

APPROVED



## The Anchor School

# Minutes

## Finance Committee Meeting

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### Date and Time

Tuesday November 19, 2024 at 7:00 PM

### Location

Google Meet joining info

Video call link: <https://meet.google.com/cda-nvij-adm>

Or dial: (US) +1 401-526-8575 PIN: 612 382 123#

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### Committee Members Present

C. Humphrey (remote), S. Kollu (remote), V. Thompson (remote)

### Committee Members Absent

J. Whittington

### Guests Present

Ashley Bowen (remote), B. Hines (remote), J. Pinto Taylor (remote), M. Felts (remote), Sabrina Silver (remote)

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## I. Opening Items

### A. Record Attendance

### B. Call the Meeting to Order

V. Thompson called a meeting of the Finance Committee of The Anchor School to order on Tuesday Nov 19, 2024 at 7:09 PM.

### C. Approve Minutes

V. Thompson made a motion to approve the minutes from Finance Committee Meeting on 10-15-24.

S. Kollu seconded the motion.

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

## II. Head of School and CFO Updates

### A. FY25 Enrollment and FTE

- Submitted 206 scholars for FTE count in October. This will be used for budgeting purposes moving forward.
  - Increase from May estimate of 178 scholars.
- 48 applications submitted for next school year. Exceeding goal of 30 applications for November.
  - Primarily rising 6th graders but also includes rising 7th and 8th grade applicants
- Will continue recruiting through open enrollment window.

### B. FY26 Staffing and Compensation Preview

- Performance breakdown is updated and grouped by eligibility categories.
- Some positions could be funded by CSP grant, if allowable.
- J. Pinto-Taylor: Request for the board to identify financial goals for FY26 so management can operate within the goals and identify priorities.
- V. Thompson: What would be financial impact if all eligible employees were to receive additional stipends?
  - A: since FY26 budget model isn't final, important to determine what levers TAS would like to use to achieve budget priorities. There are multiple ways to explore.
- Current model for FY26 is negative. Projected operating income is (~\$156K)
  - Projected performance/extra pay is \$163K, current proposal is \$96K of 163K.
  - Additional ~\$65K of performance/extra pay is existing in the budget.
  - Projected operating income includes depreciation of ~\$20K.
  - Model does not include revenue from unsecured grants. Grants could support this.
- B. Hines: We should have a break even budget. Believes in performance based incentives.
- V. Thompson: What would it look like to increase overall teacher pay instead of performance incentives? What are the salary schedules or incentives of other local start-up charter schools?

- A: Compared salary schedules of local school districts but haven't done comparative analysis of other start-up charters yet.
- B. Hines: Comparison would be better between larger districts than start-up charters
- J. Pinto Taylor: Wants to get clear on board parameters and guardrails in January before budget finalized so management can make competitive offers to candidates.
- Action Items
  - J. Pinto-Taylor: ask charter school leader(s) if willing to share salary schedule
  - Board: identify fiscal goals for FY26 in January board retreat so school team can prioritize where to action.

### III. Facilities

#### A. FY26 School Facilities Plan

- V. Thompson: What is financially feasible from financial and cash flow perspective for renovations?
  - A: Difference between \$45K capital investment and \$75K capital investment is very small. Depreciation will be spread over 5 to 15 years.
  - Cash is a significant consideration since newer school. It's stable but day-to-day monitoring.
  - Select the renovation option that is needed, cash will continue to be monitored.
  - \$75K built into the budget for distribution June - August 2025
- S. Kollu: When is cash distributed when the work is completed?
  - A: Depends on the vendor.
  - Historically, design paid in current fiscal year, construction paid in following fiscal year.
  - Smaller project with hope to start earlier, so assumption is to pay more in current FY and less in FY26. Numbers can be moved around by FY as needed.
- Proposed Renovation Timeline
  - RFQ for general contracting services open, needs to stay open for at least 30 days
  - Will make decision of what contractor by March
  - Material sourcing in April, May
  - Renovations in late June, and July
- S. Silver: Will payment for sourcing materials be due on request?
  - A: typically no. Historically billed when contractor completes work phase.
- B. Hines: What is target enrollment for next year?
  - A: 336 scholars in current forecast. Ideally 110-112 per grade level. Minimum of 100 per grade.

