APPROVED

El Camino Real Charter High School

Minutes

Finance Committee Meeting

Date and Time
Monday December 14, 2020 at 4:30 PM

Location
VIRTUAL COMMITTEE MEETING - Please see below.

The Finance Committee is a standing committee of the Board of Directors of El Camino Real Alliance.

For committee meeting materials, please go to the school's main office, or call (818) 595-7500. Some board meeting materials are also posted in the school's website (https://ecrchs.net - click the ECR Board tab).

VIRTUAL COMMITTEE MEETING

In accordance with Governor Newsom's Executive Order N-29-20, the meeting of the Finance Committee will take place via a virtual/teleconferencing environment.

To join the virtual Committee meeting, please register through GoToWebinar https://attendee.gotowebinar.com/register/5154886955480366092, webinar ID 916-913-923. You must register for the event (note you do not need to enter your legal name to participate). Once registered, you can attend the meeting through the online link, or by telephone (a call-in number and audio PIN will be provided after you register and prior to the meeting).

PUBLIC COMMENTS

If you would like to make a comment during the Public Comment section or during an agenda item, you may do so in two ways: (1) click the "Raise Hand" icon on the control panel; or (2) email your comment to comment@ecrchs.net and it will be read on the record. **Please note**: your name will be read on the record along with your comment; if you do not wish to have your name read, please indicate on your email.

In order to conduct an orderly meeting, all members of the public will be placed on mute during the Committee meeting, except during public comments. Note that for those who elect to participate through the call-in number, you will not have the option of being unmuted during the meeting.

The Public Comments agenda item is set aside for members of the audience to raise issues that are not specifically on the agenda. However, due to public meeting laws, the Committee can only listen to your issue, not respond or take action. The Committee may give direction to staff to respond to your concern or you may be offered the option of returning with a citizen-requested item. These presentations are limited to three (3) minutes and total time allotted to non-agenda items will not exceed thirty (30) minutes. A member of the public who requires the use of a translator, in order to receive the same opportunity as others to directly address the Committee, shall have twice the allotted time to speak. When addressing the Committee, speakers are requested to adhere to the time limits set forth. In order to maintain allotted time limits, the Committee Chair may modify speaker time allocations or the total amount of allotted time for an item.

Consent Agenda: All matters listed under the consent agenda are considered by the Committee to be routine and will be approved/enacted by the Committee in one motion in the form listed below. Unless specifically requested by a Committee member for further discussion or removed from the agenda, there will be no discussion of these items prior to the Committee votes on them. The Committee recommends approval of all consent agenda items.

In compliance with the Americans with Disabilities Act (ADA) and upon request, El Camino Real Alliance may furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Requests for disability related modifications or accommodations shall be made 24 hours prior to the meeting to Daniel Chang, in person, by email at d.chang@ecrchs.net, or by calling (818) 595-7537.

Committee Members Present
Beatriz Chen (remote), Brian Archibald (remote), Scott Silverstein (remote)

Committee Members Absent
None

Guests Present
Daniel Chang (remote), David Hussey (remote), Gregory Wood (remote)

I. Opening Items

A. Call the Meeting to Order

Brian Archibald called a meeting of the Finance and Investment Committee Committee of El Camino Real Charter High School to order on Monday Dec 14, 2020 at 4:33 PM.

B. Record Attendance and Guests

C. Public Comments

There were no public comments.

II. Consent

A. Approve Minutes of November 16, 2020 Finance Committee Meeting

Mr. Wood noted that the minutes for item III.B. identified him as being absent; he is not a voting member and it should not reflect him in the vote for that item. This will be corrected.
Beatriz Chen made a motion to approve the minutes from Finance Committee Meeting on 11-16-20.
Scott Silverstein seconded the motion.
The committee **VOTED** unanimously to approve the motion.

III. Financial Review

A. Review of Investment Portfolio

Mr. Wood went over the investment portfolio review.
Mr. Archibald asked how the 14.2% investment change was calculated; Mr. Wood said that this was by taking the $1.98M gains/losses divided by the $13.94M beginning balance, this is only for this year. The reduction in the general account is due to moving over of contributions to the OPEB account.

