APPROVED



Environmental Charter Schools

Minutes

Finance Committee Meeting

Date and Time
Friday August 17, 2018 at 8:30 AM

Location
ECHS Auxiliary Space, 2625 Manhattan Beach Blvd. Suite 100, Redondo Beach, CA 90278 / Zoom: Join from PC and Mac: https://zoom.us/j/959381494 Or Telephone: +1 669 900 6833 (Meeting ID: 147 466 498) / Call-in Location: 2000 Imperial Hwy., El Segundo, CA 90245 / 11151 Orville St., Culver City, CA 90230

Finance Committee Members
Farnaz Golshani Flechner - Chair
Tracy Bondi
Ken Deemer
Bruce Greenspon
Alison Diaz

Finance Committee Charter

- Provides financial oversight for the organization
- In conjunction with staff and other stakeholders, develops an annual operating budget and recommends for board approval
- Monitors adherence to budget and recommends changes, if necessary
- Sets long-term financial goals with funding strategies to achieve them
- Considers special, unbudgeted requests and make recommendations to board
- Develops multi-year operating budgets that tie to strategic plan
- Ensures adequacy of financial controls and monitor for compliance

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- Ensure Financial literacy of Board Members by providing training

Goals for 2017-2018

- Hold a yearly ECS financial training course
- Ensure adequate financing for the facilities development in Inglewood
- Ensure salary schedules and benefits are supportable and sustainable
- Assist in determination of auditor evaluation and choice of auditors for 2018-19 audit

THE ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE
Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

PUBLIC SPEAKERS AT STANDING COMMITTEE MEETINGS
Notice is hereby given that consistent with the requirements of the Ralph M. Brown Act, special presentations not mentioned in the agenda may be made at this meeting. However, any such presentation will be for information only. The public should be aware that the Committee is unable by law to deliberate or take action on items raised during the Presentations from the Floor section.

Environmental Charter Schools recognizes that it benefits greatly from public input and perspective. Individuals are invited to address the Committee on any topic or subject matter that falls within the Committee's purview. Speakers may sign up in person immediately prior to the beginning of the Committee meeting by speaking with the Committee Chair.

Should a member of the public wish to speak on matters not listed on the agenda, they may speak during the Presentations from the Floor section of the agenda. Speakers will be given a maximum of three (3) minutes each to address the Committee (non-English speakers utilizing translators will be given a maximum of six (6) minutes each). Please note that the Committee allows a maximum of 10 minutes to each subject as determined by the Committee Chair.

Should a member of the public wish to speak on matters listed on the agenda, they may speak during the Presentations from the Floor section of the agenda. Speakers will be given a maximum of five (5) minutes each to address the Committee (non-English speakers utilizing translators will be given a maximum of ten (10) minutes each).

The public should be aware that the Committee is unable by law to deliberate or take action on items raised during the Presentations from the Floor section.

REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH A DISABILITY
Pursuant to the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990, any individual with a disability who requires reasonable accommodation to attend or participate in this meeting of the Governing Board may request assistance by contacting ECS at (310) 214-3408, option 5.

FOR MORE INFORMATION
For more information concerning this agenda or for materials relating to this meeting, please contact ECS at (310) 214-3408, option 5.

Committee Members Present
Alison Diaz, Farnaz Golshani-Flechner, Ken Deemer

Committee Members Absent
Bruce Greenspon, Tracy Bondi

Guests Present
Dorothy Lee (remote), Jeremiah Rosario David

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

Farnaz Golshani-Flechner called a meeting of the Finance Committee of Environmental Charter Schools to order on Friday Aug 17, 2018 at 8:34 AM.

C. Approve Previous Meeting Minutes

Ken Deemer made a motion to approve minutes from the Finance Committee Meeting on 06-01-18 Finance Committee Meeting on 06-01-18.
Alison Diaz seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call

Bruce Greenspon	Absent
Ken Deemer	Aye
Farnaz Golshani-Flechner	Aye
Alison Diaz	Aye
Tracy Bondi	Absent

II. Presentations from the Floor

A. Presentation from the Floor on Non Agenda Items

None.

B. Presentations from the Floor on Agenda Items

None.

III. Discussion Items / Updates

A. EdTec Financial Update

EdTec consultant Dorothy Lee shared the Financial Update slides:

ECHS Changes From June Forecast: Increase in $91k in operating income. Overall, school performed better than expected.

ECMS-G Changes From June Forecast: Dropped by $56k in operating income. Prop 39 energy efficiencies produced a $19k increase in revenue projections. $41k increase in expenses because of SPED NPS placement. Prop K revenue not received yet.

ECMS-I Changes From June Forecast: Increase in $92k in operating income. Overall, school performed better than expected.

The balance sheet slide was shown.

The operating income comparison was shown.

ECHS changes from board approved budget: increase in expected LCFF revenues. Increases in rent and CMO personnel expenses. Decrease in expected revenues from One-Time Funds.

