



# Maine Charter School Commission

## Finance Committee Meeting

Published on September 3, 2024 at 4:10 PM EDT

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### Date and Time

Thursday September 5, 2024 at 12:00 PM EDT

### Location

Zoom

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### Agenda

	Purpose	Presenter
<b>I. Opening Items</b>		
<b>A.</b> Record Attendance		Susan Whipkey
<b>B.</b> Call the Meeting to Order		Leigh Albert
<b>II. Ad-Hoc Agenda Items</b>		
<b>A.</b> SY2022-23 Annual Monitoring Reports Addendum	Discuss	Lana Ewing
<b>III. Standard Agenda Items</b>		
<b>A.</b> Financial Audits	Discuss	Joe Drago
<b>B.</b> Financial Health of the Portfolio	Discuss	Joe Drago
<b>C.</b> FY25 Budget vs. Actual Dashboard/Spending Report	Discuss	Susan Whipkey

	Purpose	Presenter
<b>D.</b> Amendment Requests/Fund Requests <i>None</i>	Discuss	Lana Ewing
<b>E.</b> Requests to Incur Debt <i>None</i>	Vote	Lana Ewing
<b>F.</b> Updates/Announcements	FYI	Lana Ewing

- *Discuss Recommendation for Maine Arts Academy's Request to Expand to Grades 7 and 8*

#### **IV. Next Month's Topics**

- *Renewal Applications*
  - *Ecology Learning Center*
  - *Maine Virtual Academy*

#### **V. Next Meeting Date/Time**

*October 3, 2024 (Zoom)*

#### **VI. Closing Items**

<b>A.</b> Adjourn Meeting	FYI	Leigh Albert
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# Coversheet

## SY2022-23 Annual Monitoring Reports Addendum

**Section:** II. Ad-Hoc Agenda Items  
**Item:** A. SY2022-23 Annual Monitoring Reports Addendum  
**Purpose:** Discuss  
**Submitted by:**  
**Related Material:** 2022-23 Annual Monitoring Reports Addendum\_Final\_.pdf

**2022-23 Annual Monitoring Reports Addendum**

**ACADIA Academy**

**Summary Finance Commentary:** ACADIA’s audit report was not submitted on time and included notes about the school’s ability to continue as a going concern.

<b>Financial Performance and Stability</b>	<b>Near Term Measures</b> a) Current Ratio b) Unrestricted Days Cash on Hand c) Enrollment Variance d) Obligation Default	School evaluates its Near Term Financial Performance and Stability outline provided by the Commission.	<b>FY23 Near Term Results</b> a) Current Ratio: 2.5 to 1 – Lower Risk b) Unrestricted Days Cash on Hand: 35 days – Moderate Risk c) Enrollment Variance: -3.5% - Moderate Risk d) Obligation Default: None – Lower Risk  <b>Overall FY23 Near Term Measures – Moderate Risk</b>
	<b>Sustainability Measures</b> a) Total Margin b) Debt to asset ratio c) Cash Flow d) Obligations Coverage Ratio	School evaluates its Financial Sustainability using the Financial Performance and Stability outline provided by the Commission.	<b>FY23 Sustainability Results</b> a) Total Margin: 1.9% current year, 4.4% 3year – Lower Risk b) Debt to asset ratio: 18% - Lower Risk c) Cash Flow: Negative Current Year, Positive Cumulative – Moderate Risk d) Obligations Coverage: 8.11 – Lower Risk  <b>Overall FY23 Sustainability Measures – Lower Risk</b>
	<b>Financial Planning &amp; Budgeting</b>	School publishes a 3-year annual financial plan that includes a 2-year annual budget and a 1-year projection for year 3 that is board approved.	<b>FY23 Financial Planning &amp; Budgeting Results</b> Meets Expectations                      3 Year Plan Submitted

