APPROVED

El Camino Real Charter High School

Minutes

Finance and Investment Committee

Date and Time
Thursday April 20, 2023 at 5:30 PM

Location
Main Campus - Library Media Center

El Camino Real Charter High School
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
Arleta Ilyas, David Hussey, Gregory Wood, Kurt Lowry, Ryan Guinto

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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 Apr 20, 2023 at 5:32 PM.

B. Record Attendance and Guests

Quorum established.

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

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

D. Public Comments

No requests for public comments were received.

E. CBO Report

Mr. Wood, CBO, provided the CBO Report, with highlights as follow:

Cafeteria up 50%

$180K - Lunch
$140K - Breakfast - new items have driven the increase; cinnamon rolls, etc.; monitors to show weekly lunch and breakfast menu specials;

In the black by 64K for the month, an all-time high; fully expect April and May to be as strong; even though the school is projecting a surplus of $307K, Mr. Wood is confident that even that amount will be easily surpassed;

Chartwells; very pleased; asked regional manager to comment in response to calorie concerns expressed during the last meeting; Chartwells received the feedback and discussed and consulted with dieticians and others, then issued a statement to ensure us that they follow all nutritional guidelines with regard to caloric intake and nutritional standards for recipes, etc., to put it on the record that he believes Chartwells is in full compliance with USDA nutrition guidelines for the school breakfast and lunch program.

ADA and Counts - March is an important month for the school; enrollment for 2022 3496; down 96 from last year; see the by grade level enrollment; we are losing 895 12th graders this year; enrollment projection down and we're redoubling efforts for enrollment; possible decrease of another 65 students based projections.

ADA - last year 3244 ADA for March of 22; 3097 ADA for March of 23; last year 93% ADA and only at 91% this year;

Per Mr. Wood, the 91% for the month is the lowest we've had and unfortunately the number that is the lowest is factored in so we'll probably we funded at somewhere around 3218 students.

Mr. Hussey noted that spring break and a change of seasons account for lower attendance, the final months of the school year are historically generally lowest.

Substitute Cost Comparison Research - Dr. Lowry provided an overview on his research into Sub. companies rates, providing context and will forward this information to all F&I members, Mr. Hussey, and the Business Office. Companies included: Scoot, Kelly, The Education Team, Teachers on Reserve, Sub. Teacher Source, and LAUSD; rates to include short and long-term.

AB 602 Revenue Update on monies we received from July through February; LAUSD retroactively adjusted all special education revenues; $150 "per" reduction, resulting in a $300K hit; after following up, we expect a retroactive favorable adjustment to occur.

Fulgent - just spoke with legal counsel today; atty is still putting together our case; GHCHS is further along; Birmingham CHS, ourselves, Fenton, others; still pending; CharterSAFE has offered to represent some schools through their Nationwide insurance company.

$1.6M in charges, but some liability. Mr. Wood noted that the issues are so wide and varied; Noted that it could be a question of whether or not a school might be willing to settle for $.25 on the dollar. Ms. Malconian asked whether or not we will owe something, to which Mr. Wood replied in the affirmative.

II. Consent

A. Approve Minutes of the March 16th, 2023, Finance and Investment Committee Meeting

Alexandra Ramirez made a motion to approve the minutes from Finance and Investment Committee on 03-16-23.
Danielle Malconian seconded the motion.
The committee **VOTED** to approve the motion.

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

III. Investment

A. March 2023 Investment Update

Mr. Wood provided the March 2023 Investment Update, with highlights as follows:

End of Quarter at hand; Mr. Breller will be here next month to review the quarterly investment report;

End of Quarter $23.8M in OPEB

$6.9M in Gen. account

Combined $30.7M total

There were some Intra-management transfers between some accounts; for example, they moved .5M from Fiduciary Management and into Beacon Pointe in an effort to better align with our investment policy; moved funds out of Polen and Fidcuciary and into Beacon point
YTD Basis:
$20.5M
$1.98M contributions
$1.3M gain excluding contributions;
Change up 6.5%
Including our contributions, we're up 16.2%

Balance of $23.7 is now $24.1M, which includes our contribution of $220K

IV. Finance

A. March 2023 Financial Update

Mrs. Ilyas provided the March 2023 Financial Update, with highlights as follow:

Comparing out budget to our actuals; $44.39M in revenue
we received our hold harmless adjustment at $1.4M.

