APPROVED

El Camino Real Charter High School

Minutes

Finance and Investment Committee Meeting

Date and Time
Thursday October 20, 2022 at 5:30 PM

Location
ECRCHS Main Campus - Grieb Theater

5440 Valley Circle Boulevard
Woodland Hills, CA 91367

The Finance and Investment 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.

Committee Members Present
Alexandra Ramirez, Daniela Lopez-Vargas, Danielle Malconian

Committee Members Absent
None

Guests Present
David Hussey, Gregory Wood, Kurt Lowry

I. Opening Items

A. Call the Meeting to Order

Danielle Malconian called a meeting of the Finance and Investment Committee Committee of El Camino Real Charter High School to order on Thursday Oct 20, 2022 at 5:30 PM.

B. Record Attendance and Guests

Quorum established.

Boardmember Lopez-Vargas arrived at 5:38 p.m.

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

Mr. Hussey led Committee members and guests in the Pledge of Allegiance to the United States of America (USA).

D. Public Comments

Community Member Daniel Osztreicher commented on the Fiscal Policies and Procedures FPPs agenda item and accompanying attachment with comments as follows:

1.) Regarding p. 103 of FPPs, Mr. Osztreicher encouraged the Committee to eliminate the term "UCLA Extension" courses and broaden the scope of reimbursement-eligible courses to include "all higher education courses."

2.) Noted that he saw very little (in the FPPs) on procurement and/or minimum bids; recommended that such language and practice be added/implemented to align with public procurement practices (e.g., a minimum of 3 bids to be solicited and received prior to the purchase/procurement/contracting for goods/services at highest quality and lowest cost, or justification for procurement of goods or services of high quality and at a higher cost than other bids.

E. CBO Report

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

ADA will be presented in a slightly different manner this month via a pie chart/graph that reflects the following:

* Enrollment down from 3550 during Sept. 2021 to 3459 as of September 2022; 91 fewer students.

September 2021 enrollment by grade levels:

9th Gr. = down 1 student
10th Gr. = down 42 students
11th Gr. = down 36 students
12th Gr. = down 12 students

ADA By Grade Level:

9th-12th Aggregate ADA = 3267
9th ADA = 794
10th ADA = 795
11th ADA = 827

12th ADA = 851

ADA by Categorical Program Type:

Overall Student Enrollment = 3267
Gen. Ed. = 2716
Alt. Ed. = 128
ISP = 93
Sp. Ed. = 330

Mr. Wood noted that enrollment and ADA are two factors that inform our school funding.

Ms. Malconian noted that she'd like to see specific attrition rates from each grade level compared with incoming students to get an overall picture of the school's enrollment.

Mr. Wood noted that the School's ADA rate is about 94%.

Regarding Cafeteria Funding:

*ECRCHS is serving through September, 2022, an average of 2,226 meals per day, approximately 1,000 more meals per day than were served at this time last year.

* We're funded for all students; not students required to pay for meals

* We still want to ensure that parents return their meal applications as it will support supplemental funding; tap cards, reduced AP fees are incentives to encourage parents/guardians to complete and return their meal applications.

* Net revenue is over $52K for the month and Cafeteria is already over $100K for the year thus far

Chartwells had a Design Company Analysis Performed and will produce a proposed cafeteria design plan which will be presented to the Capitalization Projects Committee for consideration. Mr. Wood also noted that LAUSD may also have a say in a design project approval.

Ms. Malconian asked whether there is any way to improve the food quality and wondered what is driving the increased revenue in the cafeteria, to which Mr. Wood replied that student participation is driving the increases and any changes to enhance the menu that result in cost increases would require a new contract.

Mrs. Ilyas noted, too, that the school has to comply with required nutrition standards.

Ms. Ramirez noted that during the bidding and taste-testing processes would have been an appropriate time to consider menu enhancements.

Ms. Malconian noted that the Committee and administration should continue to look into it given the revenue that has been generated by the cafeteria.

Educator Effectiveness Block Grant (EEBG) Report:

Mr. Wood noted that the EEBG report was filed after the last board meeting; minor changes made to the report are included here in the materials.

Mr. Wood noted that he recently hosted a meeting with the CBOs of Palisades CHS and Birmingham CHS for networking and to discuss best practices, vendors processing, etc. Mr. Wood noted that the BCHS CBO is brand new and had a lot of questions regarding Charter Schools, as the CBO had been with a larger, non-charter district.

Special Education:

ECRCHS is part of the COP Option 3 SELPA for LAUSD of which I am the fiscal liaison/director of that SELPA; we just had a meeting last Friday. LAUSD deducts 20% of our special ed. revenue and half of that does into the SELPA and one of the things we get out of that is they look at the needs of our students with special needs (SWDs) and provide an amount of funds based on the census of our students with special needs.