**2022-23 Annual Monitoring Reports Addendum**

**Baxter Academy for Technology and Science**

<b>Summary Finance Commentary:</b> Near term measurements reflect higher risk in Current Ratio and Obligations Coverage Ratio due to the terms of the school's existing financing agreements.			
<b>Financial Performance and Stability</b>	<b>Near Term Measures</b> a) Current Ratio b) Unrestricted Days Cash on Hand c) Enrollment Variance d) Obligation Default	School evaluates its Near Term Financial Performance and Stability outline provided by the Commission.	<b>FY23 Near Term Results</b> a) Current Ratio: 0.35 to 1 – High Risk b) Unrestricted Days Cash on Hand: 40 days – Moderate Risk c) Enrollment Variance: -4.1% - Moderate Risk d) Obligation Default: None – Lower Risk  <b>Overall FY23 Near Term Measures – Moderate Risk</b>
	<b>Sustainability Measures</b> a) Total Margin b) Debt to asset ratio c) Cash Flow d) Obligations Coverage Ratio	School evaluates its Financial Sustainability using the Financial Performance and Stability outline provided by the Commission.	<b>FY23 Sustainability Results</b> a) Total Margin: -9.3% current year, 0.3% 3-year – Moderate Risk b) Debt to asset ratio: 83% - Lower Risk c) Cash Flow: Current Year Negative, Cumulative Positive – Moderate Risk d) Obligations Coverage: 0.35 – High Risk  <b>Overall FY23 Sustainability Measures – Moderate Risk</b>
	<b>Financial Planning &amp; Budgeting</b>	School publishes a 3-year annual financial plan that includes a 2-year annual budget and a 1-year projection for year 3 that is board approved.	<b>FY23 Financial Planning &amp; Budgeting Results</b> Meets Expectations 3 Year Plan Submitted

**2022-23 Annual Monitoring Reports Addendum**

**Community Regional Charter School**

**Summary Finance Commentary:** The school ran a deficit of \$69K for FY23.

<b>Financial Performance and Stability</b>	<b>Near Term Measures</b> a) Current Ratio b) Unrestricted Days Cash on Hand c) Enrollment Variance d) Obligation Default	School evaluates its Near Term Financial Performance and Stability outline provided by the Commission.	<b>FY23 Near Term Results</b> <hr/> a) Current Ratio: 1.03 to 1 – Moderate Risk b) Unrestricted Days Cash on Hand: 32 days – Moderate Risk c) Enrollment Variance: +2% - Lower Risk d) Obligation Default: None – Lower Risk  <b>Overall FY23 Near Term Measures – Moderate Risk</b>
	<b>Sustainability Measures</b> a) Total Margin b) Debt to asset ratio c) Cash Flow d) Obligations Coverage Ratio	School evaluates its Financial Sustainability using the Financial Performance and Stability outline provided by the Commission.	<b>FY23 Sustainability Results</b> <hr/> a) Total Margin: -1.4% current year, 3.2% 3-year - Moderate Risk b) Debt to asset ratio: 58% - Lower Risk c) Cash Flow: Current Year Positive, Cumulative Negative – High Risk d) Obligations Coverage: 0.86% - High Risk  <b>Overall FY23 Sustainability Measures – Moderate Risk</b>
	<b>Financial Planning &amp; Budgeting</b>	School publishes a 3-year annual financial plan that includes a 2-year annual budget and a 1-year projection for year 3 that is board approved.	<b>FY23 Financial Planning &amp; Budgeting Results</b> <hr/> Meets Expectations                      3 Year Plan Submitted



**2022-23 Annual Monitoring Reports Addendum**

**Fiddlehead School of Arts & Sciences**

**Summary Financial Commentary:** Of concern - while the near-term results score in the lower risk category, the total margin trend, the cash flow trend and the obligations coverage ratio are all negative bringing the sustainability results score to a high-risk measure.

