APPROVED

Veritas Preparatory Charter School

Minutes

Finance Committee Meeting

Date and Time
Thursday April 18, 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
Passcode: 966439

Committee Members Present
D. Ford (remote), D. Fuller (remote), L. Goncalves (remote), M. Landon (remote), R. Romano (remote)

Committee Members Absent
R. Martin, T. Maxey

Guests Present
A. Martínez (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 Apr 18, 2024 at 4:08 PM.

C. Approve Minutes

D. Fuller made a motion to approve the minutes from Finance Committee Meeting on 02-15-24.
M. Landon seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call

M. Landon	Aye
T. Maxey	Absent
D. Fuller	Aye
R. Martin	Absent
D. Ford	Aye
R. Romano	Abstain
L. Goncalves	Aye

D. Approve Minutes (2)

D. Fuller made a motion to approve the minutes from Finance Committee Meeting on 03-21-24.
M. Landon seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call

R. Romano	Abstain
D. Fuller	Aye
R. Martin	Absent
T. Maxey	Absent
M. Landon	Aye
L. Goncalves	Abstain
D. Ford	Aye

II. Finance

A. Monthly Financial Reports

Lynne narrated over the net position report and explained that we will be reimbursed by DESE grants for roughly $500k which are not showing on the monthly financial statement as income or receivables yet. This is due to the fact that management submitted amendments for some grants which have not yet moved through the approval process so the funds are not available as of yet. Denise asked about funds that are to be transferred

from Friends and Lynne explained that funds from the Davis Foundation operating grant are still sitting in Friends.

Next, Lynne narrated over the detailed report on expenses and projections. We are on track with revenue but expenses to projections are at around 70% so we are anticipating savings which will drop to the bottom line. The report highlights the explanation for some of these areas of savings, mostly due to the efforts of management to procure goods and services in a more disciplined way. We may be able to procure items now which can help us to reduce costs next year. We expect to release the full contingency to the bottom line.

Student Recruitment expenses are higher due to work with a communications firm which are funded by the Barr Foundation. The committee discussed student attrition and the spike in attrition in November of this year, the team has explored this and thinks it is related to stabilizing post-pandemic. We are revamping strategies for recruitment and retention and expect enrollment to become more predictable in the years ahead.

The committee reviewed the cash flow reports and discussed where we may land on DESE's financial dashboard given we are trending better than budget and will drop contingency to the bottom line. We will continue to push to get to 45 days cash on hand as soon as possible, which will put us in the yellow. It may take us until the high school has been operating at full capacity for a few years before we really know our expenses. Denise brought up the age of the middle school and need to review the capital budget to ensure we are planning for all facility needs.

Grants to be expended by June 30th are all on track to be spent as planned. We have amended and will move whatever funds we can into the summer. We will spend all of our ESSER funding, as planned, by the deadline. The team came together and did it right, very proud of the work we did to spend ESSER funds strategically and use it all without facing big cuts in FY25. Great work by the management!

B. FY2025 Budget

There have not been changes since last month so not much more to discuss. Denise asked about comparison to last year's budget so the board could see how we have made assumptions around revenue and expenses. Lynne will prepare that before the budget goes to the board for a discussion and vote.

Early College expense assumptions around program, transportation and staffing are becoming more clear. However, we have not received confirmations from STCC as of yet around space. We will have 60+ students at the STCC campus next year and will need a

home base. We hope that STCC will provide space for us but we are considering alternatives which would have an impact on budget.

C. Capital Plan

The committee discussed the capital budget and the potential for a grant to support the middle school lobby renovation. Denise asked if we have fully anticipated the potential maintenance expenses at the middle school, wondering if there is anything above and beyond what we've included in the capital budget that could arise. Lynne suggested that we need to plan for more funding to land in the surplus for these kinds of unforeseen facility needs. Lynne shared details about the boilers and how she has been maintaining them so that they will last longer than their useful life and the fact that there are several so if one goes down we have others to sustain. This is also true of the elevators. One needs a pump but could last for a lot longer so we will wait until the pump goes given that we have two elevators. Thoughtful facility planning and maintenance by the fabulous Lynne Mills will save us lots of money!

D. Covenant Language Revision

Denise spoke with David and Nicole from AAF about the problem which exists with the language of the covenant not actually depicting if we are in complaince with the covenance. The bank consistently waive sthe covenance but this would be a cleaner and more accurate depiction if we revise and correct the language. It is related to GASB 87 which is complicated and so David & Nicole need to explain the regulation to PeoplesBank so that we have a real, defined covenant that better depicts our ability and position. David and Nicole will work on preparing an explanation of GASB 87 to suggest revised language to PeoplesBank so we can agree on it and have the board approve it. We will have our annual meeting with PeoplesBank on May 9th and plan to discuss this with them.

E. Finance Committee (Chair) and Board Officer (Treasurer) Roles

We will move this item to the next 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 5:13 PM.

Respectfully Submitted,
R. Romano

Documents used during the meeting

- Financial Reports to Finance Committee 1.pdf
- VPCS FY25 Budget - draft.pdf
- VPCS FY25 Capital Budget draft.pdf