APPROVED

Springfield Prep
CHARTER SCHOOL

Springfield Prep

Minutes

Finance Committee Meeting

Date and Time
Monday January 24, 2022 at 7:30 AM

Location
2071 Roosevelt Avenue, Springfield, MA 01106 or via Zoom

This meeting of the Springfield Prep Charter School Finance Committee will be held via Zoom Video Conference on 1/24/22 at 7:30 am. Meeting notice was posted on the school's website (www.springfieldprep.org) on 1/18/22 at 4 pm.

Committee Members Present
A. Malone (remote), A. Piela (remote), D. Morrin (remote), J. Rosewell (remote), T. Walker (remote)

Committee Members Absent
None

Committee Members who arrived after the meeting opened
J. Rosewell

Guests Present
B. Spirer (remote), J. Callan (remote), M. Wagner (remote)

I. Opening Items

A. **Record Attendance and Guests**

B. **Call the Meeting to Order**

T. Walker called a meeting of the Finance Committee of Springfield Prep to order on Monday Jan 24, 2022 at 7:31 AM.

C. Approve Minutes from previous meeting of Finance Committee

A. Piela made a motion to approve the minutes from Finance Committee Meeting on 12-06-21.
T. Walker seconded the motion.
Doug was not able to access the minutes in BoardOnTrack, so he will abstain.
The committee **VOTED** to approve the motion.

Roll Call

J. Rosewell	Absent
T. Walker	Aye
D. Morrin	Abstain
A. Malone	Absent
A. Piela	Aye

II. Building Project

A. Review of Building Project Budget

The committee reviewed the final building project budget. Approximately $350,000 remains as surplus, which will be used to pay down the principal more quickly, as required by the loan agreement.

The committee discussed whether there was any other audit-related activities related to building project budget. Meghan explained that the capital project budget would be audited as part of the annual audit. She noted that the auditors are doing consulting work to bring our lease accounting in line with the new lease accounting standards, which will be necessary for the annual audit. There is no other audit-related work that has to take place now.

Meghan discussed the plan to move forward with a building commissioning process. This involves hiring a Commissioning Agent to review the building envelope and systems and provide training and systems development to ensure proactive building maintenance plans. Our Owner's Project Manager sought and received proposals, and we are evaluating two to determine which would be best for the school. The school plans to put the Commissioning engagement to a vote at the board meeting, either to approve a specific proposal or to approve a not-to-exceed amount of $30,000 to allow the school to move forward with the best proposal. This amount is included in the final project budget as a potential expense, but would impact the total surplus amount should we move forward.

B. Finance Committee Scheduling

The committee discussed scheduling conflicts, and decided to move the meeting to Wednesdays, the week prior, at 7:45 am. The next meetings will be on 3/23 and 4/20 at 7:45 am.

III. Monthly Financials

A. December Financials

Meghan reviewed the December financial reports. She explained that while tuition projections for this year have dropped slightly for us, as they have for schools across the state, we are still in a strong position, overall. We had not been sure if we would have full enrollment in our seventh grade class but at this point, we do expect this.
J. Rosewell arrived at 7:45 AM.
The committee discussed the variance in projected government grants and receipts, and Meghan explained that this was an issue of timing related to the ESSER III grant. This was approved this month, and Meghan is now able to draw it down. Meghan noted that expenses for COVID testing is down because the state is paying for these costs. Overall, our projections indicate that we will end the year in a strong net position, with a surplus of ~$700,000.

Meghan highlighted a new report, the SP Realty P&L. This entity will receive money from School and pass that money on to Friends, then to the school to pay for bond. Given the nature of SP Realty's purpose, we will not see a lot of activity here.

Meghan also highlighted a note on our cash flow projections. As we plan ahead for FY23 and have a sense of both FY22 and FY23 numbers, we are projecting that we will be able to have 3.2 months cash on hand at 7/1/22, which is a strong position for the school to be in.

IV. 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 9:03 AM.

Respectfully Submitted,
B. Spirer