APPROVED

El Camino Real Charter High School

Minutes

Finance and Investment Committee

Date and Time
Thursday September 15, 2022 at 5:30 PM

Location
Main Campus in Grieb Theater

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).

ATTENTION:

WE HAVE RETURNED TO "IN-PERSON" FINANCE AND INVESTMENT COMMITTEE MEETINGS.

INSTRUCTIONS FOR PRESENTATIONS TO THE BOARD BY PARENTS AND OTHER MEETING ATTENDEES:

El Camino Real Alliance ("ECRA") welcomes your participation at ECRA's Board meetings. The purpose of a public meeting of the Board of Directors ("Board") is to conduct the affairs of ECRA in public.

Your participation assures us of continuing community interest in our charter school. To assist you in the ease of speaking/ participating in our meetings, the following guidelines are provided:

1. Agendas are available to all audience members at the door to the meeting.

2. “Request to Speak” forms are available to all audience members who wish to speak on any agenda items or under the general category of “Public Comments.”

“Public Comments” 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 Board can only listen to your issue, not respond or take action.
These presentations are limited to ***two (2) 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 Board, shall be permitted twice the allotted time to speak.

The Board may give direction to staff to respond to your concern or you may be offered the option of returning with a citizen-requested item.

3. You may also complete a “Request to Speak” form to address the Board on Agenda items. With regard to such agenda items, you may specify the item(s) on your “Request to Speak” form and you will be given an opportunity to speak for up to three (3) minutes before the item is addressed, and total time allocated to agenda items will not exceed six (6) minutes for a Discussion item and nine (9) minutes per Vote item.

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 Board, shall be permitted twice the allotted time to speak, and the total allocated time shall be appropriately increased as well.

4. When addressing the Board, speakers are requested to state their name and adhere to the time limits set forth. In order to maintain allotted time limits, the Board Chair may modify speaker time allocations or the total amount of allotted time for an item.

5. Any public records relating to an agenda item for an Open Session of the Board which are distributed to all, or a majority of all, of the Board members shall be available for public inspection at 5440 Valley Circle Blvd., Woodland Hills, California, 91367.

IMPORTANT NOTE REGARDING PUBLIC COMMENTS:

Effective September 2022, public comments presentations at all ECRA Regular and Special Board Meetings and Committee Meetings must be made in person.

There is no obligation on the part of the school to have a school official read public comments during in-person Board Meetings.

A member of the public is welcome to appear at the Board meeting to make a public comment or make arrangements with another person in attendance to speak on the person's behalf.

Consent Agenda: All matters listed under the consent agenda are considered by the Board to be routine and will be approved/enacted by the Board in one motion or more motions in the form listed below. Unless specifically requested by a Board member for further discussion or removed from the agenda, there will be no discussion of these items prior to the Board vote(s) on the Consent Agenda item(s). The Executive Director 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.

Directors Present
Alexandra Ramirez, Danielle Malconian

Directors Absent
Daniela Lopez-Vargas

Guests Present
Gregory Wood, Kurt Lowry, a.Ilyas@ecrchs.net

I. Opening Items

A. Call the Meeting to Order

Danielle Malconian called a meeting of the board of directors of El Camino Real Charter High School to order on Thursday Sep 15, 2022 at 5:31 PM.

B. Record Attendance and Guests

C. Pledge of Allegiance to the United States of America (USA)

Boardmember Malconian led members and guests in the Pledge of Allegiance to the United States of America (USA).

D.

Public Comments

One member of the public, Mr. Daniel Osztreicher, made a public comment, summarized as follows:

* Mr. Osztreicher noted that he had had difficulty locating the Board Packet for the F& I Committee Meeting.

* Mr. Osztreicher inquired about the possibility of coding all expenses.

* Mr. Oszstreicher inquired about the purchase of Wayside publishing expense for a Spanish curriculum item that had also included an invoice for Canvas. This was listed on p. 22 of 140 of the packet.

NOTE: Packets are posted on the website under "ECR Board" Tab, "Board Materials" tab for Regular and Special Board Meetings and under "Standing Committees" tab for Standing Committees such as today's Finance & Investment Committee Meeting.

NOTE: Packets are posted as soon as practicably possible after all appropriate attachments have been received by Dr. Lowry.

