



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

Pullman Community Montessori

Finance Committee (FC)

Date and Time

Tuesday April 20, 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.

II. Finance Committee (FC)

A. Review & Approve March 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](#)
5. [Statement of Cash Flows](#)

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**

[Link to Slideshow](#) (no need to preview, this will be covered during the meeting)

C. Begin Scope and Sequence of Future FC Meetings

In order to ensure we are meeting and ahead of all deadlines, we would like to take time to plan out the remainder of Year 0 FC meetings, until August 2021. See linked template below for what we will fill out in our time together.

ACTION PRIOR TO MEETING: Please add any items that are deliverables or deadlines to the "Deadlines" tab of the GoogleSheet prior to our FC meeting.

[PCM Finance Committee Meeting Scope and Sequence](#)

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

Coversheet

Review & Approve March Financials

Section: II. Finance Committee (FC)
Item: A. Review & Approve March Financials
Purpose: Vote
Submitted by:
Related Material: PCM Finance Dashboard March 2021.docx
PCM Balance Sheet March 2021.pdf
PCM P&L March 2021.pdf
PCM Budget to Actuals March 2021.pdf
PCM Forecast to Actuals March 2021.pdf
PCM YTD Statement of Cash Flows March 2021.pdf



	Metric <i>Description</i>	Result	Goal	Status	Notes
1.	Current Student Recruitment Count <i>Enrollment is the school's primary revenue driver</i>	N/A	N/A	○	<i>Enrollment tracking will begin in April 2021</i>
2.	Public Revenue Received as a % of overall budget <i>Measures rate of receipt of public funds to date</i>	19%	19%	○	<i>All CSP reimbursements</i>
3.	Private Revenue Received as a % of overall budget <i>Measures progress against fundraising goals</i>	104%	100%	○	<i>Private grants have gone over the budgeted amount (COVID grant)</i>
4.	Expenditures to date as a % of overall budget <i>Measures actual spending against planned spending</i>	34%	36%	○	<i>Montessori Coach and Family Engagement Coordinator hire dates pushed back</i>
5.	Cash on Hand <i>Measures operational and financial stability</i>	\$62k	\$35k	○	<i>Current forecasts show PCM ending the year with \$35k in cash</i>

Additional notes for discussion:

Enrollment reporting to begin next month!

Private revenue received exceeds the budgeted amount due to applied for and received WA Charters COVID grant.

Pullman Community Montessori

Balance Sheet As of March 31, 2021

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Cash Checking	60,935.80
1005 Cash MMA or Savings	1,095.22
Total Bank Accounts	\$62,031.02
Accounts Receivable	
1100 Accounts Receivable (A/R)	20,590.06
Total Accounts Receivable	\$20,590.06
Other Current Assets	
1150 Prepays & Other Assets	13,988.59
Total Other Current Assets	\$13,988.59
Total Current Assets	\$96,609.67
Fixed Assets	
1501 Fixed Assets-Capitalized Equipment	10,362.60
1510 Facilities - In Progress	2,500.00
Total Fixed Assets	\$12,862.60
TOTAL ASSETS	\$109,472.27
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2100 Accounts Payable	5,669.28
Total Accounts Payable	\$5,669.28
Other Current Liabilities	
2101 Accrued Accounts & Payroll Payable	10,709.22
2152 Workers' Compensation Tax Payable	450.84
2153 State Unemployment Tax Payable	1,025.61
2154 Paid Family Medical Leave Tax Payable	138.05
2171 Use Tax Payable	749.80
Total Other Current Liabilities	\$13,073.52
Total Current Liabilities	\$18,742.80
Total Liabilities	\$18,742.80
Equity	
2998 Unrestricted Net Assets	97,202.42
2999 Restricted Net Assets	15,000.00
Net Revenue	-21,472.95
Total Equity	\$90,729.47
TOTAL LIABILITIES AND EQUITY	\$109,472.27

