

APPROVED



Veritas Preparatory Charter School

Minutes

Finance Committee Meeting

Date and Time

Thursday May 18, 2023 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](#)

Passcode: 966439

Committee Members Present

D. Ford (remote), D. Fuller (remote), L. Goncalves (remote)

Committee Members Absent

M. Landon, R. Martin, 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 May 18, 2023 at 4:04 PM.

C. Approve Minutes

II. Finance

A. Monthly Financial Reports

Revenue Highlights and Changes: Actual enrollment is 481 students. The projected tuition revenue is based on an average of 489 students from the beginning of the school year until February. Grants are being monitored closely and trending as expected with the majority of those allowable expenses being related to staffing costs. In January about \$24k was recognized from ECF and Medicaid funds that were not previously captured in the budget or projections.

*The current enrollment when the financials closed for the month was 481, it is now 479.

Expense Highlights and Changes: See notes on the bottom of the Statement of Revenue, Expenses and Change in Net Position for more details regarding expenses. Released the full amount of Contingency due to lower than expected student enrollment and increased costs in many of the budget lines.

Change in Net Position: With cash averaging below \$1million we are currently experiencing a 30 day window of available cash which is 60 days short of ideally where it would be, so there is strong need for future surpluses to build the available cash back up to a healthy level. There have been recent investments in fixed assets and long term purchases that have been paid for out of cash. The majority of those purchases have been planned (\$675k) and some unplanned (\$86k) which is what reduced our available cash by about 25 days, just to share a different perspective.

Rachel and Lynne reviewed the status of grants this month. The \$52,000 deficit would be reduced potentially by \$30,000 if we can use some grant monies (MA Life Sciences Grant) before 6/30. We are working hard to balance the budget.

The committee discusses the MA Life Sciences Grant monies and how they have been spent to date.

Denise asks if we will spend out the ESSER III monies this year?

Lynne says she has to do the reimbursement for salaries from ESSER III this month and then we will spend out the \$644,000 that is remaining for this year.

Denise asks about the attrition data - do the reasons for attrition match with the columns above them?

Lynne says yes, they should.

The committee discusses attrition in 9th grade and the related reasons as well as potential attrition in 10th grade next year.

Denise asks if the debt service ratio calculations for Friends are based on the new covenant?

Lynne says no, she will update that report.

B. 5 Year Budget Projections

Lynne reviews the following changes from the A-4 version of the 5 year projections to this A-5 revision with the committee:

- Furniture and equipment expense is increased by \$50,000 to account for increased costs with the final quotes and a decision to install lockers on the second floor of the high school
 - We got amounts back in for furniture we need and we also decided to add lockers on the second floor now as opposed to later so that is part of the increase. Several factors have been weighed in making this decision.
- Instructional supplies is increased by \$60,000 to account for supply and material costs to continue at the increased prices we have experienced in FY23
 - We had originally cut in this area - we added these funds back for next year but we will set lower budgets to begin with.
- Early College costs increased by \$20,000 to allow for a line item contingency
 - We received some information from the Early College grant that includes an additional cost that may or may not hit us. We are currently working that out with DESE.
- To balance the budget the small difference of about \$9k was added to the contingency

May Board Meeting follow up: Lynne to highlight on scenario A-4 the areas that will be seeing an increase as well as include the verbiage that was included on this committee meeting agenda.

C. FY2024 Budget Updates

Lynne talks about updates to the FY2024 budget to be approved at the upcoming Board meeting.

D. Capital Plan

Lynne moved completed items that ended this quarter into the "completed" section and changed the order of current planned projections for example:

- 1.) We have a temporary fix for lower parking lot repairs which will allow us to push this back a bit.
- 2.) Other medium priorities were pushed down the list.
- 3.) One medium priority was pushed to the top of the list.

Denise asks what we are scheduled to spend out of capital next year?

Lynne says we plan to spend \$60,000 which will be through a safety grant (entryway renovation). If we don't get the grant, we will wait on this project. The other projects can wait if need be.

Denise asks for an amount that includes the furniture and other capital expenditures, how much is going out in cash for the high school, etc.?

Lynne says approximately \$200,000.

Denise asks if only \$474,000 was spent on capital this year?

Lynne says \$124,000 came out of grants and \$317,000 was spent out of capital.

This will need to be approved at the Board meeting (page 31).

III. 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 4:58 PM.

Respectfully Submitted,
D. Ford

Documents used during the meeting

- Financial Reports to Finance Committee 1 May.pdf
- 5yr Projection Summary May Meeting.pdf

- 5yr Projection Details May Meeting.pdf
- 5yr Projection Cash Reservation April.pdf
- 5yr Staffing Growth Chart May Meeting.pdf
- VPCS FY24 Budget draft May Meeting.pdf
- VPCS FY24 Capital Budget draft May Meeting.pdf