ECMS-G changes from board approved budget: increase in expected LCFF revenues. Increases in computers and staffing expenses. Decrease in expected revenues from One-Time Funds.

ECMS-I changes from board approved budget: increase in expected LCFF revenues. Decrease in staffing expenses, but this is expected to be increased again when new office assistant salary is recognized. Decrease in expected revenues from One-Time Funds.

Projected 2018-2019 cash balances slide was shown.

Next steps slide was shown:

- Unaudited actuals were submitted in the week of August 13.
- Audit scheduled for week of September 24.
- Payroll expenses will be updated as positions are filled. Enrollment revenues will be updated once final enrollment numbers are received.
- Uncertain if Low Performing Students Block grant will be received by ECS.

B.

Fundraising YTD Update

2018-2019 ECS fundraising goal is $489k. Of $489k, ECS has received $84k year to date.

The committee discussed revising the way that fundraising goals are shown as follows:

Unrestricted or existing initiatives:
1. Goal for new fundraising for 2018-2019.
2. Funds received/committed year to date.
3. Funds needed for current year's budget (unrestricted).

Restricted or new initiatives:
1. Goal for new fundraising for 2018-2019.
2. Funds received/committed year to date.

Approved/committed grants slide was shown.

2018-2019 grant calendar slide was shown.

C. 2017-2018 Unaudited Actuals

No comments for this agenda item.

D. Principals Salaries Discussion

Chief Operating Officer Farnaz Flechner stated that ECS strives to provide competitive salaries for principals. The committee discussed and agreed to recommend an increase of 2.5% to 6% of annual salaries for principals as shown in the agenda attachment. This amounts to an increase of 0.2% toward the 2018-2019 budget.

E. 2018-2019 Finance Committee Goals

The following revised 2018-2019 Finance Committee Goals were discussed and agreed on:

- Strengthen reporting of fund development goals.
- Hold a yearly ECS financial training course.
- Ensure adequate financing for the facilities development for all school sites.
- Collaborate with Menlo Charter Properties to refinance loans at ECMS-Gardena and ECMS-Inglewood.
- Ensure salary schedules and benefits are supportable and sustainable.
- Engage board in a critical assessment of the budget as it relates to organizational priorities and goals.

IV. Action Items

A. Recommend Board Acceptance of May, June, July 2018 Check Registers

Ken Deemer made a motion to recommend board acceptance of May, June, July 2018 Check Registers.
Alison Diaz seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Farnaz Golshani-Flechner	Aye
Alison Diaz	Aye
Tracy Bondi	Absent
Ken Deemer	Aye
Bruce Greenspon	Absent

B. Recommend Board Acceptance of May-July Private Donations Over $1000

Ken Deemer made a motion to recommend board acceptance of May-July Private Donations Over $1000.
Alison Diaz seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Alison Diaz	Aye
Farnaz Golshani-Flechner	Aye
Ken Deemer	Aye
Bruce Greenspon	Absent
Tracy Bondi	Absent

C. Recommend Board Approval of Consolidated Application FY 18/19: ECHS, ECMSG, ECMSI

Ken Deemer made a motion to recommend board approval of Consolidated Application FY 18/19: ECHS, ECMSG, ECMSI.
Alison Diaz seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Ken Deemer	Aye
Tracy Bondi	Absent
Farnaz Golshani-Flechner	Aye
Bruce Greenspon	Absent
Alison Diaz	Aye

D. Recommend Board Approval of FY 18/19 Contracts

Ken Deemer made a motion to recommend board approval of FY 18/19 Contracts, withholding recommendation of the Jinta Enterprises custodial contract until annual contract amount is verified.
Alison Diaz seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Farnaz Golshani-Flechner	Aye
Bruce Greenspon	Absent
Ken Deemer	Aye
Alison Diaz	Aye
Tracy Bondi	Absent

E. Recommend Board Approval of FY 17/18 Unaudited Actuals: ECHS, ECMSG, ECMSI

Ken Deemer made a motion to recommend board approval of FY 17/18 Unaudited Actuals: ECHS, ECMSG, ECMSI.
Alison Diaz seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Bruce Greenspon	Absent
Farnaz Golshani-Flechner	Aye
Ken Deemer	Aye
Alison Diaz	Aye
Tracy Bondi	Absent

F. Recommend Board Approval of Principal Salaries

Ken Deemer made a motion to recommend board approval of principal salaries.
Alison Diaz seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Farnaz Golshani-Flechner	Aye
Tracy Bondi	Absent
Bruce Greenspon	Absent
Alison Diaz	Aye
Ken Deemer	Aye

V. Closing Items

A. Adjourn Meeting

Alison Diaz made a motion to adjourn the meeting.
Ken Deemer seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call

Bruce Greenspon	Absent
Alison Diaz	Aye
Tracy Bondi	Absent
Farnaz Golshani-Flechner	Aye
Ken Deemer	Aye

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:41 AM.

Respectfully Submitted,
Farnaz Golshani-Flechner