APPROVED

El Camino Real Charter High School

Minutes

Finance and Investment Board meeting

April 16, 2025 Finance and Investment Board meeting

Date and Time
Wednesday April 16, 2025 at 5:30 PM

Location
El Camino Real Charter High School - (Principal's Conference Room)

5440 Valley Circle Woodland Hills CA 91367

Meeting can also be seen and heard at:

North Campus - 7401 Shoup Ave. West Hills CA 91307

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, Steven Kofahl

Committee Members Absent
Gregg Solkovits

Guests Present
Gregory Wood, Ryan Guinto

I. Opening Items

A. Call the Meeting to Order

Alexandra Ramirez called a meeting of the Finance and Investment Committee Committee of El Camino Real Charter High School to order on Wednesday Apr 16, 2025 at 5:30 PM.

B. Record Attendance and Guests

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

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

D. Public Comments

No public comments were received for this meeting.

E. CBO Report

Mr. Wood presented the CBO Report.

- **Federal Special Education Funding (IDEA):**
  - Mr. Wood attended a meeting with charter-operated programs under the LD/SD oversight.
  - No expected changes in federal IDEA funding for Special Education programs.
  - Current guidance suggests the program will not be fully funded next year.
  - LASD will follow their lead in budget planning.
- **Departmental Budget Process for FY 2025–26:**
  - Majority of departmental budgets have been submitted.
  - Budgets are under review, with follow-up expected for clarification or corrections (e.g., misallocated items).
- **CalPERS Rate Update:**
  - State CalPERS board has approved new employer contribution rates for the next two years.
  - Employer rate is projected to decrease by approximately 0.6%, from nearly 27% to 26.4%.
  - This provides slight relief in multi-year budgeting.

ASB Treasurer Report – Submitted by Angelina Cruz (Read by Mr. Wood)

- **Powder Puff Event:**
  - One of the largest traditional student events.
  - Gender-role reversed football game with cheerleaders and players selected through applications and interviews.
  - Weekly practices held leading up to the event.
  - Over 630 tickets sold in advance.
  - Spirit Week and ASB-purchased gear enhanced school spirit.

    - Event was a major success.
- **Staff Relations Initiatives:**
    - ASB members served beverages (coffee, juice, sweet tea) to teachers from a mobile cart.
    - Some teachers received personalized mugs.
    - These efforts fostered stronger student-teacher connections.
- **"Pay to Pie" Fundraiser:**
    - Highly successful with strong student participation.
    - Event sold out of pies and was well-received by both students and staff.
    - Created a fun, informal environment that encouraged community bonding.
- **Additional Notes:**
    - ASB continues to be active and is contributing to updates on ASB trust policies.
    - Further comments on ASB trust balances to be addressed in a separate agenda item.

II. Investment

A. March 2025 Investment Update

Mr. Gregory Wood presented as follows:

OPEB Trust Account Performance:

- End-of-February 2025 Balance: $32.3 million
- End-of-March 2025 Balance: $31.4 million
- March decline of approximately **3%** in value.
- Year began with a balance of $30.8 million.
- Payments to retirees through March totaled **$475,000**.
- Despite March losses, the account still showed a **year-to-date gain of $1 million**, or **+1.9%**.

Recent Decline (Post-March):

- As of the morning of the meeting, the OPEB account had further declined to **$30.7 million**.
- This drops it slightly below the starting balance for the year.
- Recent market volatility (e.g., tariffs and global events) cited as contributing factors.

Clarifications:

- The drop in investment value is **not** related to labor actions (e.g., strikes) or increased hiring (e.g., substitute teachers).
- No additional retirements have impacted the fund.

- The OPEB account is a **restricted legal trust** for retiree benefits and **cannot be accessed for general operating expenses**.

General Investment Account:

- Separate from the OPEB trust.
- Currently holds **$7.1 million**.
- These funds **can be accessed** by the school for operational needs if necessary.

III. Finance

A. March 2025 Financial Update

Mr. Wood presented the Financial Update for March 2025.

1. ASB Trust Balances & Club Accounts

- **ASB Treasurer Update:**
  - Angelina Cruz will continue as ASB Treasurer next school year, ensuring leadership continuity.
- **Account Overview:**
  - Total trust balances across clubs and school activities: **$590,607**.
  - Some clubs show **small negative balances**, with some deficits existing for over a year.
  - Leadership has been asked to:
    - Review all accounts—positive and negative.
    - Investigate whether inactive clubs should be reactivated or formally closed.
    - Ensure no clubs are operating with negative balances.
- **Examples Mentioned:**
  - Cultural Club: -$7 (suggested that $1/member could resolve it).
  - Falling Whistles: -$376.
  - Humanitas: Questioned for activeness.
  - True Crime Club: Active with $11.81.
  - Proper Paper Bag Club: Active with $14.07.

