			\$7,723,611
Total Liabilities And Net Assets			\$8,788,633

Compass Charter Schools

March 2017 - March 2017

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

		March		July - March Summary				2016-2017	
Account Code	Description	Actual	Budget	Actual	Budget	Variance \$	Variance %	Total Budget	Remaining Budget
8011	LCFF Revenue			-	-	-	0.0 %	-	-
8019	Prior Year Income/Adjustments	\$4,331	-	\$4,331	-	\$4,331	0.0 %	-	(\$4,331)
8096	Charter Schools Funding In-Lieu of Property Taxes	\$14,152	-	\$421,114	-	\$421,114	0.0 %	-	(\$421,114)
Revenue Limit		\$18,483	-	\$425,445	-	\$425,445	0.0 %	-	(\$425,445)
8299	Prior Year Federal Income			\$46,250	-	\$46,250	0.0 %	-	(\$46,250)
Federal Revenue				\$46,250	-	\$46,250	0.0 %	-	(\$46,250)
8550	Mandated Block Grant	\$3,257	\$3,836	\$229,030	\$23,015	\$206,015	895.1 %	\$38,359	(\$190,671)
8560	State Lottery Revenue			\$26,692	-	\$26,692	0.0 %	-	(\$26,692)
8590	All Other State Revenues			\$187,582	-	\$187,582	0.0 %	-	(\$187,582)
8594	Prop 39 Clean Energy Act			(\$45,147)	-	(\$45,147)	0.0 %	-	\$45,147
8599	Prior Year State Income	\$2,036	-	\$20,010	-	\$20,010	0.0 %	-	(\$20,010)
Other State Revenue		\$5,293	\$3,836	\$418,167	\$23,015	\$395,152	1,716.9 %	\$38,359	(\$379,809)
8650	Rental Income	\$40,221	\$35,600	\$322,909	\$249,200	\$73,709	29.6 %	\$356,000	\$33,091
8660	Interest Income	\$80	-	\$16,949	-	\$16,949	0.0 %	-	(\$16,949)
8699	All Other Local Revenue	\$1,344	-	\$110,548	-	\$110,548	0.0 %	-	(\$110,548)
8792	SPED State/Other Transfers of Apportionments from County	-	\$71,977	(\$176,205)	\$503,840	(\$680,045)	-135.0 %	\$719,771	\$895,976
8793	SPED State/Other Transfers of Apportionments from JPA	(\$46,619)	-	(\$146,535)	-	(\$146,535)	0.0 %	-	\$146,535
8799	Other Transfers In			\$9,805,452	-	\$9,805,452	0.0 %	-	(\$9,805,452)
Local Revenue		(\$4,974)	\$107,577	\$9,933,118	\$753,040	\$9,180,078	1,219.1 %	\$1,075,771	(\$8,857,347)
Total Revenue		\$18,802	\$111,413	\$10,822,980	\$776,055	\$10,046,925	1,294.6 %	\$1,114,130	(\$9,708,850)
1100	Teachers' Salaries	\$246,332	\$263,227	\$1,958,099	\$1,974,204	\$16,105	0.8 %	\$2,632,272	\$674,173
1200	Certificated Pupil Support Salaries	\$62,508	\$80,062	\$452,001	\$600,462	\$148,461	24.7 %	\$800,616	\$348,615
1300	Certificated Pupil Support Salaries	\$28,336	\$43,015	\$316,215	\$383,038	\$66,823	17.4 %	\$512,083	\$195,868
1900	Other Certificated Salaries			\$33,600	-	(\$33,600)	0.0 %	-	(\$33,600)
Certificated Salaries		\$337,176	\$386,304	\$2,759,915	\$2,957,704	\$197,789	6.7 %	\$3,944,971	\$1,185,056
2200	Classified Support Salaries (Maintenance, Food)	\$57,723	\$82,668	\$526,331	\$620,010	\$93,679	15.1 %	\$826,680	\$300,349

