

APPROVED



## Veritas Preparatory Charter School

### Minutes

#### Finance Committee Meeting

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##### **Date and Time**

Thursday May 16, 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

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##### **Committee Members Present**

D. Ford (remote), D. Fuller (remote), R. Martin (remote)

##### **Committee Members Absent**

M. Landon, T. Maxey

##### **Guests Present**

L. Goncalves (remote), N. Gauthier (remote), R. Romano (remote)

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#### **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 16, 2024 at 4:02 PM.

### **C. Approve Minutes**

D. Ford made a motion to approve the minutes from Finance Committee Meeting on 04-18-24.

D. Fuller seconded the motion.

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

## **II. Finance**

### **A. Monthly Financial Reports**

Lynne provided a detailed financial update, highlighting increased revenue from government grants and funding as well as projected savings in various expense areas.

She also addressed unexpected repair costs at a middle school that raised concerns among some members due to budget overruns despite minimal snowfall. Lynne discussed excessive costs for snow removal services at both schools due to contractual obligations and equipment requirements. The conversation delved into potential negotiations for better pricing options given specific property needs at each location.

The discussion turned towards building maintenance issues such as unexpected repair costs at middle school including pump failures, door repairs, and paint work expenses which were deemed significant by some members considering budget implications.

Lynne suggested creating a reserve for future expenses, particularly for boiler and elevator maintenance. She proposed integrating this into the operating budget to improve cash flow and ensure funds are available when needed.

Lynne explained that she brought Davis Foundation funding over to reduce what the school has to pay back to Friends of VPCS, resulting in no cash exchange but a reduction in what was owed by moving the grant over to the school. This decision was made with consideration for improving financial statements.

Lynne proposed purchasing activity vans under Friends and leasing them to the school on an annual basis using financing instead of cash due to budget constraints. The plan involved hiring staff specifically for transportation operations and identifying mechanics for maintenance.

Lynne proposed purchasing activity vans through Friends of VPCS organization, considering options for maintenance plans despite limitations on leasing commercial vehicles. The possibility of renting out vehicles like gymnasiums as an additional revenue stream was also discussed.

Lynne expressed concerns about the requirements for managing a fleet of buses, including the need for specific certifications and a dedicated manager.

Rachel highlighted the practicality of using 14-passenger vans for transporting students to games and other local trips, while still relying on bus companies for larger excursions. The discussion also touched upon potential partnerships with other educational institutions like Westfield State, which may necessitate transportation arrangements beyond current needs.

The conversation delved into financial considerations related to transportation costs and insurance. Lynne mentioned that estimated costs align with budgeted amounts but acknowledged potential fluctuations in insurance expenses.

Denise mentioned a decrease in enrollment by three students in April, bringing total enrollment down to 580 students. Reasons included one student needing a program better suited for their needs while others were not specified.

The discussion highlighted stable cash flow around one million dollars despite ongoing bill payments being received promptly within days of issuance. Anticipated significant expenses in this area include new curriculum acquisitions such as Math 180 and Wit & Wisdom before year-end.

Lynne provided an update on grant amendments being approved, enabling her team's ability to draw on them again with most grants fully expended according to plans through June.

## **B. FY2025 Budget Draft**

The FY25 budget was updated with the most recent projections but no changes were made to the budget itself. It will be brought to the Board for a vote in May, but there was discussion about inadvertently creating reserves through surplus funds for potential future capital needs such as elevator repairs or other unforeseen expenses.

David expressed concern about unexpended amounts from Teacher Diversification grants at this late stage in the year prompting further review into why these funds have not been utilized yet.

Lynne discussed the utilization of the grant for retention bonuses and loan reimbursements, mentioning that renewal letters were signed between March and April.

Kimberly will handle sending out payments after receiving acceptance from recipients by May 15th.

Denise inquired about specific cost reductions in instructional leader services and guidance/testing services.

Lynne explained that reduced spending on instructional costs was due to a commitment to purchase responsibly, while changes in guidance/testing costs were attributed to unexpected expenses following a school psychologist's resignation.

### **C. FY2025 Capital Plan Draft**

No changes were reported from previous discussions on capital budgets; however, there was consideration given towards placing reserves for potential future needs based on historical surpluses.

Denise and Lynne re-emphasized the issue of long-term planning regarding the high school building, emphasizing the importance of considering options such as maintaining or replacing it.

## **III. Other Business**

### **A. Covenant Language Update**

A meeting with People's Bank regarding debt covenant compliance took place, with Rachel mentioning ongoing discussions about GASB 87 rule compliance. Denise emphasized the importance of maintaining compliance for future financing prospects.

### **B. Finance Committee Treasurer Role Update**

Rachel provided an update regarding Anne Marie's willingness to assume the treasurer role within the governance committee. This included discussions around easing her into this new responsibility due to her limited experience within the organization. The group discussed succession planning for key roles within finance management, particularly focusing on preparing for future transitions in leadership positions such as Treasurer or Assistant Treasurer if needed.

## **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 4:57 PM.

Respectfully Submitted,  
D. Ford

### **Documents used during the meeting**

- Financial Reports to Finance Committee - May.pdf
- FY25 Budget Draft - May.pdf
- FY25 Capital Budget Draft - May.pdf