2. Cafeteria Program & Wellness Policy

- **State Audit:**
  - The cafeteria program is undergoing a state audit (occurs every ~4 years).
  - Areas reviewed include ingredients, signage, compliance with meal standards, and adherence to the school wellness policy.
- **Wellness Policy Issues:**

    - The Wellness Policy is outdated and inactive since pre-COVID.
    - State recommends reinstating regular stakeholder meetings (students, parents, staff) and updating the policy.
    - Goal: Improve public communication and stakeholder engagement on student wellness.
- **Compliance Findings:**
    - Two violations recorded during student meal observations (failure to take required fruit).
    - Financial penalties will result from meal non-compliance.
    - Workers face challenges enforcing meal standards due to volume and student behavior.
- **Share Box Use:**
    - Encouraged as a way to handle uneaten but required food items (like fruit).
    - Actively used by students; helps reduce waste and improve compliance.

3. Cafeteria Operations & Participation

- **Participation Rates:**
    - Participation down by **3.15%**, which is **better than the 8% decline in enrollment**, indicating improved performance relative to population.
- **Monthly Revenue:**
    - Example: March revenue was **$174,000**.
    - Monthly revenues consistently range from **$140,000–$174,000**.
- **Fund Balance:**
    - The cafeteria program has added **over $200,000** to its fund balance year-to-date.
- **Planned Investments:**
    - Full replacement of **Point-of-Sale (POS) systems** due to aging hardware.
    - Upcoming **structural improvements** to cafeteria facilities (summer 2025).
    - Continued investment in infrastructure and technology to support food service operations.
- **Operational Efficiency:**
    - Commended for moving over **3,000 students through meal service in 20 minutes** during peak times.
    - Recognized as a model of efficiency and scale.

B. Discussion and Vote to Recommend to the Full Board Approval of the March 2025, Check Registers

Mr. Wood gave a detailed discussion for the March 2025 Check Registers.

General Account Disbursements:

- No paper checks were written; all disbursements were **electronic payments**.
- Total of **$445,000** issued from the **general account** in March 2025.

- Regular vendors included:
  - **CharterSAFE** (insurance payments).
  - **Schools of California** (self-insured health care premiums).

ASB & Trust Account Transactions:

- Total of **$30,891** in expenditures from **ASB leadership and trust accounts**.
- Typical student-related transactions included:
  - **Girls basketball and track & field** expenditures.
  - **ROTC charter trip** costing approximately **$7,500**.
  - **Student store purchases** and activity supplies.

Special Events & Celebrations:

- **Testing celebration** purchases included **balloons and decorations** for students and staff.

Prop 28 & CTE-Funded Purchases:

- Notable expenditures on **Career Technical Education (CTE)** and **VAPA (Visual and Performing Arts)**:
  - **$69,000 industrial router** purchased for **woodshop** through Prop 28 funds.
  - **CTE department retreat** costs.
  - **Culinary program** expenses related to a **qualifying event in Riverside**.

Transparency Notes:

- Detailed breakdowns provided for all entries: vendor, purpose, and funding source.
- Encouraged oversight and accountability for all student and departmental accounts.

Steven Kofahl made a motion to Recommend to the Full Board Approval of the March 2025, Check Registers.
Alexandra Ramirez seconded the motion.
The committee **VOTED** unanimously to approve the motion.

C. Discussion and Vote to Recommend to the Full Board Approval of the March 2025, Credit Card Charges.

Presented by Mr. Gregory Wood

- **Credit to Staff:**
  - Mr. Wood opened by commending staff for their detailed preparation and reporting of credit card transactions.
- **Credit Card Statement Structure:**
  - Full detail of monthly credit card activity was presented.
  - Each entry included:

        - **Purchase Order (PO) numbers** from either the school's ERP system or NextWeek system.
        - **Vendor** and **purpose** of the charge.
        - **Cardholder**: either **Mr. Hussey** or **Mr. Wood**.
        - **Requester** of the transaction.
        - **Charge amount**.
        - **Funding source**: identified as **restricted** (e.g., grants/trusts) or **unrestricted** (operational).
- **Cardholder Summaries:**
    - **Mr. Hussey's card**:
        - Total charges: **$73,615.45**.
        - Included both restricted (e.g., grant/trust) and unrestricted expenditures.
    - **Mr. Wood's card**:
        - Total charges: **$18,016.80**.
        - Followed the same reporting structure.
    - **Total for March 2025**: **$91,630.25** in credit card expenditures.
- **Refunds and Adjustments:**
    - Some entries reflected **temporary deposits or holds** later **released** by the credit card company.
- **ROTC Travel Charges:**
    - **$13,854.05** and **$12,809.90** in **Southwest Airlines** charges noted for ROTC travel.
        - Discrepancy in round-trip totals due to **trip cancellation** and pending **airfare refunds**.
    - **$12,490.00** for ROTC trip to **Florida** (larger group).
    - Additional **$12,490.00** charge related to **ROTC Hawaii trip** (smaller group).
- **Supporting Documentation:**
    - All credit card charges were backed by detailed statements included in the meeting materials.