On the Expense side; everything is going according to the budget; at $37.2M;
we've seen increases on sub. costs and field trip expenses; we've had a decrease in our supplies line as some textbook expenses are deferred to next year.

Ending balance projected $7.1M; Mr. Wood noted that we should hit the $4.2M projected balance at a minimum.

Mrs. Ilyas previewed the line item Financials document which shows the detailed revenue and expenses lines.

ICON:presentation slides overview

Presentation view of our financials

Balance Sheet - assets and liabilities and comparisons with last year's numbers; mainly in our OPEB liability;

Cash increase due to Net Income generated to date and advance ESSER Payments

• Decrease in Long-Term Debt – OPEB Liability
• Accrued Liabilities increases due to increased LAUSD & Benefit liabilities
• Deferred Revenue decrease due to LCFF & Prepayments earned
• Restricted Net Position:
• Cafeteria - $217,171
• Ed. Effectiveness - $140,938
• Kitchen Infrastructure - $25,000
• A-G Success Grant - $258,788
• A-G Learning Loss - $97,019

Cash - Revenue in our cash account; accounts receivable.
OPEB is our main liability on our Balance

Ms. Malconian noted that we are ahead with Cash on Hand to which Mr. Wood and Mrs. Ilyas affirmed;

Cash Analysis Slide:
Days of Cash on Hand: 264 (Recommended: 90)

Profit and Loss Summary slide highlights:
NET INCOME (LOSS) YTD = $7,106,188
NET INCOME BEFORE FMV ADJ. YTD = $5,229,582

Profit and Loss YTD Slide highlights:
Revenues:
• Received $1.4M in hold harmless revenue, in the form of EPA revenue
• Decrease in SPED rate, from LAUSD SELPA Expenditures:
• Increase in sub costs
• Increase in field trip expenses
• Textbook costs deferred to next school year for certain depts.

Budget Comparison YTD:
Reflecting a normal revenue/expenditure receipt and spending rate for being 9 months through the fiscal year. We are where we should be.
• Only exception is in State Revenue with the receipt of 2 new block grants and State Nutrition funds increasing
• Capital Outlay is an exceptional expense; characterized by major improvements to the campus.

Department Textbooks Budget Slide highlights:
• Textbooks and Instructional Materials in certain departments will continue to be monitored due to the need to purchase more materials in order to continue higher educational standards. • Board approved 22-23 Budget allocations for Textbooks and IMA in May 2022.

In response to Ms. Malconian's question regarding Capital Outlay, Mr. Wood noted that the depreciation line may actually increase fractionally and carry to next year, due to capital outlays; noted that depreciation will be accounted for via report and reported accordingly.

Other Matters Slide highlights:
• Textbook proposal for 23/24 is being recommended by the finance committee this meeting
• P-2 ADA Impact on LCFF revenue
• IMA will be brought to the committee for approval next month.

Lopez-Vargas questioned whether or not the Arts and Music block grant will be pushed into next year, to which Mr. Wood replied in the affirmative;

B. Discuss and Vote to Recommend to the Full Board Approval of the March, 2023, Check Registers

Daniela Lopez-Vargas made a motion to recommend to the Full Board Approval of the March, 2023, Check Registers.
Alexandra Ramirez seconded the motion.
Prior to the vote, Mrs. Ilyas reviewed the March 2023 Check Registers and answered questions. .

