



**PULLMAN PUBLIC
COMMUNITY FREE
MONTESSORI K-9**

Pullman Community Montessori

Finance Committee (FC)

Date and Time

Tuesday March 16, 2021 at 5:00 PM PDT

Location

Keeping safety as our top priority, until further notice, all committee meeting will be conducted virtually over Zoom.

PCM's Mission: to prepare all students to reach their full potential for future success in high school, college, career, and life, using the rich resources of our community.

PCM's Vision: to serve as an instrument of change, helping to progress our education system to better meet the needs of students, families, and educators. We nurture students to be self-empowered lifelong learners, global citizens, environmental stewards, and compassionate and collaborative leaders, bringing positive changes to their communities and the world!

Agenda

I. Opening Items

- A.** Record Attendance
- B.** Call the Meeting to Order

'Grounding Questions' for the FC:

- Do we believe that our internal policies and procedures are being followed?
- What is our current cash balance, and is management confident in the organization's ability to meet short term cash needs?

- How are our actuals to budget performing for this fiscal year? If there have been material unfavorable variances, in expenses or revenues, what is being done to mitigate this?
- How are our "big projects" going? (ex: facilities, enrollment drives, hiring, etc).

REMINDERS

During the planning year (now to August 18, 2021), these are some overarching items that each FC member should be thinking about:

- How are our draft fiscal policies and procedures coming along?
- How are we tracking to budget overall?
- How is our cash balance and will we be able to meet our short term cash needs?
- How is enrollment doing?

Once the school opens in fall 2021, an FC member's priorities change a bit. As we prepare for this shift we will receive coaching from Joule.

WHAT WE NEED TO BE DOING NOW

During a planning year, think of it as two-fold between short-term and long-term:

1. Short term (monthly):

- Budget: make sure the organization is staying within budget (expense and revenue wise) by reviewing Budget to Actuals monthly
- Cash: make sure the organization can meet their payroll and accounts payable needs by reviewing the balance sheet monthly

2. Long term (periodic):

- Long-term budget: make sure the organization has a sustainable multi-year forecast (by reviewing the 5-year budget workbook once a year)
- Short-term budget: make sure the next year's budget is reasonable, attainable, and approved in a timely manner (by approving the next year's budget by Jul-Aug yearly)
 - Includes reviewing staffing, enrollment, and other material levers (start review of budget in Apr-Jun)
- Policies: make sure the organization has a robust internal fiscal policies and procedures manual (by approving policies during the planning year and reviewing the manual yearly)
- Contracts: make sure the organization is entering into responsible and sustainable long-term contracts (leases for example)

Notes from Joule----How we like to see the Finance Committee engage:

1. Most important items are those we highlight on our dashboard. If you are doing appropriate (meaning reasonably accurate) budget planning, these are the items you need to monitor monthly.

2. When it comes to budget planning, we will strongly advocate to assume at least 3% student attrition of the course of any given year, and we like to see schools budgeting at least a 3% positive net margin on a long-term basis (you don't always need it, but very rarely does extra money show up, and quite frequently, extra expenses do).
3. Evaluate all significant staffing and facilities decisions with a 5-year outlook, not one.
4. Build up to 60 days cash ASAP (within years 1 or 2); if you can't get there by that point, it could be very hard to do so at all.

C. Approve Minutes

Please review the prior meeting minutes in advance and come to the meeting with any amendments in writing that can be added to the Zoom chat. This makes recording changes quick and easy.

Approve minutes for Finance Committee (FC) on February 16, 2021

II. Finance Committee (FC)

A. Review & Approve February Financials

Please review the school financials below prior to the meeting. Please try to ask questions to Matt or Laylah in advance so we are prepared to vote at the meeting.

1. [Dashboard](#) (high level view of main metrics)
2. [Balance Sheet](#)
3. [Profit & Loss Statement/Income Statement](#)
4. [Budget vs. Actual Report & Forecast vs Actual Report](#)

B. Continued Review of 5-Yr Forecasts

The simplified 5 Year Budget workbook that PCM has been developing with JGP can be found in this packet.

We will break up our review into four separate topics and address them in the following order, topics not covered this meeting will be covered next meeting:

- **Revenues**
- **Staffing expenses**
- **School Operations expenses**
- **Facility expenses**

C. Questions from Last Meeting

Planning Year Budget Action Items -- all completed

Action Item: Update note related to school mint (move to correct notes section)

Action Item: Update \$29K

Monthly Financials questions to report out on:

- when will enrollment be reported on dashboard (March)
- dashboard will be updated to correct numbers next time (addresses Aubree's question related to the \$50K mark)
- Carmel recommends Joule update financials so that the Statement of Activity includes a month-to-date and year-to-date column. Also recommends adding a cash flow statement to year end reporting. Noted this would go above and beyond with transparency and make it easier for her to read reports

III. Other Business

IV. Closing Items

A. Adjourn Meeting

Grounding Docs: [FC Description & Responsibilities](#) , [Norms-We are LEADERS too-Structure and Responsibilities Overview](#), [Bylaws](#) (read committees section), [PCM Logic Model](#), [Org Charts](#)

School Wide Evaluation Tools (model fidelity): [EEMPS Rubric](#), [School-Wide Reflective Practice Inventory](#)

Resources: [Planning Yr Financials Considerations](#), [Example Dashboard Review](#), [Contract](#), Commission Financial Performance Framework