NOTE: Later in the meeting during the review of check registers, credit card statements, financial reports, there was discussion about the business office continuing to look for ways to organize and present information and reports on adjusted forms. While no specifics were discussed, the committee, along with Mr. Wood, CBO, and Mrs. Ilyas, Director, Accounting and Finance, acknowledged the need to continue to look for ways to present financial information.

E. Chief Business Officer (CBO) Updates

Mr. Wood, CBO, provided his CBO Update, with highlights summarized as follows:

1. Attendance and enrollment are down about 80 overall students to 3469 after our first month, from 3550 expected and budgeted coming into 2022-2023; attendance and enrollment are critical in terms of our overall funding; Freshmen and Seniors are holding steady as compared with last year, while 10th and 11th grades are below expectations (approximately 40 in each of those grades).

2. We "lock in" attendance after the 8th month of school.

3. Three sub-categories of students and their respective enrollment include:

* Students with Disabilities (SWDs) = 393 enrolled, which is a large population.
* Alternative Education = 79 enrolled (11th/12th)
* Independent Study Program = 135 enrolled (room for growth there)

4. Cafeteria is a source of pride; August 2022 average participation is 1874 meals, as compared with a participation rate of 913 meals from August 2021; overall revenues from the past 2021-2022 academic year were approximately $140,000; this August, alone, we've received $48K in revenue, which foretells possible great revenues anticipated; any revenues need to be reinvested in the cafeteria (decor, materials, equipment, staff, etc.); two staff members may be hired and a change in cafeteria management has already occurred; Ms. Malconian asked Mr. Wood if the breakfast or lunch carts are in use, to which Mr. Wood replied in the affirmative, that 1-2 a la carte items are provided on carts, once during the morning with possible expansion to two carts in the morning, and one cart during lunch selling primarily pizzas and other a la carte items; very excited about the bottom line and getting the kids excited about the menu, etc.

5. Mr. Wood noted that ECRCHS is looking into a new payment system for paying Athletics-related expenses; (games, referees, etc.) Arbiter System; concern is about extra work or the business office due to the automated system; the emphasis is on accountability and accuracy;

II. Consent

A. Approve Minutes of August 18th, 2022, Finance and Investment Committee Meeting

Alexandra Ramirez made a motion to approve the minutes of the August 18th, 2022, F&I Committee Meeting Finance and Investment Committee Meeting on 08-18-22.
Danielle Malconian seconded the motion.
The board **VOTED** to approve the motion.

Roll Call	
Alexandra Ramirez	Aye
Daniela Lopez-Vargas	Absent
Danielle Malconian	Aye

III. Investment

A. Investment Update

Mr. Wood, CBO, provided the August, 2022, Investment Update, with highlights as follows:

OPEB Trust:

1. Starting point end of June $20,459,440; end of July 22, $21,711,610; end of Aug $21,145,076;
2. 2 months of contributions = $440K
3. Gains $245,636 (1.2% Investment Change)
4. Current ending balance of $21,145,076 = 3.4% Total Change

General Account - U.S. Bank Holdings:

1. US bank holds three different advisors = $6,006,105 overall balance (Polen Capital, Fiduciary Management, Beacon Pointe)

Annuities:
1. Midland - $393,644
2. Athene - $389, 644

Total Combined General Account Balance End of August: $6,789,016

Month-End COMBINED (OPEB + GENERAL) = $27,934,092

IV. Finance

A. Financial Update

Mr. Wood, CBO, and Ms. Ilyas, Director, Acct. & Fin., provided the August 2022 Financial Update with highlights as follows:

* First column (EA) includes estimated actuals
* Second column includes unaudited actuals
* Third column is what board adopted for 22-23
* Fourth column is the 22-23 budget with updates due to new funding and salary increase

Regarding Revenues:
1. LCFF - Total Revenue in adopted 22-23 budget was $38,575,151, but adjusted numbers reflecting lower ADA and salary increases, the updated budget reveals revenues of $37,883,858.43.

2. Federal Revenue - Adopted Budget $3,609,260.13; with adjusted federal revenue at $3,408,946.01; updates to Title 1, 2, IV, and Spec. Ed. revenue (IDEAIA/Interagency Contracts).

