DRAFT

Environmental Charter Schools

Minutes

Finance Committee Meeting

By Teleconference/Zoom

Date and Time
Friday March 19, 2021 at 8:30 AM

Location
Zoom: https://us02web.zoom.us/j/86746735522?pwd=eG5RVHI4ZURqeXBwVm1YS2E0WTk5Zz09

Optional

- Call-in only: (669) 900-6833 (Meeting ID: 867 4673 5522, Passcode: 425920)
- Two-way Teleconference Location: 2625 Manhattan Beach Blvd, Suite 100, Redondo Beach, CA 90278

Finance Committee Members
Tracy Bondi - Chair
Farnaz Golshani-Flechner
Ken Deemer
Denise Berger
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
- Ensure Financial literacy of Board Members by providing training

Goals for 2020-2021

- Engage board in a critical assessment of the budget as it relates to organizational priorities and goals
- Hold a yearly ECS financial training course
- Ensure school budgets and cash flows are transparent, supportable, and sustainable
- Support ECHS #2's financial objectives in the facilities development and school startup process
- Collaborate with Menlo Charter Properties to refinance loans at ECMS- Gardena

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 (remote), Bruce Greenspon (remote), Dr. Denise Berger (remote), Farnaz Golshani-Flechner (remote), Ken Deemer (remote), Tracy Bondi (remote)

Committee Members Absent
None

Guests Present
Dorothy Lee (remote), Jeremiah Rosario David (remote)

I. Opening Items

A. Record attendance and guests

B. Call the Meeting to Order

Tracy Bondi called a meeting of the Finance Committee of Environmental Charter Schools to order on Friday Mar 19, 2021 at 8:32 AM.

C. Approve agenda

The committee approved with the agenda with the following changes:

- Table Consent B: Recommend board approval of November 2020-February 2021 check registers and November 2020-January 2021 credit card statements
- Table Action C: Recommend approval of lease revision - ECMSG and M165

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 review

EdTec Consultant Dorothy Lee provided the financial review:

At beginning of March, AB 86 was passed which provides $2B in in-person instruction grants. Grant period begins on April 1. For every day not open after April 1, will lose 1% of grant funding. Estimated maximum grant amounts: ECHS-L 203k, ECMS-G: 118k ECMS-I: 124k. Will default grant money if school stops offering in-person instruction during grant time period. LEA will need Covid Safety Plan in place and CDE report on in-person instruction will be due June 1.

Another part of AB 86 is $4.6B in expanded learning grant opportunities. 85% for in-person instruction and 10% for paraprofessionals, with up to 15% of the entire funding that can be used for remote learning.

ESSER II and ESSER III are additional pools of potential funding. There are many eligible expenditure categories, including learning loss and facilities, among others.

ECHS-L operating income increased by $240k. Savings in tech services and home office expenses and increases in local revenue, federal revenue (meal reimbursement). ECHS-L capital expenditures and balance sheet were reviewed.

ECMS-G operating income increased by $39k. Savings in comp & benefits, and increases in local and federal revenue and LCFF. This was offset by increases in expenses in teacher substitutes, consultants, and internet services. ECMS-G capital expenditures and balance sheet were reviewed.

ECMS-I operating income increased by $19k. Savings in home office expenses, and increases in local and federal revenue and LCFF. This was offset by increases in expenses in teacher substitutes, consultants, and internet services. ECMS-G capital expenditures and balance sheet were reviewed.

ECHS-G operating income increased by $492k. Budget revision in federal grant, postponing many expenditures until the following fiscal year. ECHS-G capital expenditures and balance sheet were reviewed.

Cash balances were reviewed for all schools. ESSER money is not reflected yet but it will be when received, resulting in higher cash balances.

Director of Finance Tracy Bondi presented the compensation analysis:

California minimum wage has been rising, set to cap at $15/hour in 2022. In order to remain competitive and ensure teachers feel valued, the following adjustments were proposed to the salary schedule for FY21/22: 2% increase in step (Y2-Y10), 3% increase in step (Y11-13), 1.5% increase in step (Y14-16), 0.75% increase in step (Y17-20). The year 1 Intern minimum salary increase to align with the California minimum wage starting in 2022 and a higher monthly rate for SPED/Counselor pay due to more time spent for credential required and greater student load.