Ms. Ramirez asked how much the school is charged for bus transportation, to which Mr. Wood responded $500 is a standard charge for a 4-hour field trip/athletic event;

YTD - A-Z list of Vendors paid over the month and what was paid YTD.

General Register - standard expenses, such as our pension liability, health insurance premiums; retirement plans.

Mr. Hussey asked where is the other money we spend on health insurance; to which Mr. Wood noted that the other portion is approximately 35K each month, dedicated/allocated to retiree expense line from the 375K SISC bill;

ASB Registers - What Sports teams and clubs are spending; wrote about 80K; Mr. Wood noted that there was a lot more activity this month at this time of year, what with drama; sports, spring musical; etc.

ASB Trust Account balances as of the end of the month - Ms. Ramirez asked how these accounts are funded, to which Mr. Hussey and Mr. Wood replied, "fundraising."
The committee **VOTED** to approve the motion.

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

C. Discuss and Vote to Recommend to the Full Board Approval of the March, 2023, Credit Card Charges.

Danielle Malconian made a motion to Recommend to the Full Board Approval of the March, 2023, Credit Card Charges.
Alexandra Ramirez seconded the motion.
Prior to the vote, Mr. Wood, CBO, presented the credit card charges, with highlights as follows:

* higher than usual travel with student groups for sports/activities/conferences, flights, to learn and experience things.

* $7,500 for Hussey's card
* $19,000 for Mr. Wood's card

Previewed the credit card statement that is aligned with the charges.

Ms. Malconian asked what kind of rate we receive, to which Ms. Ilyas noted that we ask for or receive a group rate or the lowest advertised rate.
The committee **VOTED** to approve the motion.

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

D. Discuss and Vote to Recommend to the Full Board Approval of the 23-24 Textbook Budget

Alexandra Ramirez made a motion to Recommend to the Full Board Approval of the 23-24 Textbook Budget.
Danielle Malconian seconded the motion.
Prior to the vote, Mrs. Ilyas and Mr. Wood reviewed the 23-24 textbook requests, with highlights as follows:

* summary version of what people have turned in; bus tech. English, ISP, math, science, social science, and world language, turned in requests for textbooks; admin. reviewed requests and commented on the request, viewed supplemental materials;

* Master Schedule Adjustment = allows the board and administration of being able to plan for unexpected needs; amounts to a 15% buffer in case departments spend more than their allotted budgets and the overage is still to be approved;

* Science to purchase AP textbooks; English to purchase new novels for collaborative teams and new textbooks for a six-year; Mr. Hussey continued to highlight department purchases and reasons for the purchases, including Math, ISP, Social Science, World Languages (still to be brought to the board), Sp. Ed. (testing materials/assessments) and more.

* Mr. Hussey thanked Mr. Wood and Ms. Ilyas for ensuring that our departments are intentional with textbook purchases and that the purchases support student achievement and assessment results.
The committee **VOTED** to approve the motion.

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

E. Discuss and Vote to Recommend to the Full Board Approval of the 2021-2022 ECRCHS Tax Returns

Daniela Lopez-Vargas made a motion to Recommend to the Full Board Approval of the 2021-2022 ECRCHS Tax Returns.
Danielle Malconian seconded the motion.
Prior to the vote, Mr. Wood presented the 2021-2022 Tax Returns, with highlights as follows:
* due May 15th, 2023
* Christy White tax preparers/financial auditors
* Through compares this year's and last year's numbers
* If approved, we will send to State of CA and IRS (Fed.)
* p. 6 of the tax return - 7 board members, all of whom are independent;
* Section B - Primary Reason for discussing Question 11A. Has the organization provided this form to and discussed with members of the governing board? We annually discuss and present to the Finance Committee and then subject to any questions, recommend it for approval by the full board.
* P. 7 - Major participants in the organization, names, titles, salaries, benefits, etc. Something new is the term Key Employees whose salaries exceed $150K;
* P. 8 - Board members' roles, titles, etc.
* P. 9 - largest independent vendors; payments, five largest vendors;
* The rest of the document includes information transferred from financial statements into the tax return; some terminology is different; all of these numbers and amounts are derived from our financials.
* materials to be posted upon approval.