<b>Financial Performance and Stability</b>	<b>Near Term Measures</b> a) Current Ratio b) Unrestricted Days Cash on Hand c) Enrollment Variance d) Obligation Default	School evaluates its Near Term Financial Performance and Stability outline provided by the Commission.	<b>FY23 Near Term Results</b> a) Current Ratio: 1.97 – Lower Risk b) Unrestricted Days Cash on Hand: 64 days – Lower Risk c) Enrollment Variance: -4% - Moderate Risk d) Obligations Default – None – Lower Risk  <b>Overall FY23 Near Term Measures – Lower Risk</b>
	<b>Sustainability Measures</b> a) Total Margin b) Debt to asset ratio c) Cash Flow d) Obligations Coverage Ratio	School evaluates its Financial Sustainability using the Financial Performance and Stability outline provided by the Commission.	<b>FY23 Sustainability Results</b> a) Total Margin: -11.4% current yr., -0.8% 3-yr – High Risk b) Debt to asset ratio: 77% - Lower Risk c) Cash Flow: Current Year Negative, Cumulative Negative – High Risk d) Obligations Coverage: -2.13 – High Risk  <b>Overall FY23 Sustainability Measures – High Risk</b>
	<b>Financial Planning &amp; Budgeting</b>	School publishes a 3-year annual financial plan that includes a 2-year annual budget and a 1-year projection for year 3 that is board approved.	<b>FY23 Financial Planning &amp; Budgeting Results</b> Meets Expectations                      3 Year Plan Submitted



**2022-23 Annual Monitoring Reports Addendum**

**Maine Academy of Natural Sciences**

**Summary Financial Commentary:** Unrestricted Cash on Hand improved from 56 days in FY22 to 72 days and scores in the lower risk category. MEANS operated with a deficit for FY23 and the cash flow metric scores in the high risk category.

<b>Financial Performance and Stability</b>	<b>Near Term Measures</b> a) Current Ratio b) Unrestricted Days Cash on Hand c) Enrollment Variance d) Obligation Default	School evaluates its Near Term Financial Performance and Stability outline provided by the Commission.	<b>FY23 Near Term Results:</b> a) Current Ratio: 1.79 to 1 – Lower Risk b) Unrestricted Days Cash on Hand: 72 days – Lower Risk c) Enrollment Variance: -7% - High Risk d) Obligation Default: None – Lower Risk  <b>Overall FY23 Near Term Measures – Moderate Risk</b>
	<b>Sustainability Measures</b> a) Total Margin b) Debt to asset ratio c) Cash Flow d) Obligations Coverage Ratio	School evaluates its Financial Sustainability using the Financial Performance and Stability outline provided by the Commission.	<b>FY23 Sustainability Results:</b> a) Total Margin: -1.9% current yr.; 1.1% 3-yr. – Moderate Risk b) Debt to asset ratio: 43% - Lower Risk c) Cash Flow: Current Year Negative, Cumulative Negative – High Risk d) Obligations Coverage: 1.17 – Lower Risk  <b>Overall FY23 Sustainability Measures – Moderate Risk</b>
	<b>Financial Planning &amp; Budgeting</b>	School publishes a 3-year annual financial plan that includes a 2-year annual budget and a 1-year projection for year 3 that is board approved.	<b>FY23 Financial Planning &amp; Budgeting Results</b> Meets Expectations                      3 Year Plan Submitted

**2022-23 Annual Monitoring Reports Addendum**

**Maine Arts Academy**

**Summary Financial Commentary:** Unrestricted Cash on Hand declined from 103 days in FY22 to 22 days. MeAA operated with a deficit during FY23, impacting scores negatively. MeAA purchased a new building and took on debt during the year.