Compass Charter Schools

March 2017 - March 2017

2300	Classified Supervisor and Administrator Salaries	\$41,176	\$42,409	\$261,828	\$377,638	\$115,810	30.7 %	\$504,864	\$243,036
2400	Clerical, Technical, and Office Staff Salaries	\$35,182	\$29,027	\$383,754	\$258,479	(\$125,275)	-48.5 %	\$345,560	(\$38,194)
2900	Other Classified Salaries (Noon and Yard Sup, etc.)			\$43,008	-	(\$43,008)	0.0 %	-	(\$43,008)
Classified Salaries		\$134,081	\$154,104	\$1,214,922	\$1,256,127	\$41,206	3.3 %	\$1,677,104	\$462,182
3101	State Teachers' Retirement System, certificated positions	\$70,238	\$49,628	\$349,923	\$372,208	\$22,285	6.0 %	\$496,277	\$145,370
3313	OASDI	\$7,646	\$10,398	\$69,122	\$76,946	\$7,824	10.2 %	\$103,980	\$34,858
3323	Medicare	\$6,546	\$8,152	\$55,517	\$60,325	\$4,808	8.0 %	\$81,520	\$26,003
3403	Health & Welfare Benefits	\$48,869	\$45,403	\$401,821	\$335,982	(\$65,838)	-19.6 %	\$454,030	\$23,012
3503	State Unemployment Insurance	(\$413)	\$2,328	\$59,335	\$17,227	(\$42,108)	-244.4 %	\$23,280	(\$36,055)
3603	Worker Compensation Insurance	\$376	\$8,995	\$25,274	\$66,565	\$41,292	62.0 %	\$89,953	\$64,679
3703	Other Post Employment Benefits			\$950	-	(\$950)	0.0 %	-	(\$950)
3903	Other Employee Benefits	\$9,766	-	\$33,886	-	(\$33,886)	0.0 %	-	(\$36,079)
Employee Benefits		\$143,027	\$124,904	\$995,828	\$929,253	(\$66,575)	-7.2 %	\$1,249,041	\$220,839
Total Personnel Expenses		\$614,284	\$665,312	\$4,970,665	\$5,143,085	\$172,420	3.4 %	\$6,871,116	\$1,868,077
4100	Approved Textbooks and Core Curricula Materials	\$514,398	\$386,466	\$1,782,701	\$3,864,660	\$2,081,959	53.9 %	\$3,864,660	\$2,054,571
4200	Books and Other Reference Materials	-	\$68,282	\$500	\$614,539	\$614,039	99.9 %	\$682,821	\$682,321
4300	Materials and Supplies	\$2,584	\$2,872	\$25,740	\$22,976	(\$2,764)	-12.0 %	\$28,720	\$2,980
4315	Classroom Materials and Supplies	\$2,121	-	\$19,513	-	(\$19,513)	0.0 %	-	(\$19,513)
4400	Noncapitalized Equipment	\$337	\$111	\$14,176	\$886	(\$13,290)	-1,500.7 %	\$1,107	(\$13,069)
4430	Noncapitalized Student Equipment	-	\$13,404	\$1,981	\$107,236	\$105,254	98.2 %	\$134,044	\$132,063
Books and Supplies		\$519,440	\$471,135	\$1,844,611	\$4,610,296	\$2,765,685	60.0 %	\$4,711,352	\$2,839,353
5200	Travel and Conferences	\$1,665	\$5,000	\$35,769	\$45,000	\$9,231	20.5 %	\$50,000	\$14,231
5210	Training and Development Expense	\$8,870	\$15,000	\$133,151	\$135,000	\$1,849	1.4 %	\$150,000	\$16,849
5300	Dues and Memberships	\$1,310	\$1,000	\$22,748	\$9,000	(\$13,748)	-152.8 %	\$10,000	(\$12,748)
5400	Insurance	-	\$3,088	\$24,361	\$30,885	\$6,524	21.1 %	\$30,885	\$6,524
5500	Operation and Housekeeping Services	\$680	\$648	\$5,557	\$5,256	(\$301)	-5.7 %	\$7,200	\$1,643
5501	Utilities	\$716	\$999	\$5,334	\$8,106	\$2,771	34.2 %	\$11,104	\$5,769
5505	Student Transportation/Field Trips	-	\$6,750	-	\$54,750	\$54,750	100.0 %	\$75,000	\$75,000
5600	Space Rental/Leases Expense	\$65,814	\$65,370	\$631,428	\$582,103	(\$49,326)	-8.5 %	\$778,212	\$101,921
5601	Building Maintenance	-	\$2,160	\$1,750	\$17,520	\$15,770	90.0 %	\$24,000	\$22,250
5602	Other Space Rental	-	\$450	\$223	\$3,650	\$3,427	93.9 %	\$5,000	\$4,777
5605	Equipment Rental/Lease Expense	\$1,689	\$690	\$9,021	\$6,149	(\$2,872)	-46.7 %	\$8,220	(\$801)
5610	Equipment Repair	\$448	-	\$448	-	(\$448)	0.0 %	-	(\$448)
5800	Professional/Consulting Services and Operating Expenditures	(\$1,610)	\$26,877	\$106,627	\$239,334	\$132,707	55.4 %	\$319,965	\$213,338

