

APPROVED



Veritas Preparatory Charter School

Minutes

Finance Committee Meeting

Date and Time

Thursday January 20, 2022 at 8:30 AM

Location

Veritas Prep Charter School 1st Floor Conference Room or Dial-In Number: 866-848-2216,
Conference Code: 7783935205, Leader Code: 2356

Committee Members Present

D. Ford (remote), D. Fuller (remote), L. Goncalves (remote), R. Martin (remote), R. Romano (remote)

Committee Members Absent

M. Landon, T. Gabinetti, T. Maxey

Guests Present

N. Gauthier (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

D. Ford called a meeting of the Finance Committee of Veritas Preparatory Charter School to order on Thursday Jan 20, 2022 at 8:34 AM.

C.

Approve Minutes

D. Fuller made a motion to approve the minutes from Finance Committee Meeting on 12-16-21.

R. Martin seconded the motion.

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

II. Finance

A. Monthly Financial Reports

Lynne highlighted that enrollment is down again but with the flexibility of the federal grants that have come in we should be able to close that gap.

Denise asks about where we really think we are going to be because 140,000 is substantial. Are there any categories we expect to be lower than what we're showing?

Lynne says we are still hiring people and she will do a true projection to see where we will land with staffing. We have also provided stipends for folks covering some of the empty positions, so she needs to consider that as well. She can have a better sense of this for next month's meeting.

Denise mentioned that for the grants we have that are geared towards COVID relief measures a lot is being allocated to hiring/filling positions. She would like to understand what the real plan is with the positions we have filled with grant money, are they temporary or permanent?

Lynne hopes that once we do a lot of the work to close the achievement gaps for students, we're anticipating that some of the extra positions we have hired to aid in that, will not be necessary. Some folks we have hired we may transfer to the high school. We are working through now which positions would stay and which would go. Lynne plans to have the next five years figured out short-term by March, long-term a year from now because we haven't opened the high school yet and are currently figuring out what High School staffing will look like.

Denise says a five year projection is good. She is concerned about what happens when the grant money runs out. She would like to know how many people are we currently funding through COVID relief funding.

Lynne mentioned that Nikki is helping with grant coordination and Amy Clark understands finance which makes for strong thought partners for future planning related to this work. Lynne will keep folks hired through ESSER funds separate and show how they will be incorporated into regular staffing models or their position will be eliminated over the next four years.

Denise asked about any other unexpected expenditures on the horizon?

Lynne says she was concerned about a water main leak but it has resolved itself. There may be one other mechanical thing related to heating (HVAC), we may need an extra gas pump to get the heat up to all of the second floor (a couple thousand dollars maybe). Other than that, there is nothing else she knows of at the moment but does acknowledge that things can come up.

B. COVID Relief Grants Accounting Update

Lynne frames that for ESSER III funding we were charged with creating a plan with goals and information about funding allocations. Nikki developed a plan which is still in DRAFT form and we would like your feedback about it.

Nikki described her process in researching and developing the ESSER III funding plan.

Denise thinks the governments description of how to use these funds was "clear as mud". She is concerned that schools may think they are using the funds properly only to find out later that we did not. How are we getting feedback from organizations like DESE to ensure we are implementing them appropriately?

Lynne says we are helping DESE work through this new funding to see how it is working and what different districts are using the funds for and whether or not implementation has been successful. We will be reporting out regarding these grants quarterly rather than annually.

Denise is also concerned about our auditing firm related to these grants and how they will have clarity about funding allocations that they need to be able to properly audit the grant implementation.

Lynne said they have been attending all the informational meetings we have been and they are also working directly with DESE and being proactive. They will need to focus on any big capital plans/projects such as the window project.

Denise wants to make sure we are in the position to be a leader in the charter school community with regard to ESSER funding allocations by having very precise knowledge about how we need to utilize these funds. We can't find ourselves in a position where we have led others and ourselves down a path where funds have been misused because we thought they fell under appropriate use but they did not. Denise will send Lynne an email about what information would be good to share with the Board.

III. Investment Committee

A. Investment Committee Discussion

Denise wonders what the structure would look like.

Rachel thinks we should incorporate the committee into quarterly meetings with Steve Howard and be very transparent with our decisions. Anyone who wants from the Board can join that meeting. We can call it an investment subcommittee (part of finance). We will have governance look at our bylaws and see if we need to change anything to allow for this. She will email Matt Landon and set up a schedule for these quarterly meetings and then we will post them on Board on Track.

We still need a clear answer from Steve regarding 501(C)3 status in all areas (e.g. dividends and long term capital gains right now say they are taxable and they should be non taxable).

IV. High School Occupancy Discussion

A. High School Occupancy Phase I and Phase II Discussion

Rachel is continuing the conversation with Joe through our attorney Mike Sweet who represents us. We are negotiating around price at this point. We are hopeful by next Thursday we can present an amendment to the original lease to the Board. We know roughly our costs would double.

Lynne mentioned that from a five year projection standpoint she has already worked through student enrollment numbers based on the governments funding of the Student Opportunity Act (SOA). So, she already knows our revenue and that we can spend 15-16% on facilities and based on what we would need to pay for finishing the construction would still stay within that percentage.

V. Other Business

A. Grants Update

Rachel announced that we recently received word that we received a competitive Early College Full School Impact Planning Grant that will provide significant planning and resources to support our high school along with a college partner in designing and developing an impactful, large scale immersive Early College program model. Additionally, we are excited to announce that we have been awarded a Teacher Diversification Grant designed to support our efforts to strengthen and diversify existing teacher recruitment and retention programs.

VI. 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 9:35 AM.

Respectfully Submitted,
D. Fuller

Documents used during the meeting

- Financial Reports to Finance Committee 1.pdf
- VPCS ESSER Funding Plan DRAFT.pdf