

APPROVED



El Camino Real Charter High School

Minutes

Finance Committee Meeting

Date and Time

Tuesday May 25, 2021 at 4:00 PM

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/4365401326331285264>, webinar ID 512-959-611. 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 David Hussey, in person, by email at comment@ecrchs.net, or by calling (818) 595-7500.

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

Committee Members who left before the meeting adjourned

Beatriz Chen

Guests Present

Daniel Chang, David Hussey (remote), Emilie Larew (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 Tuesday May 25, 2021 at 4:07 PM.

B. Record Attendance and Guests

C. Public Comments

There were no public comments.

II. Consent

A. Approve Minutes of April 15, 2021 Finance Committee Meeting

Scott Silverstein made a motion to approve the minutes from Finance Committee Meeting on 04-15-21.

Brian Archibald seconded the motion.

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

Roll Call

Brian Archibald Aye

Beatriz Chen Absent

Scott Silverstein Aye

Beatriz Chen arrived at 4:09 PM.

III. Financial Review

A. April 2021 Financial Update

John Arndt from ICON reviewed the April 2021 financial update including balance sheet, cash flow, cash analysis, investment analysis, profit and loss summary, budget comparison, and year-to-date spending compared to the prior year.

Mr. Silverstein asked if there were any large expenditures planned or of which ECR is aware. Mr. Arndt replied no, and anything for the 2021-2022 school year would go into pre-planned expenses. Mr. Wood noted that ECR had purchased \$400,000 worth of student laptops that were approved by the Board back in February. Mr. Wood also stated that the payroll expenses would be about \$200,000 higher than normal due to stipends

for in-person instruction. And there will also be increased expenses for student athletics which had been postponed until recently.

On the budget comparison, Mr. Arndt noted that there was a misclassification, as special education revenues should be classified as local revenue and not as state revenue; he stated this would be corrected for the next meeting.

Mr. Silverstein asked if there would be a budget that was broken down by department; Mr. Wood stated yes, primarily in the areas of textbooks and supplies. Mr. Archibald asked as to whether there was a plan for getting an interim budget; Mr. Arndt replied that there would be a budget that would be available for the next Committee meeting. Mr. Archibald noted that this was more of an operational question; Mr. Wood stated that ECR had just received data last week that is needed to create the budget, and that there were various options for a timeline to get a budget proposed and adopted.

B. Review of Investment Portfolio

The investment summary was reviewed.

C. Review and Vote on Revised Investment Policy Statements

Mike Breller from Beacon Pointe went over the revisions to the Investment Policy Statements for ECRA's general account and OPEB account. The Committee discussed the appropriate job titles versus ECRA officer titles for use in this document for the Executive Director and CBO; it was noted that whether the CBO is the designated officer to oversee and administer the Trust would be subject to discussion and approval by the Board. It was also decided that the references to Chief Executive Officer would be changed to President.

The Committee reviewed proposed changes to the types of investments authorized under the policies for OPEB and for the general account, and reviewed the allowable ranges for different asset classes. Mr. Breller noted that one change made in the permitted investments was the inclusion of Interval Funds. The Committee determined that Interval Funds would be removed from the list of authorized investments. Also, the Committee agreed to keep the allowable ranges as listed in the revised documents.

Beatriz Chen left at 4:57 PM.

Scott Silverstein made a motion to recommend approval of the Investment Policy Statements as amended 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

D. Review of April 2021 Check Registers

The Committee reviewed and discussed the April check registers and requested follow-up at the next meeting regarding questions. Specifically, Mr. Archibald asked for more

information regarding the purchase of Surface Books for administrators; Mr. Hussey noted that this was for approximately 8 to 9 individuals, and that the last tech refresh for the group occurred approximately 5 years ago. Mr. Hussey noted that more information on this would be provided. And Mr. Silverstein asked about the charge for helmet replacement, and questioned why this amount was being spent if we had already paid to have them replaced. Mr. Wood noted that this may be to replace the check for the payment previously made; he will get clarification on this.

Mr. Silverstein asked if payment was being made to Cetera or US Bank; Mr. Wood noted that the transition was being made to US Bank, and that the May payment would be made through Cetera but future payments would be made to US Bank assuming linkage is established.

Mr. Archibald asked about the cost associated with the bank office provider, Icon. Mr. Wood replied that Icon has made a proposal for next year which will include a reduction in rate; he and Mr. Hussey has not responded to the proposal as of yet.

Due to the need for additional information, the Committee did not make a recommendation regarding Board approval.

E. Review of April 2021 Credit Card Bills

Mr. Archibald asked about the outdoor surface cleaner purchased through Home Depot, and whether other options were considered; Mr. Wood replied yes, and the cleaner from Home Depot seemed to be the best available option.

Scott Silverstein made a motion to recommend approval of the April 2021 credit card bills to the Board.

Brian Archibald seconded the motion.

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

Roll Call

Beatrix Chen Absent

Scott Silverstein Aye

Brian Archibald Aye

F. Review and Vote on 2019-2020 Tax Return

Mr. Archibald asked about the line for salaries and other benefits, and whether there was such a significant increase. Mr. Wood replied that the difference was due to an auditor adjustment that recharacterized certain employee benefits.

Scott Silverstein made a motion to recommend approval of the 2019-2020 tax return to the Board.

Brian Archibald seconded the motion.

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

Roll Call

Scott Silverstein Aye

Beatrix Chen Absent

Brian Archibald Aye

IV. Closing Items

A. Adjourn Meeting

Brian Archibald made a motion to adjourn the meeting.

Scott Silverstein seconded the motion.

The committee **VOTED** 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 5:31 PM.

Respectfully Submitted,

Brian Archibald