APPROVED

El Camino Real Charter High School

Minutes

Finance Committee Meeting

Date and Time
Thursday February 18, 2021 at 4:00 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/9092273280384114956, webinar ID 394-695-619. 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

Committee Members who arrived after the meeting opened
Beatriz Chen

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 Thursday Feb 18, 2021 at 4:05 PM.

B. Record Attendance and Guests

C. Public Comments

There were no public comments

II. Consent

A. Approve Minutes of January 21, 2021 Finance Committee Meeting

Scott Silverstein made a motion to approve the minutes from Finance Committee Meeting on 01-21-21.
Brian Archibald seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call	
Brian Archibald	Aye
Beatriz Chen	Absent
Scott Silverstein	Aye

III. Financial Review

A. January 2021 Financial Update

John Arndt of ICON School Management went over the January 2021 Financial Update. Prior financial statements were updated to make them more in line with what is going on this year such as in terms of investments and long-term debt. This includes reclassification of the OPEB funds, and the PPP funding being added as a long term debt.
As to the investments, Mr. Silverstein asked if anyone has seen the details of the annuities that were purchased. Mr. Wood responded that he receives a monthly statement, and he will share more information later in the meeting.

Mr. Silverstein asked how far we are into the school year; Mr. Hussey replied that we are about 55% into the school year as of the end of January.
Mr. Wood stated that ECR had reached an agreement with LAUSD as to the outstanding disputed Maintenance & Operations charges. We started with a balance allegedly due of $976,864.21. After negotiation and some payments, there remained a disputed sum of $54,354.75; this amount was placed in a separate bank account. A settlement was reached where ECR will pay $43,123.65 to LAUSD, and bring the remaining $11,231.10 back into our general account. Mr. Hussey noted that this will allow us to begin discussions with LAUSD about the building improvements that are needed, including the Alt Ed structures. Mr. Archibald commended all involved in getting this resolved.
Mr. Wood went over the Cafeteria Financial Summary. We had tried to convert to a cold packaged meal during the winter break, but that did not work as well, so we are going back to a hot meal program. As a result, our meals served in January decreased significantly, but we should see an increase again starting February 2021. Mr. Wood also noted that we had a commodities credit of $9,929.67; if not for this commodities credit, we would have realized a net loss.
Mr. Silverstein asked for clarification regarding the delivery of meals; Mr. Wood noted that we were giving out meals on Tuesdays, one hot meal and pre-packaged meals for the rest of the week including the weekend. Upon returning from the break in January, we attempted giving out 3 hot meals each day, but the community did not want to come out every day. As a result, we are now delivering meals twice a week, Tuesdays and Fridays.
Mr. Wood also shared that our food service contract is expiring at the end of this year; as a result, we have started the Request for Proposal (RFP) process. Mr. Wood stated that we have been advised that, given the pandemic, we have the option of extending our current contract for a year. Staff will discuss and advise the Committee as this option is considered.
Mr. Silverstein asked that the quality of the food, which should increase participation when we go back to in-person instruction, be considered when we discuss the contract.
Mr. Wood went over the enrollment and ADA report. It was previously reported that there had been an overreporting of attendance in month 5; this was corrected in the system.
Mr. Silverstein asked if we still had a waiting list; Mr. Hussey replied yes, but it has been more difficult to gauge this year because middle school students who will be coming in the fall sometimes erroneously believe they are automatically enrolled at ECR. Mr. Hussey stated that we should have a better understanding in April or May.
Mr. Archibald asked about jump in the number of Alt Ed students in month 5; Mr. Hussey stated that this is because we had previously only identified students who were only taking classes in Alt Ed. Now, for better tracking purposes, we are including students who take even a single Alt Ed class (and concurrently removing them from the ADA for the general student body).
Mr. Silverstein ask about the ADA for independent study; Mr. Hussey stated that it is based on the amount of work completed, not necessarily physical attendance, and the ADA fluctuates based on when the students complete the work. He noted that the ADA is a little lower than it should be, but he stated that independent study is geared more

towards at-risk students, and that the numbers can fluctuate. Mr. Silverstein asked if there was something we could do to improve these numbers; Mr. Hussey noted that we are looking into ways we can provide greater support to the students.

