

APPROVED



Veritas Preparatory Charter School

Minutes

Finance Committee Meeting

Date and Time

Thursday March 21, 2024 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), M. Landon (remote)

Committee Members Absent

D. Fuller, R. Martin, T. Maxey

Guests Present

L. Goncalves (remote), N. Gauthier (remote), R. Romano (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 Mar 21, 2024 at 4:05 PM.

C. Approve Minutes

II. Finance

A. Monthly Financial Reports

Lynne says this year has been going well. We will have a hiccup in March because all the grants are on hold because the amendments are due. This hasn't happened in a few years. We may need to do a line of credit draw in March due to this. We have put in all of our amendments (two being submitted tomorrow) and we should know by April if they are approved.

Statement of net position: Holding well and everything is as you would expect this time of year.

Revenue and expenses: You see an increase on the projections side due to the government grants. We also got an increase due to the STCC Capital Skills grant (split between West Springfield and Veritas Prep). We are getting the tech lab fully funded through this grant. On the expense side, everything is holding steady - we may see some additional savings in this area. We should be able to leave the contingency and have a surplus on top of that - it may be small but it should relieve the contingency to the bottom line.

Denise asks about grant projection numbers?

Lynne says she has been moving the projections along as she learns about new things.

Denise ask about enrollment?

Lynne says we landed at 591 when we submitted our charter tuition claim on February 15. We are down from the 600 that we budgeted for by 9 students. For the 9 students, we had them for a portion of the year so we did not loose the whole tuition for those students.

Nikki talks about some of our efforts related to having students "stick" - be accepted in March and show up on the first day of school in August.

Lynne talks about cash flow - will be hard in August and September until the grants kick in. We will see how we land this year with cash and private donations.

Denise says it is the unplanned expenditures that hit us that are worrisome.

Lynne says having a facility manager has been nice because he has been able to get other opinions quickly when something comes up and provides an example that happened recently. This is eliminating a lot of those unexpected things that happened the last few years.

B. FY2025 Budget Planning Update

Lynne tells the committee that the most people ever were involved in this budget planning process. It's made it more difficult in some aspects because there are more opinions but overall it was a great process this year. There was a lot of work around ESSER grant funding ending.

We know the tuition rate we have now is what DESE has released through the governor's budget. It looks like the House is on the same page with the governor about where cuts need to be made and it's not in education. We are budgeting for 695 students but we submitted 700 to the state. We will do the same thing we did last year which is to over enroll in each grade and do a second lottery for 5th grade. We feel strongly that we can maintain the 695 or higher next year. The grant revenue is flat funded based on our second allocations this year. The private funding is secured with Barr and Rachel is working on raising the additional \$200,000.

The committee talks about how they will compensate for the loss of ESSER funding next year related to staffing. Rachel shares that they looked at the big picture strategically and we cut five positions from next year's budget but we're not cutting anyone - we are just shifting things around.

Denise clarifies that the budget says we have 145 staff and if we didn't make these cuts we would have had 150?

Lynne says correct.

Lynne talks about the other expense buckets where we have reduced spending.

-Administrative costs have been reduced from 4% to 3%.

-Instructional costs is where we saw the biggest savings this year as a team effort.

-Everything else is in line with what we have seen historically.

Denise asks about further build out of the high school?

Lynne says yes:

-There is \$20,000 left in the budget this year which we will use to buy some of the furniture needed for 11th and 12th grade. The remaining furniture will be purchased in the summer. As far as network infrastructure, etc. that is all set.

Matt asks about this initiative to have broader participation in expense control - does this have a name?

Rachel says no but she wishes we had named it a few years ago when we started. Lynne and Rachel have called it budget transparency internally.

Matt says it is powerful example of stewardship and inclusiveness.

Rachel says a great time to name it would be in the audit report.

Lynne says it is also tied to current dissemination practices. We will be doing a presentation at the National Charter School Conference related to our business practices if the proposal is approved. We should name it before the conference.

Denise asks if we review the monthly financials with teachers?

Rachel says we don't but we should consider having monthly office hours related to this.

Lynne says the monthly financials are discussed at monthly leadership meetings.

Lynne says the only thing we are waiting on to finalize is related to technology costs that will need to happen next year. We are still soliciting quotes for these updates.

Denise asks if we are looking to present this to the Board in April?

Lynne says yes. It might be an April review (share a draft) and a May vote.

Denise asks in what areas may we see unexpected expenses arise?

Rachel says the one area could be around work-based learning and career exploration. We don't have much budgeted for this and she would like to hire someone to manage this. There is a \$300,000 over 3 years grant that may allow us to add a staff member and launch a full blown work-based learning program. If we don't get a grant, we won't be doing this yet.

Lynne adds that next year will be the first year that our students will be taking courses on the STCC campus. Until we go through it, there are still unknowns in terms of logistics and costs. We have planned for this but things could come up i.e. leasing space on STCC's campus.

Denise asks about insurance related to our students being on STCC's campus next year.

Lynne says yes, we have that covered. There will also be Veritas staff on campus with the students.

Lynne will get the capital budget to the committee next month.

Next Month:

Invite all Board members to May Finance meeting to dig into FY25 budget before it is voted on at the May Board meeting.

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 5:00 PM.

Respectfully Submitted,
D. Ford

Documents used during the meeting

- Financial Reports to Finance Committee - March.pdf
- FY25 Budget - draft - March.pdf