<b>Financial Performance and Stability</b>	<b>Near Term Measures</b> a) Current Ratio b) Unrestricted Days Cash on Hand c) Enrollment Variance d) Obligation Default	School evaluates its Near Term Financial Performance and Stability outline provided by the Commission.	<b>FY23 Near Term Results</b> a) Current Ratio: 2.19 to 1 – <b>Lower Risk</b> b) Unrestricted Days Cash on Hand: 22 days – <b>High Risk</b> c) Enrollment Variance: -8% - <b>High Risk</b> d) Obligations Default: None – <b>Lower Risk</b>  <b>Overall FY23 Near Term Measures – Moderate Risk</b>
	<b>Sustainability Measures</b> a) Total Margin b) Debt to asset ratio c) Cash Flow d) Obligations Coverage Ratio	School evaluates its Financial Sustainability using the Financial Performance and Stability outline provided by the Commission.	<b>FY23 Sustainability Results</b> a) Total Margin:-4.4% current yr.; 6.5% 3-yr. – <b>Moderate Risk</b> b) Debt to asset ratio: 83% - <b>Lower Risk</b> c) Cash Flow: Current Year Negative, Cumulative Negative – <b>High Risk</b> d) Obligations Coverage: 1.65% - <b>Lower Risk</b>  <b>Overall FY23 Sustainability Measures – Moderate Risk</b>
	<b>Financial Planning &amp; Budgeting</b>	School publishes a 3-year annual financial plan that includes a 2-year annual budget and a 1-year projection for year 3 that is board approved.	<b>FY23 Financial Planning &amp; Budgeting Results</b> <b>Meets Expectations</b> 3 Year Plan Submitted





# Coversheet

## FY25 Budget vs. Actual Dashboard/Spending Report

**Section:** III. Standard Agenda Items  
**Item:** C. FY25 Budget vs. Actual Dashboard/Spending Report  
**Purpose:** Discuss  
**Submitted by:**  
**Related Material:** Dashboard for FY25 08\_28\_24.pdf



# MCSC FY25 Budget vs. Actual (As of August 28, 2024)

Revenue	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Allotment - Legislatively Mandated	\$694,809	\$520,214	(\$174,595)	\$694,809
Additional State Subsidy Available	\$110,603		(\$110,603)	\$29,395
<b>Total Allotment - ED279</b>	<b>\$805,412</b>	<b>\$520,214</b>	<b>(\$285,198)</b>	<b>\$724,204</b>
Carryover Funds	\$38,285	\$0	(\$38,285)	\$82,096
Grants	\$0	\$0	\$0	\$2,163
<b>TOTAL Annual Revenue</b>	<b>\$843,697</b>	<b>\$520,214</b>	<b>(\$323,483)</b>	<b>\$808,463</b>

Costs (1)	Projection FY25	Actual FY25	Difference FY25	Actual FY24
<b>Total Cost Summary</b>	<b>\$849,472</b>	<b>\$153,948</b>	<b>\$695,525</b>	<b>\$714,491</b>

## (1) Detail of Costs

Personnel	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Staff Salaries	\$302,779	\$52,981	↑ \$249,798	\$275,491
Manpower Service Fee	\$67,669	\$11,482	↑ \$56,187	\$101,932
Benefits	\$63,000	\$10,500	↑ \$52,500	\$60,000
<b>TOTAL Personnel</b>	<b>\$433,448</b>	<b>\$74,962</b>	<b>\$358,486</b>	<b>\$437,423</b>

Technology for Schools	Projection FY25	Actual FY25	Difference FY25	Actual FY24
NWEA MAP Test	\$14,400	\$0	↑ \$14,400	\$13,351
Panorama Education	\$11,500	\$0	↑ \$11,500	\$10,625
Infinite Campus	\$21,789	\$22,024	↓ (\$235)	\$19,615
Lotterease	\$2,625	\$0	↑ \$2,625	\$6,669
Epicenter	\$40,646	\$34,210	↑ \$6,436	\$33,710
College-Readiness Diagnostics	\$4,725	\$0	↑ \$4,725	\$4,500
Board on Track	\$35,000		↑ \$35,000	\$0
<b>TOTAL Technology for Schools</b>	<b>\$130,684</b>	<b>\$56,234</b>	<b>\$74,451</b>	<b>\$88,470</b>