Steven Kofahl made a motion to Recommend to the Full Board Approval of the March 2025, Credit Card Charges.
Alexandra Ramirez seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Gregg Solkovits	Absent
Steven Kofahl	Aye
Alexandra Ramirez	Aye

D. Discussion and Review of the 2023-2024 IRS Form 990 (Non-Profit Tax Return)

Mr. Wood presented the 2023-2024 IRS Form 990 (Non-Profit Tax Return.

Background & Purpose:

- The **Form 990** is the tax return required for nonprofit organizations.
- This form is **based on the annual audit report** presented to the Board in **December**.
- The final **filing deadline** to the IRS is **May 15**, with extension applied.
- Purpose of presentation: to allow **Board review and comment**, as required by IRS regulations.

IRS Compliance Requirement:

- **Page 6, Line 11a** of the form specifically asks whether the **entire governing board has received a copy** prior to filing — the reason for this preliminary committee review.

Form Content Highlights:

- **Compensation Summary**:
  - Lists all **highly compensated employees** (includes salary and benefits).
  - Noted that **Mr. Hussey** appears under "Other Reportable Compensation."
  - **Mr. Dean Bennett** received an additional **$6,000 stipend** for overseeing a **separately financed independent study program**, not managed by other directors.
- **Board of Directors**:
  - All current **Board members are listed** on the return.
- **Top Five Independent Contractors**:
  - Lists the **five highest-paid vendors/consultants**.
  - A correction is pending: **one vendor not listed** currently should be included, requiring a **minor revision**before board submission.
  - Once updated, **one of the current four listed vendors will drop off**.

Filing Timeline & Notes:

- No major changes expected beyond correcting the top vendor listing.
- Any additional **minor edits (e.g., typos)** may be made prior to final filing.
- Members were asked to **direct detailed questions** to the full Board meeting, if needed.

IV. School Business

A. Discussion and Vote to Recommend to the Full Board Purchase of the 2025-2026 Incoming Freshmen Devices

Mr. Guinto presented the discussion of the Purchase of the 2025-2026 Incoming Freshmen Devices.

1. Background & Procurement Strategy

- In **early March**, an **RFP (Request for Proposal)** was issued **jointly with Birmingham Charter High School**.
- Goal: **Leverage bulk purchasing power** to obtain better pricing for devices.
- Collaboration allows total volume to increase, which improves vendor offers, though each school selects and manages its own purchase.

2. Proposals Received

- **Four bids** were submitted from **four different vendors**.
- Evaluation was based on:
  - **Cost-effectiveness** (including case pricing).
  - **Device model generation**.
  - **Technical specifications**.
- **Two device generations** were considered:
  - **Gen 4** (existing standard)
  - **Gen 5** (newer model with improved processor and specs).
- **Gen 5** was recommended due to **better performance** at a **minimal additional cost (~$4,000 overall difference)**.

3. Quantity & Cost Estimates

- **Total devices requested**: **700 units**
  - Based on projected enrollment of ~650 freshmen, with a **buffer** for increased enrollment.
- **Estimated total cost**: **$365,000**
  - **Funding source**: *Not from General Fund*
    - Will use **Learning Recovery (CARES) funds**, with ~$2 million available in that fund.

4. Vendor Coordination & Pricing Issues

- After RFP closed, **Lenovo (manufacturer)** initially indicated pricing may no longer be honored due to **new tariffs**.
- Mr. Guinto worked directly with Lenovo and the selected vendor.
  - As of the **Thursday prior to the meeting**, Lenovo confirmed:
    - Pricing will be **honored for 90 days** (tariff relief window).
    - Once **Purchase Order (PO)** is received, **pricing is locked and guaranteed**.
    - If changes occur **after PO issuance**, the **vendor/manufacturer absorbs cost increases**.

5. Recommendation Process

- Mr. Guinto **recommends approval** to move the item to the **Full Board**.

- **Committee approval does not authorize the purchase**—only positions the recommendation for final Board vote.
- **No current backup plan** in place with alternative manufacturers due to market similarities and pricing structures.

Alexandra Ramirez made a motion to Recommend to the Full Board Purchase of the 2025-2026 Incoming Freshmen Devices.
Steven Kofahl seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call	
Alexandra Ramirez	Aye
Gregg Solkovits	Absent
Steven Kofahl	Aye

V. Closing Items

A. Adjourn Meeting

Steven Kofahl made a motion to Adjourn Meeting.
Alexandra Ramirez seconded the motion.
Meeting is adjourned at 6:30 PM.
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 7:30 PM.

Respectfully Submitted,
Ryan Guinto