3. Other State Revenues - Reflect an increase in State Lottery Revenue - from $744,991.00 adopted to $822,153.00; Total Other State Revenues 22-23 Adopted Budget $1,439,530.37 and 22-23 adjusted Budget update with new funding/salary increase = $1,516,692.37.

4. Other Local Revenues - Interagency Services Between LEAs show an increase from 22-23 adopted budget of $4,697,685.45 to 22-23 Budget Updates with New Funding/Salary Increase projected amount of $6,224,466.05.

TOTAL REVENUES adopted 22-23 budget = 48,321,626.95 while adjusted budget projects a revenue increase to $49,033,962.86.

EXPENDITURES:

Mrs. Ilyas noted that there were not any changes other than the approved 3% on schedule salary increase for employees adopted on 8/25/22.

As the year continues, she noted, Mr. Wood and she will provide udpates on the adopted budget to actuals, while also looking into possible changes in format for presenting the information to the board/committee.

Mr. Wood noted that the 22-23 adopted budget included a projected surplus of over $451K in the reserve, and even after the adjustments and salary increase adopted, the 22-23 adjusted budget still reflects a projected surplus of approximately $277K in reserves.

We will use enrollment and ADA to note changes in projected ADA and revenue.

3% salary increases were provided for August on 31August. Retroactive checks were provided for July and any other hours owed for employees.

B. Review and Vote to Recommend to the Full Board the Approval of the July and August 2022 Check Registers

Danielle Malconian made a motion to recommend to the full board the approval of the July and August 2022 Check Registers.
Alexandra Ramirez seconded the motion.
Prior to the vote, Mrs. Ilyas reviewed the July and August 2022 Check Registers.
The board **VOTED** to approve the motion.

Roll Call

Danielle Malconian	Aye
Daniela Lopez-Vargas	Absent
Alexandra Ramirez	Aye

C. Review and Vote to Recommend to the Full Board the Approval of the June, July, and August 2022 Credit Card Statements

Alexandra Ramirez made a motion to recommend to the Full Board the approval of the June-July-Aug 2022 Credit Card Statements.
Danielle Malconian seconded the motion.
Prior to the vote, Mrs. Ilyas reviewed the June, July, and August 2022 Credit Card Statements.
The board **VOTED** to approve the motion.

Roll Call

Danielle Malconian	Aye
Daniela Lopez-Vargas	Absent

D. Review and Vote to Recommend to the Full Board the Approval of the 2021-2022 Unaudited Actuals Budget(s).

Danielle Malconian made a motion to recommend to the Full Board the approval of the 2021-2022 Unaudited Actuals Financial Reports.
Alexandra Ramirez seconded the motion.
Prior to the vote, Mr. Wood, CBO, and Ms. Ilyas, Director, Accounting and Finance, reviewed the 2021-2022 Unauditied Actuals Financial Reports, with highlights as follows:

* estimated where we thought we'd land for year end and the form that we submit to the State based on unauditied actuals.

* Significant increase in projected reserves, based on two major occurrences:

1. Actuarial favorable review which reduced OPEB liability rate (see lines on report 3701 and 3702). OPEB expense had been projected to be $3M. We had negative expenses, coupled with investment downturn, reflecting losses that need to be reported. (See line 8662).

2. Report is due December 15th; auditors' deadline to receive report;

3. Mr. Wood and Ms. Ilyas reviewed Form 62; standard form that summarizes types of forms; State requires this form which provides a top level look at where the school ended up as of June 30th, 2022, and then compares the actuals; this form will need to be approved next week.

Also prior to the final vote to recommend, Mr. Wood and Ms. Ilyas confirmed that the proper nomenclature for this item should be "...2021-2022 Unaudited Actuals Financial Reports" and not "...Budget(s)."

Accordingly, the motion was reworded and then the vote was held.
The board **VOTED** to approve the motion.

