APPROVED

Equitas Academy Charter School

Minutes

Finance Committee Meeting

Date and Time
Thursday September 28, 2017 at 6:00 PM

Location
1700 W. Pico Blvd., Los Angeles, CA 90015

PUBLIC COMMENT AT EQUITAS ACADEMY BOARD MEETINGS – An opportunity for the public to address the Board will be provided at the conclusion of the agenda. Members of the public who wish to speak on any item are requested to identify themselves and indicate on which agenda item they wish to speak. The Board will provide an opportunity for the public to speak for a maximum of three (3) minutes, unless granted additional time at the discretion of the Board. Testimony shall be limited in content to matters pertaining to Equitas Academy. The Board may not take any action on matters discussed during the public testimony period that are not listed on the agenda. Brown Act Compliance: Agenda posted at School

Committee Members Present
A. Sowrirajan, S. Estilai

Committee Members Absent
B. Snyder

Guests Present
J. Host

I. Opening Items

A. Record Attendance and Guests

Aarthi, Samira and Jon present. Brett absent.

B. Call the Meeting to Order

A. Sowrirajan called a meeting of the Finance Committee of Equitas Academy Charter School to order on Thursday Sep 28, 2017 at 5:01 PM.

C. Approve Minutes

Finance Committee reviewed previous meeting's minutes; defer vote to next finance committee meeting with quorum.

II. Finance

A. Board Review of August 2017 Financials

Samira Estilai presented August Financials:

- based on current enrollment trends we are projecting 1176 students, about 50 over. More than half of that came from EQ4.
- revised budget has been submitted to LAUSD for EQ4 with a 95% attendance rate assumption and headcount of 77 scholars
- Projected to be down 8 students at EQ, 13 at EQ2, 2 at EQ3 and 27 at EQ4
- ADA should be down 44 overall
- We expect to be under on LCFF $280 to $300K overall
- EQ will ultimately be better than budget, they are receiving more federal revenue due to Title I and Title II
- State revenue is up to, when the board approved the budget we were assuming Governor's projections - state legislature approved higher
- Rec Aides that were going to be staff have been shifted to service contract - forecast in OpEx is worse than budget
- Outflow expense has been increased as a reflection of increased network costs
- Cash is at $2.5 million at the end of August, still some A/R coming in $156K in August (SB740, Lottery Funds, some nutrition funds).
- Q: How many years does it take to build up to 45 days cash on hand? We are there at EQ, not yet there at EQ2 and EQ3. To be a bond takeout, that's the most critical thing that they are looking at. When can we expect 2 and 3 to get there?
- Q: For the bond takeout level, they would look at each of these individually? If we did a bundled bond, we could probably look at a consolidated level.
- Jon is meeting with all of the school leaders, getting an understanding for how much missing enrollment targets might mean for forecasts and proposing adjustments on the expense side.
- EQ3 Federal Revenue PCSGP funds are forecasted to be above, a lot of purchases happened June 30th. Moved the revenue and expense from this year

to last year. That's why student supplies is better than budget by $160,000. Net Income is lower than projected due to increased Network Costs.

- Q: Prop 39 rent at EQ3, has it been shared by the district yet? No, we have not yet received the pro-rate share of rent costs.
- EQ4 has $215K reduced revenue from LCFF, biggest challenge - $319 overall revenue under.
- We have identified $316K in various sorts - including one fewer homeroom teacher and reduced network fees.
- Cash is fine with $250K revolving loan, we paid back and got it back in August
- Cash is leftover from Walton as well
- Basically trying to keep NI as close to what we budgeted, this school will definitely need to be watched. We can play it close to zero but wouldn't want to show a deficit.

B. RAND Subaward Contract Amendment

RAND needs to readjust the contract billing periods for the subaward. Because it is in excess of $40K, needs board approval to adjust.

III. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:52 PM.

Respectfully Submitted,
J. Host