Pullman Community Montessori

Profit and Loss

March 2021

	TOTAL
Revenue	
3100 Local donations	954.50
3501 Interest Income (Private)	0.03
3520 Private Foundations / Grants	52,500.00
5200 Federal - CSP	20,590.06
Total Revenue	\$74,044.59
GROSS PROFIT	\$74,044.59
Expenditures	
6010 Certificated - Instructional Management	7,666.66
6105 Classified - Executive Management	7,666.66
6107 Classified - Other Admin - Non -Instructional	4,120.44
7051 Social Security/Medicare/FUTA	1,488.22
7052 Worker's Compensation Insurance	109.98
7053 State Unemployment	365.71
8010 Legal	1,375.00
8035 Payroll & Accounting Services	2,500.00
8050 Contracted Services - Tech	640.00
8051 Contracted Services - Program Support / PD	2,960.00
8505 Board Expenses	833.33
8541 Technology - Software	715.20
8565 Office Expense	91.53
8580 Student Recruitment / Marketing	1,731.95
9005 Insurance Expense	417.33
9015 Building and Land Rent / Lease	7,132.23
Total Expenditures	\$39,814.24
NET OPERATING REVENUE	\$34,230.35
NET REVENUE	\$34,230.35

Pullman Community Montessori

Year 0 Budget vs Actual

July 2020 - March 2021

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Revenue				
3100 Local donations	5,195.11	25,000.00	-19,804.89	20.78 %
3501 Interest Income (Private)	0.22		0.22	
3520 Private Foundations / Grants	240,000.00	230,000.00	10,000.00	104.35 %
5200 Federal - CSP	85,783.75	453,200.00	-367,416.25	18.93 %
Total Revenue	\$330,979.08	\$708,200.00	\$ -377,220.92	46.74 %
GROSS PROFIT	\$330,979.08	\$708,200.00	\$ -377,220.92	46.74 %
Expenditures				
6010 Certificated - Instructional Management	34,666.64	95,833.33	-61,166.69	36.17 %
6105 Classified - Executive Management	68,999.94	99,666.67	-30,666.73	69.23 %
6106 Classified - Operations Staff		15,093.75	-15,093.75	
6107 Classified - Other Admin - Non -Instructional	14,665.94	13,248.00	1,417.94	110.70 %
6270 Certificated - Teachers - Regular		52,440.00	-52,440.00	
7051 Social Security/Medicare/FUTA	9,052.45	19,820.00	-10,767.55	45.67 %
7052 Worker's Compensation Insurance	604.02	2,402.00	-1,797.98	25.15 %
7053 State Unemployment	1,819.26	3,315.00	-1,495.74	54.88 %
8010 Legal	2,638.75		2,638.75	
8035 Payroll & Accounting Services	22,500.00	32,500.00	-10,000.00	69.23 %
8050 Contracted Services - Tech	640.00		640.00	
8051 Contracted Services - Program Support / PD	26,330.00	30,000.00	-3,670.00	87.77 %
8060 Dues & Memberships	579.00	1,500.00	-921.00	38.60 %
8065 Interest Expense	5.41		5.41	
8505 Board Expenses	7,083.31	10,000.00	-2,916.69	70.83 %
8510 Classroom / Teaching Supplies & Materials	275.00	100,000.00	-99,725.00	0.28 %
8530 Equipment / Furniture	3,699.53	100,000.00	-96,300.47	3.70 %
8540 Technology - Hardware	2,509.51	53,200.00	-50,690.49	4.72 %
8541 Technology - Software	6,970.08		6,970.08	
8565 Office Expense	513.50	2,000.00	-1,486.50	25.68 %
8570 Staff Development	175.00		175.00	
8575 Staff Recruitment	2,214.56	5,000.00	-2,785.44	44.29 %
8580 Student Recruitment / Marketing	7,338.36	5,000.00	2,338.36	146.77 %
9005 Insurance Expense	834.66	3,500.00	-2,665.34	23.85 %
9015 Building and Land Rent / Lease	26,134.69	57,528.00	-31,393.31	45.43 %
Total Expenditures	\$240,249.61	\$702,046.75	\$ -461,797.14	34.22 %
NET OPERATING REVENUE	\$90,729.47	\$6,153.25	\$84,576.22	1,474.50 %
NET REVENUE	\$90,729.47	\$6,153.25	\$84,576.22	1,474.50 %