ECS administrator pay for Principals, Assistant Principals, Deans, and Directors will be analyzed accordingly at the following board meeting. ECS is collecting data across other organizations to benchmark ECS wages. Early indications are that we will recommend adjusting up some of our administrator salaries effective FY21/22 to be competitive with other similar organizations.

ECS para-educator pay will be analyzed at the following board meeting as well. ECS is reviewing compensation across campuses and in relation to local similar employers. ECS seeks to ensure equitable and consistent pay structures across campuses as they prepare to open a new campus. Also, seeking to incentivize para-educators to grow into teachers or other positions, so the expectation is that there will be a salary range with a cap for this position.

B. Fundraising YTD update

CEO Farnaz Golshani-Flechner provided the fundraising YTD update:

ECS fundraising goal is $3.045M, comprised of:

- General Fund 2020/2021: $445,000
- General Fund Future Years: $600,000
- Capital ECHS-Gardena 20/21: $2,000,000

This year to date, raised $700k toward capital campaign. Significant grants already secured with more grants recently submitted and awaiting adjudication.

The Change Reaction program continues to support families in need, and for the ECHS-G capital campaign, over 20+ presentations have been given to more than 50 individuals and the recruitment of the Growth & Sustainability Committee continues.

C. ECHS-Gardena update

Director of Growth & Sustainability Alison Dias reports to the Committee that over 106 students have accepted their offers of enrollment and more than half of these students have completed their registration packets. ECS now fully expects to meet enrollment numbers for the fall.

D. Review of Menlo 165th Refinance

For the benefit of the Committee, Director of Finance Tracy Bondi reports that the Menlo 165th refinance has completed successfully.

IV. Consent Items A-C

A. Accept 11/17/2020 Finance Committee meeting minutes

Ken Deemer made a motion to accept 11/17/2020 Finance Committee meeting minutes.
Dr. Denise Berger seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Ken Deemer	Aye
Tracy Bondi	Aye
Farnaz Golshani-Flechner	Aye
Dr. Denise Berger	Aye
Bruce Greenspon	Aye
Alison Diaz	Aye

B. Recommend board approval of November 2020-February 2021 check registers and November 2020-January 2021 credit card statements

Tabled.

C. Recommend board acceptance of November 2020-February 2021 private donations over $1,000

Ken Deemer made a motion to recommend board acceptance of November 2020-February 2021 private donations over $1,000.
Dr. Denise Berger seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Tracy Bondi	Aye
Ken Deemer	Aye
Dr. Denise Berger	Aye
Alison Diaz	Aye
Bruce Greenspon	Aye
Farnaz Golshani-Flechner	Aye

V. Action Items

A.

Recommend board approval of Second Interim Financials for each site

Farnaz Golshani-Flechner made a motion to recommend board approval of Second Interim Financials for each site.
Tracy Bondi seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Farnaz Golshani-Flechner	Aye
Alison Diaz	Aye
Dr. Denise Berger	Aye
Bruce Greenspon	Aye
Tracy Bondi	Aye
Ken Deemer	Aye

B. Recommend approval of Beneficial State Bank Line of Credit for ECS for $600k

Farnaz Golshani-Flechner made a motion to recommend approval to move forward with underwriting process for Beneficial State Bank Line of Credit for ECS for $600k, pending LACOE approval.
Tracy Bondi seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Tracy Bondi	Aye
Ken Deemer	Aye
Farnaz Golshani-Flechner	Aye
Alison Diaz	Aye
Bruce Greenspon	Aye
Dr. Denise Berger	Aye

C. Recommend approval of lease revision - ECMSG and M165

Tabled.

VI. Closing Items

A. Adjourn Meeting

Ken Deemer made a motion to adjourn meeting.
Farnaz Golshani-Flechner seconded the motion.
The committee **VOTED** unanimously to approve the motion.

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

Roll Call

Dr. Denise Berger Aye

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:30 AM.

Respectfully Submitted,
Tracy Bondi