

APPROVED



Veritas Preparatory Charter School

Minutes

Finance Committee Meeting

Date and Time

Thursday July 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](#)

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Committee Members Present

D. Ford (remote), M. Landon (remote), R. Martin (remote)

Committee Members Absent

A. Martínez, D. Fuller, 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 Jul 18, 2024 at 4:05 PM.

C. Approve Minutes

II. Finance

A. Monthly Financial Reports

Lynne provided an overview of financials, highlighting successful grant acquisitions contributing to an approximate \$400,000 surplus. She also discussed concerns about cash reserves falling short and potential strategies for improvement through long-term investments or adjustments in expense categories.

Denise raised questions about cash reserves' status and potential use of long-term investments as well as seeking clarification on certain financial instruments like certificates of deposit (CDs). The discussion emphasized efforts towards achieving healthier cash reserve levels while maintaining prudent financial management practices.

Lynne provided a comprehensive update on financial reports, stating that all grants scheduled to close out on June 30th were successfully closed.

Rachel expressed concerns about managing enrollment and attrition, particularly in the fifth grade. She highlighted efforts to reconcile rosters and manage numbers, while also discussing strategies such as community outreach events and a partnership with Union Capital Springfield to engage families. Additionally, there was a discussion about calculating the overall attrition rate for the past year.

The committee discussed various strategies to address the challenge of fifth-grade demand. This included exploring new recruitment tactics such as targeted letters for incoming 10th graders, offering stipend roles to engage families more closely with the school, and considering potential changes in grade configurations if current strategies do not yield positive results.

Rachel emphasized that transitioning into fifth grade from elementary school posed a significant challenge due to it being an elementary school's last year. This transition was identified as a key factor contributing to difficulties in attracting students at this level.

There were discussions around potential adjustments in grade configurations if challenges persist with fifth-grade enrollment. Ideas included reconfiguring grades or redeploying resources based on demand across different grades.

The team delved into how state regulations regarding backfilling vacant seats could impact potential changes in grade configurations or adjusting intake numbers across different grades based on demand levels.

Matt discussed the benefits of starting to build the brand one year younger, emphasizing that it would lead to better academic achievement. Rachel supported this idea by highlighting the importance of retaining fifth grade for better preparation before entering middle school. Denise also mentioned that keeping students for an extra year would result in them being more prepared.

B. FY24 Audit

Lynne also outlined the progress of the audit in three phases - planning, compliance, and field audit - indicating that things were going well with compliance and they were ahead of schedule.

Denise raised a query about regulations regarding bidding on auditors but was informed by Lynne that while it is good practice, there is no requirement to do so. The discussion then shifted towards transparency in financial matters with Lynne highlighting their organization's transparent approach towards providing access into board minutes as well as direct access into financial systems for auditors.

Denise inquired about reporting requirements for the entryway renovation expenses, to which Lynne clarified that it would not significantly affect their surplus calculation as it was already factored into their capital projects list. Rachel added that there were no major financial implications from recent discussions but suggested revisiting projections at an upcoming board meeting.

C. Van Purchase Update

The conversation revolved around acquiring vans for use within their organization. The committee discussed finalizing leases with both Friends board approval required along with school board approval next week. Additionally, they deliberated over housing these vehicles at a location offering enhanced security measures due to concerns about thefts such as catalytic converters from vans.

D. Capital Budget Update

A detailed discussion took place regarding capital skills grant allocation where additional funds became available near May 15th which led them to purchase more zSpace computers among other items using grant money before June end.

Lynne discussed the entryway renovation project, which did not receive expected grant funding. She mentioned that they are working with contractors to manage costs and expressed hope that final expenses will be lower than initially projected due to some

vendors offering lower prices. Denise expressed satisfaction with the progress of the renovation and its positive impact on staff morale.

Lynne shared an update on a recently closed grant called Air Quality, which was utilized to install air sensors and VAP detectors in buildings. A portion of the grant money was allocated for a window assessment. After facing challenges in finding a suitable contractor, Lynne finally secured one highly recommended contractor who completed the window assessment without identifying any PCPS or asbestos issues, resulting in significant cost savings.

Lynne discussed plans to present various options for window color choices and outlined the upcoming steps for preparing and pursuing potential grants related to energy and building envelope projects.

The discussion revolved around scheduling the replacement of administrative and common area windows throughout the year while targeting classroom windows during a six-week period. It was noted that no structural changes would be required, leading to substantial cost savings.

There were deliberations about installing ballistic-rated glass on first-floor windows as a security measure due to past incidents in the neighborhood. However, concerns were raised regarding investing in such security measures if there are plans to sell or repurpose the building as it may not align with its future use.

E. FY25 Finance Committee Goals

Discussion revolved around anticipating challenges in budget planning due to ongoing transitions within high school programs and other operational aspects. Suggestions were made regarding defining areas likely to face stress within expense categories along with contingency planning measures.

Rachel initiated a detailed discussion on teacher compensation, emphasizing the need for sustainable planning given potential budgetary constraints. She highlighted her intention to engage leadership in evaluating long-term impacts of compensation increases on staffing levels and overall organizational value proposition.

Rachel emphasized a long-term approach towards teacher retention by discussing strategies such as homegrown talent programs and incremental salary increases based on performance evaluations over shorter intervals rather than annual reviews. She also stressed engaging team leaders in these discussions while considering future staffing needs aligned with organizational goals.

Further goal planning will be deferred until the August meeting.

III. Other Business

A. Follow Up Items

Detailed discussions took place regarding presenting financial reports at an upcoming board meeting including updates on covenant language changes and investment policy review.

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 5:03 PM.

Respectfully Submitted,
D. Ford

Documents used during the meeting

- Financial Reports to Finance Committee July.pdf
- Veritas Vehicle PB Term Sheet 7-1-24.pdf
- VPCS FY25 Capital Budget revision July Meeting.pdf
- Finance Committee FY24 Goals.docx