Pullman Community Montessori

Budget vs. Actuals: Forecast - FY21 P&L

July 2020 - March 2021

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Revenue				
3100 Local donations	5,195.11	25,000.00	-19,804.89	20.78 %
3501 Interest Income (Private)	0.22		0.22	
3520 Private Foundations / Grants	240,000.00	245,000.00	-5,000.00	97.96 %
5200 Federal - CSP	85,783.75	505,211.00	-419,427.25	16.98 %
Total Revenue	\$330,979.08	\$775,211.00	\$ -444,231.92	42.70 %
GROSS PROFIT	\$330,979.08	\$775,211.00	\$ -444,231.92	42.70 %
Expenditures				
6010 Certificated - Instructional Management	34,666.64	73,600.00	-38,933.36	47.10 %
6105 Classified - Executive Management	68,999.94	99,666.67	-30,666.73	69.23 %
6107 Classified - Other Admin - Non -Instructional	14,665.94	44,985.70	-30,319.76	32.60 %
6270 Certificated - Teachers - Regular		48,885.00	-48,885.00	
7051 Social Security/Medicare/FUTA	9,052.45	22,039.00	-12,986.55	41.07 %
7052 Worker's Compensation Insurance	604.02	2,671.00	-2,066.98	22.61 %
7053 State Unemployment	1,819.26	3,686.00	-1,866.74	49.36 %
7054 Paid Family Medical Leave	0.00		0.00	
8010 Legal	2,638.75	3,000.00	-361.25	87.96 %
8035 Payroll & Accounting Services	22,500.00	32,500.00	-10,000.00	69.23 %
8050 Contracted Services - Tech	640.00	12,950.00	-12,310.00	4.94 %
8051 Contracted Services - Program Support / PD	26,330.00	67,600.00	-41,270.00	38.95 %
8060 Dues & Memberships	579.00	1,500.00	-921.00	38.60 %
8065 Interest Expense	5.41		5.41	
8505 Board Expenses	7,083.31	10,000.00	-2,916.69	70.83 %
8510 Classroom / Teaching Supplies & Materials	275.00	100,000.00	-99,725.00	0.28 %
8530 Equipment / Furniture	3,699.53	100,000.00	-96,300.47	3.70 %
8540 Technology - Hardware	2,509.51	25,753.00	-23,243.49	9.74 %
8541 Technology - Software	6,970.08	9,818.00	-2,847.92	70.99 %
8565 Office Expense	513.50	2,000.00	-1,486.50	25.68 %
8570 Staff Development	175.00		175.00	
8575 Staff Recruitment	2,214.56	2,500.00	-285.44	88.58 %
8580 Student Recruitment / Marketing	7,338.36	8,000.00	-661.64	91.73 %
8595 Fundraising		4,750.00	-4,750.00	
9005 Insurance Expense	834.66	8,500.00	-7,665.34	9.82 %
9015 Building and Land Rent / Lease	26,134.69	55,466.00	-29,331.31	47.12 %
Payroll Expenses				
Wages	0.00		0.00	
Total Payroll Expenses	0.00		0.00	
Total Expenditures	\$240,249.61	\$739,870.37	\$ -499,620.76	32.47 %
NET OPERATING REVENUE	\$90,729.47	\$35,340.63	\$55,388.84	256.73 %
NET REVENUE	\$90,729.47	\$35,340.63	\$55,388.84	256.73 %

Pullman Community Montessori

Statement of Cash Flows

July 2020 - March 2021

	TOTAL
OPERATING ACTIVITIES	
Net Revenue	90,729.47
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
1100 Accounts Receivable (A/R)	-20,590.06
1150 Prepaids & Other Assets	-13,988.59
2100 Accounts Payable	5,669.28
2101 Accrued Accounts & Payroll Payable	10,709.22
2151 Social Security/Medicare/FUTA Tax Payable	0.00
2152 Workers' Compensation Tax Payable	450.84
2153 State Unemployment Tax Payable	1,025.61
2154 Paid Family Medical Leave Tax Payable	138.05
2160 Direct Deposit Payable	0.00
2171 Use Tax Payable	749.80
2202 Loan Payable - short-term	0.00
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	-15,835.85
Net cash provided by operating activities	\$74,893.62
INVESTING ACTIVITIES	
1501 Fixed Assets-Capitalized Equipment	-10,362.60
1510 Facilities - In Progress	-2,500.00
Net cash provided by investing activities	\$ -12,862.60
FINANCING ACTIVITIES	
2998 Unrestricted Net Assets	-15,000.00
2999 Restricted Net Assets	15,000.00
Net cash provided by financing activities	\$0.00
NET CASH INCREASE FOR PERIOD	\$62,031.02
CASH AT END OF PERIOD	\$62,031.02