B. Review of Investment Portfolio

Mr. Wood went over the investments review for the year to date. Mr. Archibald asked if the total amount included the monthly contributions; Mr. Wood indicated that it did, and that the numbers reflect a loss in value of approximately $160K.

C. Discuss and Vote on Investment Advisor

Mr. Hussey shared staff's recommendation for selecting Beacon Pointe as the investment advisor. Two town hall meetings took place, one for City National Bank and one for Beacon Pointe. Each company presented, and there was opportunity for Q&A. After the presentations, a short survey was sent out. Everything was reviewed, and after this review staff is recommending Beacon Pointe. This is based on the belief that Beacon Pointe will be more flexible and provide customized services.
Mr. Hussey also noted that the Board would be discussing the Co-Trustee to be appointed. Ms. Gruen, who had previously been considered, declined the position. Mr. Hussey sent out an email for the entire staff to see if there was anyone who was interested in serving, and there is one individual that will be recommended at the Board meeting.
Mr. Wood also noted that the entire Board will also be discussing the corporate trustee for the OPEB account.
Scott Silverstein made a motion to recommend Beacon Pointe as the investment advisor to the Board.
Brian Archibald seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call

Beatriz Chen	Absent
Brian Archibald	Aye
Scott Silverstein	Aye

D. Review of January 2021 Check Registers

Mr. Wood noted that the AT&T accounts were highlighted, and a consultant has been retained to try to untangle this issue and help with the consolidation process.
Mr. Silverstein asked if there were any vendors who were requiring payment without rendering services; Mr. Hussey and Mr. Wood stated that they were not aware of any such vendors.
Mr. Archibald noted that he had questioned (and received responses regarding) check numbers 14937 (part of the approved budget for the Learning Continuity and Attendance Plan). Mr. Archibald also questioned using Amazon Capital Services as opposed to making payments using our corporate credit card; Mr. Wood responded that this will be transitioned over to the new credit card. Mr. Archibald also questioned the payment to J

Thayer Company for furniture for the Shoup property. Mr. Wood stated that we resolved the dispute with McGraw-Hill, ad as a result we received a credit from AMEX.
Scott Silverstein made a motion to recommend approval of the January 2021 check registers to the Board.
Brian Archibald seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call	
Beatriz Chen	Absent
Scott Silverstein	Aye
Brian Archibald	Aye

E. Review of January 2021 American Express Bill

Mr. Wood went over the January 2021 AMEX statement. This includes a credit of $11,060.25 for the disputed McGraw-Hill charge.
Mr. Wood provided an update on the status of the new credit card through US Bank. Credit approval was received from US Bank with a $50,000 limit. We will be assigned an implementation manager to help us set everything up, and we should be getting the physical cards in approximately 5 to 10 business days.
Scott Silverstein made a motion to recommend approval of the January 2021 AMEX charges to the Board.
Brian Archibald seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call	
Scott Silverstein	Aye
Brian Archibald	Aye
Beatriz Chen	Absent

F. Discuss Status of CARES Act Funding

Beatriz Chen arrived.
The CARES funding report shows the different funds received - the amount received or which we will be receiving, and how much we spent against some of those funds. For example, the CR Fund has a deadline of 12/31/2021; we have already spent this amount.
Mr. Silverstein asked if we are keeping a separate ledger of the different funds spent; Mr. Wood replied that we are. The PPP loan is not reflected in this chart as it is not a CARES Act fund.
Mr. Wood noted that we are not spending all of the funding that we could, but that we would only spend as needed. Mr. Archibald stated that he was in complete agreement with that.

IV. Closing Items

A.

Adjourn Meeting

Scott Silverstein made a motion to adjourn the meeting.
Brian Archibald 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 5:29 PM.

Respectfully Submitted,
Daniel Chang