Contracted Services	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Financial Consultant	\$51,739	\$4,725	↑ \$47,014	\$38,408
Public Relations/ Engagement	\$25,000	\$0	↑ \$25,000	\$20,843
Project-Based Support	\$45,000	\$0	↑ \$45,000	\$51,563
Operational/Financial Support	\$0	\$0	→ \$0	\$0
<b>TOTAL Contracted Services</b>	<b>\$121,739</b>	<b>\$4,725</b>	<b>\$117,014</b>	<b>\$110,814</b>

Technology for MCSC	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Office of Information Technology	\$3,675	\$0	↑ \$3,675	\$8,636
Cell Phone Services	\$2,730	\$276	↑ \$2,454	\$2,664
Website	\$5,000		↑ \$5,000	\$0
Remote CART Captioning Service	\$0	\$0	→ \$0	\$2,350
BoardOnTrack	\$5,775	\$5,495	↑ \$280	\$5,495
<b>TOTAL Technology for MCSC</b>	<b>\$17,180</b>	<b>\$5,771</b>	<b>\$11,409</b>	<b>\$19,145</b>

Personal Services - Per Diem / Commission Members	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Per Diem	\$15,400	\$990	↑ \$14,410	\$12,729
NACSA	\$0		→ \$0	\$0
<b>TOTAL Personal Services</b>	<b>\$15,400</b>	<b>\$990</b>	<b>\$14,410</b>	<b>\$12,729</b>

Charter School Innovation/Collaboration	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Innovation Fund/Professional Development	\$40,000		↑ \$40,000	\$0
Board Chair Collaboration	\$1,700	\$0	↑ \$1,700	\$1,511
CountMe In	\$1,500		↑ \$1,500	\$0
<b>TOTAL Charter School Innovation/</b>	<b>\$43,200</b>	<b>\$0</b>	<b>\$43,200</b>	<b>\$1,511</b>

Travel	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Commission Members	\$8,400	\$236	↑ \$8,164	\$3,958
Staff	\$13,000	\$1,809	↑ \$11,191	\$7,772
<b>TOTAL Travel</b>	<b>\$21,400</b>	<b>\$2,045</b>	<b>\$19,355</b>	<b>\$11,730</b>

Sta-Cap	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Sta-Cap	\$10,264	\$0	↑ \$10,264	\$3,033
<b>TOTAL Contingency</b>	<b>\$10,264</b>	<b>\$0</b>	<b>\$10,264</b>	<b>\$3,033</b>

General Operations	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Insurance/Risk Management	\$893	\$27	↑ \$866	\$822
Printing/Photocopying Services	\$1,000	\$0	↑ \$1,000	\$516
Dues and Subscriptions	\$7,203	\$1,680	↑ \$5,523	\$6,926
Meeting Room Rental	\$1,050		↑ \$1,050	\$0
Postage	\$315	\$0	↑ \$315	\$272
Advertising	\$525	\$0	↑ \$525	\$200
Food	\$420	\$0	↑ \$420	\$234
General Government Service Center	\$11,825	\$7,513	↑ \$4,312	\$9,395
Legal and Professional Services	\$11,401	\$0	↑ \$11,401	\$10,858
Office and Other Supplies	\$525	\$0	↑ \$525	\$413
<b>TOTAL General Operations</b>	<b>\$35,157</b>	<b>\$9,220</b>	<b>\$25,937</b>	<b>\$29,636</b>

Contingency	Projection FY25	Actual FY25	Difference FY25	Actual FY24
Contingency	\$21,000		↑ \$21,000	\$0
<b>TOTAL Contingency</b>	<b>\$21,000</b>	<b>\$0</b>	<b>\$21,000</b>	<b>\$0</b>