- Meeting enrollment target for FY26 will also help alleviate cash pressures. May estimate and October actuals.
- Action Items
  - V. Thompson: Create recommendation form for Board to approve up to \$75K towards facility renovations.
  - EdTec: Create another version of MYP cash flow with facility considerations.

## **IV. Monthly Financial Review**

### **A. October Financial Updates & SCSC Dashboard**

- Approved Budget/Forecast vs. Current Forecast
  - Operating Income: Budgeted \$339K, Current Forecast (\$76K), Variance (\$13K)
  - Net Operating Income (EBITDA) is \$145K
  - Current forecast is improved since approved budget
- Monthly Cash Balance & Projections
  - Ended October with \$131K
  - Projected to end FY25 with \$280K or 27 Days Cash on Hand
  - Future Cash Inflows: \$130K CSP in November, \$200K CSP & Charter School Growth Fund in December, QBE true up in March
  - Assume \$50K CSP monthly from January to June
- Grant Dashboard
  - Title I, II, and IV grants: drawn down complete, cash not received yet
  - IDEA Grant: budget approval pending
  - State Capacity Grant: budgeting in progress
  - Parent Mentor Grant: budget approval pending
  - CSP Grant: In Progress
- FY25 Key Measures Dashboard
  - Highlights: Enrollment
  - Areas to Monitor: Year-End Fund Balance
  - Areas to Improve: Days Cash on Hand, CSP Grant Reimbursement, Donations, Expense Variance, Uncategorized Revenue & Expenses
- FY25 SCSC Dashboard
  - "Meets Financial Performance Standards" with 85 points as of October 2024
  - Areas to Monitor: Unrestricted Days Cash, Efficiency Margin
- October Financial Summary
  - Approved for \$68K CSP reimbursement with additional pending
  - Title budgets approved

## **V. Other Business**

### **A. Data Submissions**

- Audit submitted.

- Board received copy of 990 form.
- Confirmed 990 form submitted by auditor, Bambo.
- School team is submitting meal revenue data. Getting to point when costs and revenue are equal.

## B. Fundraising

- J. Pinto Taylor created updated document with facility needs to share with the board and network.
- Annual giving campaign with focused activation for Giving Tuesday and end of year.
- Minimum fundraising goal of \$10K for current fiscal year.
- V. Thompson: Are fundraising efforts specifically for the facility fund or is it for the general fund?
  - A: It can be either, or. Ideally want to have donations towards facilities to help close some financial gaps but won't limit options for donors.
- S. Kollu: Have we come up with a list of companies, foundations, and people to reach out to?
  - A: No, historically outreach has been to individuals familiar with TAS mission and vision. Company and foundation outreach is an area for strategic growth.
- Action Items
  - J. Pinto Taylor: Will send fundraising document to board by end of week.
  - Board: Share facility fundraising document and ask with personal network.
  - V. Thompson: Work with J. Pinto Taylor to build out improved user experience for online donations.

## VI. Closing Items

### A. Adjourn Meeting

V. Thompson made a motion to adjourn the meeting.

C. Humphrey seconded the motion.

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

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 8:25 PM.

Respectfully Submitted,

V. Thompson

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## Documents used during the meeting

- FY25\_2024-10\_Financial-Dashboard-Presentation\_October\_241115.pdf

**The Anchor School** is a village of educators, families, and community members that partners with 6th through 12th-grade students\* who are developing the knowledge, skills, and confidence they need to thrive in school and beyond. Through our commitment to excellent instruction, community partnerships, and holistic student development, we cultivate anchors that build a more just and equitable future.

*\*In August 2022, the SCSC authorized TAS as a GA Charter School with approval to enroll students who will be in the 6th grade in the fall of 2023.*