B. Review of November 2020 Check Registers

The November 2020 check registers were reviewed.
Mr. Archibald asked about the utilization of the Shoup property. Mr. Hussey stated that it is open 5 days a week, with 2 teachers, 1 administrator and 1 clerical staff. But the students are all remotely learning. Mr. Archibald asked about the DWP amount; Mr. Silverstein stated that this amount has been consistent throughout. Mr. Silverstein asked

if it would be possible to put solar panels. Mr. Silverstein also noted that the HVAC system is likely auto-programmed, and asked if we could go through and limit when the HVAC system and lights are on, both at the Shoup property and the main campus. Mr. Hussey noted that the lights in the main campus are on automatic motion sensor, so if the lights are on they may be because someone is there. Mr. Hussey stated he will talk to the plant managers about the Shoup property system tomorrow.
Mr. Silverstein asked about the reconditioning of the track, and whether this was an annual contract. Mr. Hussey said no, but there were quite a few holes that needed to be repaired. Mr. Silverstein asked if expenses are down overall, whether funds could be found to renovate the bleachers. Mr. Hussey said that he will discuss this with the plant managers.
Mr. Silverstein asked about the allocation to Chartwells of $63K; this is a reimbursable expense.
Mr. Silverstein also asked about the payment to LAUSD of $183K, and asked what the remaining disputed balance is; Mr. Hussey responded that there is still $215K being reviewed, and there is another meeting scheduled with LAUSD sometime possibly this week.
Scott Silverstein made a motion to recommend approval of the November 2020 check registers to the Board.
Beatriz Chen seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call

Beatriz Chen	Aye
Brian Archibald	Aye
Scott Silverstein	Aye

C. Review of November 2020 American Express Bill

The November 2020 American Express statement and summary were reviewed.
Mr. Archibald asked about the $511.87 delinquency charge; Mr. Wood stated that this was something new, and that we are disputing an overcharge from McGraw Hill but it has been delayed due to COVID. Once resolved, it is expected that the delinquency charge will be waived.
Mr. Archibald also asked regarding Amazon Web Services, and whether we can do better than this; Mr. Hussey stated that Fernando Delgado was looking into alternatives, including possibly paying an annual fee up front at a lower cost than making monthly payments. Ms. Chen asked for a breakdown of this charge.
Mr. Silverstein asked about a possible new credit card with points; Mr. Wood noted he has a possible one he is looking into.
Beatriz Chen made a motion to recommend approval of the November 2020 American Express statement to the Board.
Scott Silverstein seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call

Beatriz Chen	Aye
Brian Archibald	Aye
Scott Silverstein	Aye

D. November 2020 Financial Update

John Arndt of ICON School Management went over the November 2020 financial update. On the Investment Analysis, Mr. Silverstein asked why the investment shows a loss. Mr. Arndt noted that this is how Cetera is reporting the investment account to ICON. Mr. Archibald stated that this was based on the fair market value to date.
The 1st Interim Financial report was submitted to LAUSD on 12/2/2020; to date, no issues or questions have been received. Mr. Wood said that he has spoken to LAUSD and they indicated that everything looked complete.
Mr. Silverstein asked where the substitute teachers were listed. This is on the income Income Statement section, line 5884.

E. Discuss and Vote on 1st Interim Financials

Mr. Wood went over the 1st Interim Financial Report, which was submitted to LAUSD on 12/2/2020.
Mr. Silverstein asked if the food services expenses were being reimbursed; Mr. Wood stated yes.
Mr. Silverstein also asked about the learning loss; while expenses may be less, is there not an expectation of increased costs once school resumes in person? Mr. Hussey stated yes, we may have to increase our summer school program to help mitigate some of the learning loss.
Scott Silverstein made a motion to recommend approval of the 1st Interim Financial report to the Board.
Beatriz Chen seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call

Scott Silverstein	Aye
Brian Archibald	Aye
Beatriz Chen	Aye

Mr. Wood shared the Budget report that was provided to the staff this past Tuesday, December 8, 2020.

F. Discuss Investment Advisor Proposals

Mr. Wood went over the proposals received from the investment advisors. One company, Merrill Lynch, declined making a proposal as they said they no longer provide services for charter schools. Mr. Wood said that he would recommend that we have an interview process with one or more of the advisors before making a vote to recommend one to the Board.

Mr. Archibald asked if staff had come up with a matrix and evaluated the proposals based on that. Mr. Wood said no, but the executive team met and reviewed the proposals and asked for an executive summary based on the volume of documents received.
Mr. Hussey said that, based on the review, he would like to see Beacon Pointe proceed to the next round, as it appears they have institutional experience and their fee structure appeared to be the most cost-effective.
Mr. Archibald asked that the staff send an email with their recommendation; the Committee can then review and make a vote as to their recommendation at the next Committee meeting.
Mr. Silverstein suggested that staff (certificated and classified) be present at the discussions regarding the selection of the investment advisor. Mr. Archibald clarified that the staff would not have a vote since it is not in their area of expertise, but they should certainly have a voice. Mr. Hussey and Mr. Wood will coordinate communicating with staff regarding this.

IV. Closing Items

A. Adjourn Meeting

Scott Silverstein made a motion to adjourn the meeting.
Beatriz Chen seconded the motion.
The committee **VOTED** unanimously to approve the motion.
There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:04 PM.

Respectfully Submitted,
Daniel Chang