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

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

V. School Business

A. Discuss and Vote to Recommend to the Full Board Approval of the Proposed 3-Year Audit Request For Proposal (RFP)

Danielle Malconian made a motion to Recommend to the Full Board Approval of the Proposed 3-Year Audit Request For Proposal (RFP) for CHRISTYWHITE.
Alexandra Ramirez seconded the motion.
Prior to the vote, Mr. Wood and Board member Malconian reviewed the Proposed 3-Year Audit Request for Proposal (RFP), with highlights as follow:

Mr. Wood:
* sent out 8 requests; received 4, two of whom subsequently declined;
* Two proposals were received; that of Christy White and that of Bakertilly
* Ms. Lopez-Vargas asked whether or not the others who declined mentioned being "at capacity" or not, to which Mr. Wood replied in the affirmative; 23-24 clients are booked and they could not add more clients;
* reviewed scoring rubrics as the lens through which the proposals should be viewed;
* Bakertilly:
* P. 5 - list of charter schools and schools; a majority of schools are not in LA County; primarily a San Diego-based company; nothing that would show as much experience as our current vendor, Christy White;
* P. 13 - three year proposal; Bakertilly price is $30K plus, other fees for tax prep. and other fees;
* ChristyWhite:
* P. 7 - Very active in LA County (27) in LA County; similarities to our school
* P. 8 - Other schools outside of LA County reveals vast experience; rated highly on rubric regarding working with Charter Schools;

This is our second Three-year proposal; They costed out who's been working on the account; discount off of audit fees; opt out; nominal increases while including tax preparation;

Bakertilly year 1 alone = $35K
ChristyWhite = $22K

Based on the three year area proposal (Comms., Charter Experience, and Cost), ChristyWhite is the recommended provider.

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

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

B. Discuss and Vote to Recommend to the Full Board Approval of a New 403b Vendor to be Added to the List of Approved ECRA Vendors.

Danielle Malconian made a motion to Recommend to the Full Board Approval of a New 403b Vendor "PlanMember" to the List of Approved ECRA Vendors.
Alexandra Ramirez seconded the motion.
Prior to the vote, Mr. Wood provided context for this request (request by Ms. Mata included rationale, etc.). Mr. Wood reviewed the vendor's credentials, including that they are an LAUSD approved vendor, too, and not a fly-by-night company.
The committee **VOTED** to approve the motion.

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

C. Discuss and Vote to Recommend to the Full Board Approval of the FY '23-'24 Fee for Service Request for a Los Angeles Unified School Police Officer.

Daniela Lopez-Vargas made a motion to Recommend to the Full Board Approval of the FY '23-'24 Fee for Service Request for a Los Angeles Unified School Police Officer.
Alexandra Ramirez seconded the motion.
Prior to the vote, Mr. Hussey discussed the need to have an assigned officer on campus, and requested the FY '23-'24 Fee for Service Request for a LA Unified School Police Officer, associated costs, schedule of service, and contingency plans if the school has a need.

The Fee is approximately $142,500K (5.7% increase) officer on campus 4 days per week with a patrol car in the area on a fifth day; always wants officers Mondays and Fridays; Tuesdays are the days for the patrol car rotation; hours on campus approximately 7:30 a.m. to 4:30 p.m.; cost includes access to additional officers, if needed; this is one of the better values out of LAUSD in terms of a service provided;
The committee **VOTED** to approve the motion.

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

VI. Closing Items

A.

Adjourn Meeting

Alexandra Ramirez made a motion to Adjourn the meeting.
Danielle Malconian seconded the motion.
Voice vote unanimous.
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 7:00 PM.

Respectfully Submitted,
Kurt Lowry