Compass Charter Schools

March 2017 - March 2017

5803	Banking and Payroll Service Fees	\$526	\$420	\$4,276	\$3,740	(\$536)	-14.3 %	\$5,000	\$699
5805	Legal Services	\$27,624	\$12,420	\$95,762	\$100,740	\$4,978	4.9 %	\$138,000	\$42,238
5806	Audit Services			\$32,615	-	(\$32,615)	0.0 %	-	(\$32,615)
5807	Legal Settlements	\$7,000	-	\$7,000	-	(\$7,000)	0.0 %	-	(\$7,000)
5809	Employee Tuition Reimbursement	\$4,650	-	\$9,231	-	(\$9,231)	0.0 %	-	(\$9,231)
5810	Educational Consultants	\$8,675	\$20,610	\$30,889	\$167,170	\$136,281	81.5 %	\$229,000	\$198,111
5811	Student Transportation	\$7,166	-	\$35,779	-	(\$35,779)	0.0 %	-	(\$36,179)
5815	Advertising/Recruiting	\$4,444	\$9,000	\$24,850	\$73,000	\$48,150	66.0 %	\$100,000	\$71,568
5873	Financial Services	\$21,400	-	\$234,267	-	(\$234,267)	0.0 %	-	(\$234,267)
5874	Personnel Services	\$92	-	\$1,020	-	(\$1,020)	0.0 %	-	(\$1,020)
5875	District Oversight Fee			\$90,235	-	(\$90,235)	0.0 %	-	(\$90,235)
5877	IT Services	\$6,050	-	\$49,035	-	(\$49,035)	0.0 %	-	(\$49,035)
5890	Interest Expense/Fees	\$127	-	\$1,498	-	(\$1,498)	0.0 %	-	(\$1,498)
5899	CMO Management Fee Expense			-	-	-	0.0 %	-	-
5900	Communications (Tele., Internet, Copies, Postage, Messenger)	\$10,061	\$3,360	\$56,825	\$29,920	(\$26,905)	-89.9 %	\$40,000	(\$16,825)
Services & Other Operating Expenses		\$177,397	\$173,843	\$1,649,698	\$1,511,321	(\$138,377)	-9.2 %	\$1,981,586	\$283,018
7200	Transfer to Charter			\$9,920,482	-	(\$9,920,482)	0.0 %	-	(\$9,920,482)
Other Outgo				\$9,920,482	-	(\$9,920,482)	0.0 %	-	(\$9,920,482)
Total Operational Expenses		\$696,837	\$644,978	\$13,414,791	\$6,121,617	(\$7,293,173)	-119.1 %	\$6,692,938	(\$6,798,111)
Total Expenses		\$1,311,120	\$1,310,290	\$18,385,455	\$11,264,702	(\$7,120,753)	-63.2 %	\$13,564,054	(\$4,930,033)
Net Income		(\$1,292,318)	(\$1,198,877)	(\$7,562,475)	(\$10,488,647)	\$2,926,172	27.9 %	(\$12,449,924)	(\$4,778,817)