

APPROVED



City on a Hill Charter Public School

Minutes

May 2020 Finance Committee Meeting

Date and Time

Thursday May 7, 2020 at 2:00 PM

This meeting took place remotely pursuant to the March 12, 2020 Baker-Polito Administration announcement of an emergency order temporarily modifying the state's open meeting law.

Committee Members Present

Andres Tejeda Soto (remote), Cara Stillings-Candal (remote), Elizabeth Dignan (remote), Jacqueline Bennett (remote)

Committee Members Absent

None

Guests Present

Kevin Taylor (remote)

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

Andres Tejeda Soto called a meeting of the Finance Committee of City on a Hill Charter Public School to order on Thursday May 7, 2020 at 2:08 PM.

C.

Approve April 2020 Meeting Minutes

Cara Stillings-Candal made a motion to approve the minutes from April 2020 Finance Committee Meeting April 2020 Finance Committee Meeting on 04-03-20.

Elizabeth Dignan seconded the motion.

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

Roll Call

Jacqueline Bennett Aye

Cara Stillings-Candal Aye

Andres Tejada Soto Aye

II. Review Draft FY2020-21 Budget

A. Review Draft FY2020-21 Budget

Andres Tejada Soto, Committee Chair, introduced the topic of the draft FY2020-21 to the Committee, and asked Elizabeth Dignan, Chief Operating Officer, to provide an overview of management's considerations in creating the proposal.

Dignan reminded attendees that the bulk of City on a Hill's funding is from per pupil tuition from the state, and shared the components of per pupil tuition as foundation rate, above foundation rate, facilities and tuition. Dignan highlighted that the COVID-19 Pandemic will have significant negative impact on state revenues, and in turn on education funding for school year 2020-2021. Dignan emphasized that this is not a one-time impact but something that will affect tuition for several years. She also shared that spending by Boston Public Schools (BPS), which has also been reduced due to COVID-19, negatively impacts the above foundation rate.

Given the above shifts, management is recommending budgeting for a per pupil tuition of \$19,152 or a 7.7% reduction from the school year 2019-2020 budget. Committee members asked when Massachusetts will pass the state budget with finalized tuition rates. Dignan and Kevin Taylor, Chief Executive Officer, shared that it will likely happen of July or August 2020 given the COVID-19 Pandemic.

Next, Dignan shared the enrollment figures submitted as part of the City on a Hill Circuit Street and City on a Hill Dudley Square Consolidation Amendment (279 students) and provided an update for the school year 2020-2021 budget. When creating the draft budget, management anticipated higher attrition and churn rate for 9th graders but a lower attrition rate for 11th graders, and is budgeting for 275 students.

Dignan also discussed factors that may affect school year 2020-2021 enrollment, including families' appetite to switch schools during periods of uncertainty, students' experience with the challenging SY19-20 school year, possibility of being promoted to the next grade level, and loss of learning in Q4 at all schools and impact on level of support needed. Dignan stressed importance of having a robust plan in place for next school

year, including a comprehensive remote learning plan to retain current students and attract new students

Then, Dignan walked the Committee through the draft SY20-21 budget and highlighted the academic and culture investments City on a Hill is making, including budget set aside for tutors, academic consultants, and a Director of Culture. The investments are being funded by the restructured debt payments at the City on a Hill Foundation, which reduced the rent that City on a Hill Circuit Street would pay to the City on a Hill Foundation. Additionally, Dignan shared that management is recommending budgeting for two (2) months of facilities costs at City on a Hill Dudley Square to allow for additional time to find a sub-lessee.

Committee members probed deeper into how the investments were being funded and what cuts were made. Dignan provided examples of cuts like Ellevation and Achieve3000, two organization-wide software licenses which teachers and school-based administrators agreed were not key levers for success in school year 2020-2021.

The Committee then asked about the status of the City on a Hill Dudley Square lease. Taylor responded that due to the COVID-19 Pandemic, activity has slowed as potential sub-lessees are focused on other priorities, but assured the Committee that management is making every effort to find a sub-lessee as quickly as possible.

Members also asked about possibility of City on a Hill Foundation grants for next school year. Taylor responded that CoaH had to cancel the Annual City on a Hill Gala this year, and the position of Director of Development Operations was eliminated, so CoaH should not be counting on grants from the City on a Hill Foundation. The Committee also discussed financial impact of COVID-19 on potential donors but mentioned possibility of starting an online campaign.

Dignan also used a hypothetical scenario of a 10% decline in per pupil tuition, which would pose a gap of \$133K, to share managements thinking around contingency planning and walked through example budget items that could be cut should tuition picture looks worse than budgeted.

Finally, Dignan shared expenses related to the COVID-19 Pandemic not currently in the budget but could be reimbursed via the CARES act including chromebook replacement spend and Personal Protective Equipment (PPE). Management is waiting on further guidance from the Department of Elementary and Secondary Education (DESE) on amount of funding and types of expenses which are reimbursable.

Taylor asked the committee is they are in position to recommend that the budget as presented be submitted for approval to the Board of Trustees at their meeting on Tuesday, May 12th. Committee members asked whether Leadership would obtain further clarity on the tuition picture before end of June and whether City on a Hill could revise the

budget if the tuition is worse than budgeted. Taylor shared that while CoaH would not receive more clarity before the end of June, it was possible to revise the budget after approval.

Cara Stillings-Candal made a motion to recommend approval of the the draft FY21 Budget to the Board of Trustees.

Jacqueline Bennett seconded the motion.

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

Roll Call

Jacqueline Bennett Aye

Cara Stillings-Candal Aye

Andres Tejeda Soto Aye

III. School Year 2019-20 Update

A. School Year 2019-20 Update

Due to time constraints, this section was not covered.

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 3:00 PM.

Respectfully Submitted,
Andres Tejeda Soto