APPROVED

Veritas Preparatory Charter School

Minutes

Finance Committee Meeting

Date and Time
Thursday December 19, 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), M. Landon (remote), R. Martin (remote)

Committee Members Absent
A. Martínez

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 Dec 19, 2024 at 4:02 PM.

C. Approve Minutes (1)

D. Fuller made a motion to approve the minutes from Finance Committee Meeting on 09-19-24.
R. Martin seconded the motion.
The committee **VOTED** unanimously to approve the motion.

D. Approve Minutes (2)

R. Martin made a motion to approve the minutes from Finance Committee Meeting on 10-17-24.
D. Fuller seconded the motion.
The committee **VOTED** unanimously to approve the motion.

E. Approve Minutes (3)

D. Fuller made a motion to approve the minutes from Finance Committee Meeting on 11-21-24.
R. Martin seconded the motion.
The committee **VOTED** unanimously to approve the motion.

II. Finance

A. Commercial Insurance Package Discussion

Postponed until next month due to a last minute scheduling conflict.

B. Monthly Financial Reports

Financial Position and Cash Flow Management
The school's overall financial position was reported as positive, with no need to draw on the line of credit this year. Cash flow management strategies were discussed, including strategic timing of vendor payments and negotiations with some vendors to align payment schedules with grant funding. Grants are fully awarded and flowing, contributing to the positive financial outlook.
The upcoming year is expected to be financially stable, but FY2026 is anticipated to be tighter.

Fundraising Campaigns and Budget Adjustments
The Giving Tuesday campaign raised approximately $2,000, with the overall fundraising campaign reaching close to $30,000.

Student transportation reimbursement from the state is expected to decrease significantly, potentially by half. The budget has been adjusted to account for this reduction.

Enrollment Stability
Enrollment is holding steady, slightly exceeding budget projections. The middle school has shown improved stability, while the high school is experiencing some student transitions.

C. FY26 Budget Planning Update

New Legal Requirement for Salary Transparency
A new legal requirement mandates publishing salary ranges in job postings and descriptions.
The current teacher salary range at Veritas is $50,000 to $75,000. Competitor schools, such as Springfield Prep, have a range of $57,000 to $90,000. Veritas plans to increase its salary cap to $90,000 to remain competitive, even though it will not immediately impact many current teachers.
The financial impact of this change is projected to be significant in FY2029, potentially requiring cuts to 2-3 positions. Increasing the starting salary from $50,000 to $57,000 was discussed as a future goal, but it would require more substantial budgetary adjustments.
The board discussed the need for a comprehensive compensation study and long-term planning to address teacher salaries.

High School Building Lease and Potential Purchase
The high school building lease is currently with the building owner, who is responsible for major structural repairs like the roof. Discussions about potentially purchasing the high school building are planned for the summer. The middle school building still requires window replacements, which could be phased in over time. The school's guarantee with Mass Development for the middle school building has effectively ended due to meeting loan covenants. Plans to engage with Mass Development and PeoplesBank about financing options for purchasing the high school and potentially refinancing the middle school were discussed.

Concerns were raised about committing to a major building purchase given potential changes in federal education funding and policy. The lease agreement was reviewed for any right of first refusal clause, which was not found. The high school building owner's upcoming loan rate review could potentially impact their willingness to sell or the school's position in negotiations.

Future Financial Planning and Capital Campaign

A capital campaign is projected for FY2026-FY2027, with associated fundraising expenses built into the budget. Funds for appraisals, feasibility studies, and due diligence for potential property acquisition have been allocated in future budgets. The board expressed interest in being involved in compensation studies and long-term planning discussions. Concerns were raised about balancing building acquisition plans with maintaining competitive teacher salaries and benefits.

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 5:15 PM.

Respectfully Submitted,
D. Ford

Documents used during the meeting

- Financial Reports to Finance Committee December.pdf
- FY26 Budget Planning Update in December 2024.pdf