

APPROVED



Sankofa Montessori

Minutes

April Finance Committee and Public Hearing #1 Meeting

Date and Time

Wednesday April 17, 2024 at 5:30 PM

Location

Please go to zoom.com and join meeting.

ID to join: 601 495 1069

Through a culturally responsive, child and family-centered Montessori education, Sankofa Montessori ensures that all of our students develop the knowledge, skill, and agency to have a life of purpose.

Committee Members Present

A. Grant (remote), K. Karacalidis (remote), K. Williams (remote), S. Harvey (remote)

Committee Members Absent

G. Edward

Guests Present

A. Allen-Thames (remote), A. Nash (remote), E. Moore (remote), F. Sheffield (remote), Peter Laub (remote), Stephanie Barth (remote)

I. Opening Items**A. Record Attendance****B.**

Call the Meeting to Order

K. Karacalidis called a meeting of the Finance Committee of Sankofa Montessori to order on Wednesday Apr 17, 2024 at 5:34 PM.

C. Approve Minutes

K. Williams made a motion to approve the minutes from March Finance Committee Meeting on 03-20-24.

A. Grant seconded the motion.

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

II. Budget

A. Edtech

EdTech Financial position for 23-24 (budget vs. actuals)

Behind on state, budgeted amounts were higher than the actuals

Spending-below what we budgeted

some of those changes based on lower enrollment

Forecast changes:

- New School Venture Fund grant-scheduled to arrive in 25, but rec'd notice that it's arriving in FY24, instead of FY25; will help with cash flow
- Minor adjustments to personnel, fine tuning how many hours worked
- Cash position has improved but will still have a drop off towards end of the year

CSP grant 1.25 mil--only expect to draw down \$75,000 for this fiscal year

- big draw downs will be over the next few years (curriculum, furniture, equipment)
- Waiting to draw down on title funding

SCSC dashboard

- Good standing to meet financial standards
- Currently projecting 90 points on dashboard
- Short on cash on hand (should be between 15-60 days)

looks like we will hit 51 days cash on hand-under 60 days so causes trouble with points under finance metric

Sarah: What do we need to do to hit 60 days cash on hand?

Response: 60 days cash on hand would be \$420K. (based on average expenditures/month=\$210K). Would need \$190K more in June. We're above 30 days, threshold to get 10 points on dashboard is at least 15 days cash on hand

Kim congratulated Sarah on work done to make adjustments to put us in a better place towards the end of the year.

III. SY24-25 Budget

A. Public Hearing

MYP (multi year projection) Financials-presented by EdTech

Kim informed the group that this is our first walk through of the budget information provided

One more public hearing at May Board meeting

Year 1-projected \$76K surplus

Year 2-projected budget for 24-25

- Made adjustments based on moving \$75K from FY25 to FY24
 - Enrollment projected at 180
 - Assumptions made around free & reduced lunch, ELL projected based on current percentages
 - Local revenue: reduction in contributions, more foundation grants for first year of school but that trails off; this is based on committed grants (no speculative grants in budget)
 - Rentals: expected to drop off by mid-year so that line items was reduced
 - QBE earnings adjusted based on speculation related to projected enrollment numbers, including T & E that gets added as 2nd year school in QBE calculation
1. Assuming same mix of students but that could change once students arrive-
 2. Title funding also rolled forward based on increased enrollment
 3. School lunch-will get full year of funding for next year
 4. CSP Funding line-part of \$1.25 mil expected to draw down
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- Teachers-assuming 30 kids/class, 7 teachers (more or less)to accommodate enrollment growth

Question

Kim: Asked for clarification from Sarah based on org structure of the exact amount of teachers and aides.

Sarah: 6 lead guides (6 classrooms); 6 co-teachers, but co-teachers will only be part-time
1 art teacher full-time and 1 part-time; 2 sped teachers and 2 sped paras; put in money for 1-on 1, but hoping that we won't need because planning to open a self-contained classroom with 1 sped teacher and 1 sped para

Kim: How does what Sarah described show up in the budget? Are sped paras included with line item for Sped or are the sped para included with the other para?

Response: They are listed under sped paras, then clarified listed under Sped (no individual line item for sped para)

Kim: All of what Sarah said is reflected in the numbers except Sarah ID'd 6 teachers rather than 7?

Response: Thought it was 7 teachers so that is overstated and will be updated

Question

Errika: Question about personnel section. Manager of Family Engagement and Student Culture shows a significant increase of about \$30K.

