

APPROVED



Veritas Preparatory Charter School

Minutes

Finance Committee Meeting

Date and Time

Thursday August 18, 2022 at 4:00 PM

Location

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

[Join Zoom Meeting](#)

ID: 82384629673

Passcode: 966439

[\(US\) +1 929-205-6099](#)

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Committee Members Present

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

Committee Members Absent

R. Romano, 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 Aug 18, 2022 at 4:05 PM.

C. Approve Minutes

M. Landon made a motion to approve the minutes from Finance Committee Meeting on 07-21-22.

D. Fuller seconded the motion.

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

II. Finance

A. Monthly Financial Reports

Lynne says projections are currently matching the budget. She ran a salary projection last night and we are a little under. We may go over in fringe benefits but that should be fine, we have wiggle room in that bucket but we'll watch it. Lynne took some notes on expenses on the overall budget buckets. Some of our annual costs are already captured e.g. Board on Track - they are up front.

Revenue and Expenses:

David asks what are contract services for the Board of Trustees?

Lynne says that's Board on Track.

Denise asks how enrollment is?

Lynne says we are currently at 515 enrolled students, we projected 505. We know on the first day of school there are usually some students that don't show up. We would like each grade to be at 104/105.

Denise asks how we are going to track middle school vs. high school expenses?

Lynne says we are doing this in the background but moving forward she will be sharing additional reports with the committee that break down each school separately. We are also partnered with Seth Racine at Open Architects who is helping us with a new data dashboard that will include new breakdowns for finance and a way to look at reports that may be more user friendly. Lynne will try a new way of presenting the data for both schools separately next month and the committee will take a look at it then.

Denise asks about the accounts receivable - have we received this money from the grant?

Lynne says yes, most of it. We are just missing about \$112,000 that is on the ECF (sub grant to e-rate grant), we don't have an answer for this yet in terms of date of payment, she is assuming mid-September.

Friends of Veritas:

Lynne says with the departure of Holyoke, this is mostly just the mortgage and this will be simple from now on and not as complicated as it was with Holyoke on board.

Denise asks about the original purpose of Friends as the fundraising arm of Veritas.

Lynne says there are a few reasons - the charter is awarded by the state but if charters were to close at least the charter would own the building and not the state. Also, charter law changes from time to time but non-profit law doesn't really change. Lynne says the biggest reason to have fundraising under Friends is because certain organizations can only donate to a 501C3 organization, they can't donate directly to a charter school.

Denise thinks there is more we can do as a school on the fundraising side and we have a whole Board dedicated to this mission, so where should it properly go and be managed? Maybe this is something we can talk more to Rachel about.

Matt thinks maybe this responsibility falls more with the finance committee.

Lynne says before COVID we had some plans to do some events and then it all fell through - we could revive this.

Matt says we had talked with Rachel about planning an event showing the community about how great our students are and selling tables to raise money. We also talked about a basketball tournament.

Lynne says we could do an annual event like the grand opening we are doing in a few weeks.

Grants:

Lynne says we know how we're spending ESSER II but we need more planning with the team about how we're spending ESSER III. We know a good part of it is staffing but we need to decide what else e.g. the window project. The rest of the grants are pretty standard and we've already starting using them.

Denise asks about the CSP money?

Lynne says it is to equip the building e.g. furniture and equipment. We have to spend it by September.

David asks if we are equipping all the rooms?

Lynne says no - the second floor will be only 25% complete and the rest will happen over the next two years. We received a grant from the MA Life Sciences Center to equip our two science labs as well as provide PD for our science teachers.

B. Audit Update

The audit is almost wrapped up. Lynne and Nichole Reilly have a meeting tomorrow to finalize things and provide a final entry for investments, a final entry for the Barr Grant and finalize the capital lease for the high school. Finally, Lynne and Rachel have to write the management letter that goes with the audit and that should be it.

Committee talked about opportunities surrounding Tesla and engineering - potential speakers.

C. Questions from the Committee

1. See above section.

2. Lynne's expectation on the line of credit is that we won't see the draw available until the last week of August and we won't see it available until the end of September.

D. Investment Sub-committee Update

Nicole provided the committee with an update from the last quarterly investment sub-committee meeting.

From Investment Sub-Committee Quarterly Meeting (July)

Steve says we have not had too many changes to the portfolio since last time. It is still in a defensive posture. For the year, the portfolio is down about 10%. We see some opportunities within fixed income coming in the near future. The long and the short of it for now is the economy is not "normal" right now.

Rachel asks about which bond looks like it could have some growth in the future?

Steve says it's part of the rational special situations income fund. Could add 3-6% to this holding come September. He also mentions that some of the buffer funds we own don't get fully priced until maturity. The September and January ones we bought should yield us a 3% upside if we wait it out until January (unless the market goes down another 20%).

All things considered, what we like is maximum flexibility, and we have that. We have a lot of cash and a lot of buffers for when the time comes.

III. FY22 Goals Review and FY23 Goal Setting

A. FY22 Goal Review

Denise reviews last year's goals with the committee. She thinks the grant piece has been handled well, maybe we can report out more so we can keep track of exactly where monies are being spent. The account planning has been accomplished - we created an investment sub-committee to look at investments. The other two goals were multi-year goals. The first Denise says she and Lynne can really look at and figure out what that needs to look at. The final goal, Lynne has a five year projection plan but maybe we should finalize that a little more and when we complete one year we add another year to plan for and make that more of a final process.

B. FY23 Goal Setting

We would like committee members to start thinking about goals we would like moving forward and we can talk about it next meeting. Enterprise risk management and financial planning will take a couple of years and we can use these as goals moving forward.

IV. 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 5:01 PM.

Respectfully Submitted,
D. Ford

Documents used during the meeting

- Financial Reports to Finance Committee 1 August.pdf
- Finance Committee Goals FY 2022.docx