We will be receiving about $185,000 as a result.

Audit Report:

Lastly, we are still working on the audit report. Mrs. Ilyas has been heavily involved in the process which we need to finalize by Mid-December and submit.

GoFan Application:

Mr. Wood and Mrs. Ilyas discussed the successful rollout of this online sporting and performing arts events ticketing platform to transition away from paper-based tickets to online/electronic ticketing. Mrs. Ilyas noted its convenience and that the CIF approves of it.

The last football game brought in $10K in electronic ticket sales (hosted on Cleveland CHS Campus).

Prop. 28:

Mr. Wood noted, without taking a position on the proposition, that if it passes would provide a funding source for arts and music education and that it will not affect ECRCHS's LCFF; partly based on enrollment and student demographics; Mrs. Ilyas and Mr. Wood noted that any amount to come to our school would be specified after passage, if the proposition passes.

II. Consent

A. Approve Minutes of September 15, 2022, Finance and Investment Committee Meeting

Alexandra Ramirez made a motion to approve the minutes from Finance and Investment Committee on 09-15-22.
Danielle Malconian seconded the motion.
The committee **VOTED** unanimously to approve the motion.

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

III. Investment

A. Investment Update

Mr. Wood, CBO, provided the September 2022 Investment Update, with highlights as follow:

Mr. Wood noted that Mr. Mike Breller, Investment Advisor from Beacon Pointe, will present a comprehensive Investment update at the next Board Meeting.

* OPEB Trust:

1. End of September, 2022, OPEB Balance of $19,713,821; Noted that market conditions are reflected in this balance decrease;
2. Gains/Losses reflect Losses of $1,185,619 (-5.8% Investment Change)
3. Noted a slight gain as of 10/17/2022 to reflect a balance of $20,013,200
4. September 2022 ending balance of $19,713,821 = -3.6% Total Change

General Account - U.S. Bank Holdings + Annuities:

1. US bank holds three different advisors = $6,489,607 overall balance

Mr. Wood noted that the Polen Capital Mgmt. Advisor is "under review" by Beacon Pointe due to underperformance as compared with our other two investment managers, Fiduciary, and Beacon Pointe. Advisors may be part of a rebalancing, if so advised.

Month End Combined balances = $26,203,429 (approx. decrease of $232K from August 2022.
NOTE:

The audio recorder batteries failed at 23:29 minutes into the meeting, after which point Dr. Lowry recorded the balance of the F & I Investment Committee meeting via handwritten notes and his personal cell phone via a series of videos (with audio) of various lengths.

Accordingly, there are a few gaps reflected between initial and subsequent recording(s) of the Finance & Investment Committee meeting.

IV. Finance

A. Financial Update

Mr. Wood, CBO, and Mrs. Ilyas, Director, Accounting and Finance, provided the Financial Update, with highlights as follows:

* Reviewed the Financial Report format that includes Revenue and Expenses by Itemized by Name and Object Code and within column headings as follows:
* 21-22 Unaudited Actuals
* 21-22 Post-Unaudited Actuals Adjustments
* 22-23 Adopted Budget
* 22-23 Actuals to Date
* 22-23 Projection Updates, 9/30/22
* Comments

Enrollment and ADA down slightly from last year, while per-student funding projected higher than that included in 22-23 adopted budget (based on rev. LCFF Rate from FCMAT - 10/22)

Revenues Reviewed, with highlights as follows:

Total, LCFF/Revenue Limit Resources 2022-2023 Projected Update $38,745,916 with 2021-2022 Hold Harmless ADA Adjustment TBD

Federal Revenues:
* Sp. Ed. - IDEA reflects a SpEd Revenue Adjustment of $980,246 Post Unaudited Actuals Report

Total Federal Revenues 2022-2023 Projected Update $3,660,280

Other State Revenues:

State Lottery (Non-Prop. 20) reflects a 2021-2022 4th Quarter Lottery Adjustment of $635,756

State Lottery (Prop. 20) reflects a 2021-2022 4th Quarter Lottery Adjustment of $303,073

Other Local Revenues - Sp. Ed. AB602 reflects a SpEd Revenue Adj. Post Unaudited Actuals Report amount of $3,032,539

Total, State Revenues projected at $1,518,209

Other Local Revenues - Total Tuition, based on 22-23 Projection Updates, 9/30/22, $1,107,430, which reflects a Foreign Exchange (Refunds)/1st Interim Adjustment.