Response: He thinks it's 2 people in that line items

Sarah: Should be broken down. We have a Manager of Family Engagement and Enrollment and Manager of Behavior and Student Culture. Needs to be separated out to reflect the 2 positions.

Errika: Right now looks 1 person and the salary looks like it's more than Sarah's salary.

Question

Kim: Why have some of the salaries have dipped?

Sarah: This needs to be updated to reflect that Year 1 salary was lower and Year 2 is an increase

Associate Director of Operations offered \$76,500 in Year 1, Year 2 goes up by 2%

Response: There were retention bonuses what's listed in the budget reflects that

Sarah: Should that be captured as salary or something else? Because we didn't pay TRS on the bonuses from the State

Response: Did not pay TRS but put it in the budget category for the staff and coded with their salary. Will take a look and see what else is being added there?

Kim: Next version will have the rationale and reason for the update, correct?

Response: Yes

Question

Kim: What is included in other salaries and compensation line item? Is that for substitutes?

Response: That's usually for stipends, but asked Stephanie to chime in.

Line 199 for extra duty stipends

Kim: Sarah do you foresee that tripling for last year due to what?

Sarah: For contractors, \$30K feels like a lot. Those stipends feels like a lot. Should reduce that to \$15K rather than the \$30K listed.

Question

Andrea: For Year 2, is the difference in the amount for nurse and counselor correct?

Response: Difference for the nurse is that she started late in Year 1

Sarah: Is the counselor to do the psych evaluations or is that under special ed services?

If so, we're not getting a counselor. That service should be reflected in sped services.

Response: Will move to sped services

Sarah: But that needs to be a lower number based on what was spent this year for evaluations

Andrea: What about the 1 or 2 students who need 1-on 1? Is that included in sped services?

Sarah: That's under sped personnel.

Question

Kim: For compliance stuff for drug testing and fingerprinting. Not bringing in significantly more staff. Do we need to do that yearly or does that cost need to go down?

Sarah: Not sure about the answer to that question. Will check to see if fingerprinting needs to be done every year.

- Questions regarding salaries and how stipends were coded; will need to be corrected for next review; bonuses and stipends should not included with salary line items
- Reducing line budget items for contractors
- Professional development-primarily covered via CSP grant
- Edtech budgeted higher fee (reflects increased revenue)

Question

Errika: Heard when he said that increase is based on increased revenue. Revenue reflects about a \$700K increase from last year. Then there's \$1 mil increase from Year 2 to Year 3, but the EdTech fee is less than the increase from Year 1 to Year 2

Response: It's a sliding scale and grant management fees included in the rate (but at a lower percentage). It is not a linear progression. As enrollment grows the percentage goes down. Sliding scale and percentages listed in the contract.

- Drop in maintenance and repair services based on being in building for a year
- Assuming same rent based on not doing build out this year, moving it to next year
- Insurance goes up based on enrollment
- Pest control-need to add money to that line item for upcoming years; currently listed as 0
- Landscaping-year 1 number needs to be adjusted (over projected); Per Sarah Year 2 the number looks correct

- Safety line item: Question about significant increase in amount. Initially based on number of kids. EdTech will adjust to reflect same amount as last year since no significant changes to floor plan

EdTech tracking legislation related to safety. There is no facilities grant this year, but there is a safety grant. However, there is no information about the amount or how the grant will be implemented or the requirements. Did not put it in the budget because unsure how state will divide it. Could be by FTE count or based on school size. Grant will need to be included (and associated fees) once the state provides more information.

- Food service management: increase with enrollment
- Field trips: went down for 24-25 and trimmed down to a flat rate; will be revisited
- Spending more in instructional dollars next year with the CSP grant
- Depreciation: Non-cash expense but gets built into income statement. Represents the percentage of that equipment that is being used for that year.
- Computers: Per Sarah will increase # of computers so it is 1:1; we need 150 more computers so will need approximately \$60K to get enough for 1 computer/kid; EdTech will adjust to reflect draw down from CSP but should not have a net impact on the budget
- Authorizer fees: what we pay to the SCSC for oversight

**EdTech will type in all assumptions for next review--add more context in J column

**EdTech made some decisions on the budget for austerity based on this past year and not knowing whether CSP grant would come through. Additional adjustments need to be made in light of grant approval.

Some expenditures may appear artificially low due to pre-launch expenditures that took place before FY

B. Public Comments

No public comment.

IV. Executive Director's Corner

A. Updates

Sarah will send updates due to time.

V. 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 6:36 PM.

Respectfully Submitted,
K. Karacalidis