Roll Call

Danielle Malconian	Aye
Daniela Lopez-Vargas	Absent
Alexandra Ramirez	Aye

E. Review and Vote to Recommend to the Full Board the Approval of the 2022-2023 ECRCHS Consolidated Application for Federal Funding

Alexandra Ramirez made a motion to recommend to the Full Board the Approval of the 2022-2023 ECRCHS Consolidated Application for Federal Funding.
Danielle Malconian seconded the motion.
Prior to the vote, Mr. Wood, CBO, and Ms. Ilyas, Director, Acct. and Finance, provided a review of the Consolidated Application, with highlights as follow:

1. Reporting information and Funding assurances on our part to follow the funding guidelines;

2. Our Yes or No responses on Titles 1, 2, 3, 4; We have Yeses on all except our Title III Immigrant population; we do not seek federal funds for this categorical demographic due to not having a significant (eligible) number of students in this demographic category.

3. Title III English Learners - we reported having 64 students who are currently classified as English Learners (EL); we are thus eligible for $8,006 in federal Title III funding. We partner(ed) with another school and will likely partner with Palisades CHS again to receive the full amount of $10K and we'd then share the funding.

4. 2022–23 LCAP Federal Addendum Certification - in order to receive initial funding, the school must have an LCAP and ConApp; this certifies that we have met the LCAP requirement.

5. Protected Prayer - Students are allowed to pray within federal guidelines; this page provides certification of such assurance.
The board **VOTED** to approve the motion.

Roll Call

Danielle Malconian	Aye
Daniela Lopez-Vargas	Absent
Alexandra Ramirez	Aye

F. Discussion on ECRCHS Current Fiscal Policies and Procedures

Mr. Wood, CBO, Ms. Ilyas, and Ms. Malconian, led a discussion on ECRCHS Current Fiscal Policies and Procedures, with highlights as follows:

Need new language in some areas of the FPPs:

* Equity and Clarity needed; reimbursement processes

* Relationship with back office has changed as we have started to re-acquire some functions;

* Give stakeholders opportunity to weigh in and provide input ahead of a more detailed next meeting

* Preliminary Areas of need for adjustments include:

* p. 11 - Purchasing Flow Chart - recommended edit to state that anything $50K that has not already been approved and budgeted already is subject to committee/board approval;

* p. 12 - Reimbursements and Expense Requests - recommended lowered amount limited to $5K to ensure consistency with other referenced FPPs language; Anything over $10K would recommend special consideration by Executive Director and CBO.

* p. 17 - Need a formal and clear policy on Field Trips; Travel section; for example: charter buses language needs clarification to determine need based on mileage, numbers of students, etc. Teams and/or others can fund raise and/or use their trust funds. Getting language in the FPPs will make processes easier and accessible.

* P. 22 - Student Awards - Cash or cash equivalent discussion presents an area of concern; need clarity; use of public funds; we need to review and address this language;

Mr. Wood would like for the F&I committee and administration to review the FPPs and specifically, the language in this document.

Ms. Malconian requested examples of when students may have been given cash or cash equivalent awards pursuant to the current FPPs.

Ms. Malconian asked about the Supplies budget to which Mr. Wood and Ms. Ilyas replied that departments have budgets for Instructional Materials. Ms. Malconian asked how much teachers are spending for which they are not being reimbursed, to which Mr. Wood and Ms. Ilyas replied that they are to go through the department chair and the business office. The Business office supports out of pocket expenses for reimbursement as long as purchases are within the respective department budgets and are aligned with allowable purchases from respective supplies and/or IMA budgets.

The Board discussed meals allowances and the need to use funds for meals that are associated with the provision of a purpose such as during Professional Development.

Mrs. Ramirez noted that reimbursements/checks need to be signed off of and approved at the executive level by Mr. Hussey and/or Mr. Wood, with a designated administrator only in the absence of Mr. Hussey and/or Mr. Wood. She noted that administrative directors should not be signing off on these reimbursements.

Mr. Wood again invited stakeholder comments prior to a return to next month's Finance and Investment Committee Meeting.

Mr. Wood noted that this item will be discussed briefly during the Regular Board Meeting and again during the next F&I Committee Meeting.

V. Closing Items

A. Adjourn Meeting

Alexandra Ramirez made a motion to Adjourn the meeting.
Danielle Malconian seconded the motion.
The board **VOTED** to approve the motion.

Roll Call

Daniela Lopez-Vargas	Absent
Alexandra Ramirez	Aye
Danielle Malconian	Aye

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:41 PM.

Respectfully Submitted,
Kurt Lowry