Expenditures:

Teachers' Salaries - Full-Time and Cert. Pupil Supplemental Sal-Counselors, respectively, $16,108,659, and $2,217,820, and reflect Reclassification to Counselors 12000 Budget, and Reclassification Counselors from 1100 Budget, respectively.

Total Certificated Salaries:

22-23 Projected = $19,680,166

Total Classified Salaries:

22-23 Projected = $4,961472

Total Employee Benefits 22-23 Projected = $13,260,690

OPEB, Allocated Certificated 22-23 Projected = $2,438,209 (Accrue Sept. 2022/Add SISC Payments)

OPEB, Allocated Classified 22-23 Projected = $635,774 (Accrue Sept. 2022/Add SISC Payments)

Lifetime Retiree Benefits, Class = $8K (PARS)

Non-Instructional Student Materials & Supplies 22-23 Projected Total $506,915 (Reclass Current. Expense to other Objects (1st Interim Updates).

Services:

Dues & Memberships $447,255 (New Expenses due to CARES needs)

Utilities 22-23 Projected Expense $691,518 reflects a Post UAR LAUSD Utility Adjustment.

Consultants - Non-Instructional - Custom 1 - Reflects receipt of sizeable Fulgent Bill as reflected in COVID expense of $338,408.

District Oversight Fees - 21-22 Post Unaudited Actuals $351,350 (22-23 Budgeted/Recorded in Acct. 7229)

Total Services 22-23 Projected $7,864,928.

Total Capital Outlay = N/A

Depreciation Expense (Financial Reporting Basis) ($359,748)

Other Outgoing (Indirect Cost - LAUSD) - $387,459 (21-22 Posted to 5824)

Total Expenditures (Financial Reporting Basis) 22-23 Projected = $49,326,886
Total Expenditures (Cash Reporting Basis) 22-23 Projected = $48,967,138

Net Increase (Decrease) 22-23 Projected = $755,507

Mr. Wood noted that the comments column reflect changes between actuals and post-audited actuals, and projections, and other adjustments.

Ms. Lopez-Vargas requested a summary of each category followed by details, in advance of the regular board meetings moving forward.

B. Discussion and Vote to Recommend to the Full Board Approval of the September, 2022, Check Registers

Danielle Malconian made a motion to Recommend to the Full Board the Approval of the September, 2022, Check Register.
Alexandra Ramirez seconded the motion.
Prior to the Vote to Recommend, Mr. Wood, CBO, and Mrs. Ilyas, Director, Accounting and Finance, presented and discussed all September, 2022, Check Registers.

Ms. Malconian asked about the Class of 2022 balance and what will happen with that money, to which Mr. Hussey replied that the student council will discuss the matter and vote on what to do with the excess Class of 2022 balance.

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

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

C. Discussion and Vote to Recommend to the Full Board Approval of the September, 2022, Credit Card Charges.

Alexandra Ramirez made a motion to Recommend to the Full Board the Approval of the September, 2022, Credit Card Charges.
Daniela Lopez-Vargas seconded the motion.
Prior to the Vote to Recommend, Mr. Wood, CBO, and Mrs. Ilyas, Director, Accounting and Finance, presented and discussed the September, 2022, Credit Card Charges.
The committee **VOTED** unanimously to approve the motion.

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

D. Discussion and Vote to Recommend to the Full Board Approval of the ECRCHS CARES and ESSER Funds

Danielle Malconian made a motion to Vote to Recommend to the Full Board the Approval of the Submitted Reporting of the CARES and ESSER Funds.
Alexandra Ramirez seconded the motion.
Prior to the Vote to Recommend to the Full Board the Approval of the Submitted Reporting of the CARES and ESSER Funds, Mr. Wood, CBO, discussed requirements, restrictions, and amounts.
The committee **VOTED** unanimously to approve the motion.

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

E. Discussion and Vote to Recommend to the Full Board Approval of ECRCHS's Fiscal Policies and Procedures

Ms. Malconian prefaced this presentation by stating that she would like for the Committee to discuss this item tonight, and not vote on this item until after another review and discussion of this item at the October, 2022, Regular Board Meeting, followed by a comment period ahead of the November 2022, Finance and Investment Committee Meeting.

While this item was not a voting item at this meeting, Mr. Wood presented, reviewed, and discussed proposed changes in language to various FPP pages throughout the document.

V. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 7:13 PM.

Respectfully Submitted,
Kurt Lowry
Daniela Lopez-Vargas made a motion to adjourn the Finance & Investment Committee Meeting.
Alexandra Ramirez seconded the motion.
Voice vote unanimous in favor of adjourning meeting.
The committee **VOTED** unanimously to approve the motion.