



MCCPS Board of Trustees

Finance Committee Monthly Meeting

Published on May 15, 2022 at 8:00 PM EDT

Date and Time

Wednesday May 25, 2022 at 8:00 AM EDT

Location

17 Lime Street, Marblehead, MA

This meeting will be held in person at MCCPS, with the video link below available for those who cannot attend.

Join Zoom Meeting

<https://zoom.us/j/99625637131?pwd=cWdFODd1b2FvZ3dEOXVtbDZlNHRJUT09>

Meeting ID: 996 2563 7131

Passcode: MCCPSfinco

Agenda

	Purpose	Presenter	Time
I. Opening Items			8:00 AM
Opening Items			
A. Record Attendance and Guests		Rodolphe Herve	2 m
B. Call the Meeting to Order		Rodolphe Herve	1 m
C. Approve minutes	Approve Minutes	Rodolphe Herve	5 m
Approve minutes for Finance Committee Monthly Meeting on April 19, 2022			
II. Finance - Financial Statement Review			8:08 AM
Finance			

	Purpose	Presenter	Time
<p>A. Committee review of Previous Month's Financial Statements Documents to be attached when available</p>	Discuss	Jeff Barry	30 m
 			8:38 AM
III. Other Business			
<p>A. Other discussion points</p>	Discuss	Rodolphe Herve	5 m
 			8:43 AM
IV. Closing Items			
<p>A. Adjourn Meeting</p>	Vote		

Coversheet

Approve minutes

Section: I. Opening Items
Item: C. Approve minutes
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Finance Committee Monthly Meeting on April 19, 2022



MCCPS Board of Trustees

Minutes

Finance Committee Monthly Meeting

Joint with Board for FY2022/2023 Budget

Date and Time

Tuesday April 19, 2022 at 8:00 AM

Location

ZOOM

Join Zoom Meeting

<https://zoom.us/j/99625637131?pwd=cWdFODd1b2FvZ3dEOXVtbDZhNHRJUT09>

Meeting ID: 996 2563 7131

Passcode: MCCPSfinco

Committee Members Present

Artie Sullivan (remote), Jeff Barry (remote), Julie Santosus (remote), Rodolphe Herve (remote)

Committee Members Absent

Andrea Barlow, Karl Smith, NDack Toure, Richard Doron

Guests Present

Paul Baker (remote), Peter Cohen (remote)

I. Opening Items

A.

Record Attendance and Guests

B. Call the Meeting to Order

Rodolphe Herve called a meeting of the Finance Committee of MCCPS Board of Trustees to order on Tuesday Apr 19, 2022 at 8:02 AM.

Jeff made the motion to open the meeting remotely; Julie seconded the motion. The motion passed unanimously.

C. Approve minutes

Jeff Barry made a motion to approve the minutes from Finance Committee Monthly Meeting on 03-16-22.

Artie Sullivan seconded the motion.

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

II. Discuss 2022-2023 Budget

A. 2022-2023 Budget

Discussion on budget was held. Not many changes compared to the last budget presented to Fincom, mainly relating to tweaks in individual salaries. 5% salary increases on average is as good as can be expected.

This budget is based on assumption of 224 students enrolled and blended PPE prediction of \$16,653 for the 2022-2023 school year. After this budget was created, DESE issued us with their predicted PPE which translates to a blended PPE rate of \$17,677. This is however pending finalization and approval of the state budget. Therefore, it is advised to use this current budget for now and to potentially submit an update to the Board after September and adoption of the new PPE numbers by the state.

If the new PPE number is confirmed, the extra monies will be used for building improvements, which will be budgeted and tracked as a separate line item. Until then, building improvements expenditure will have to be funded out of the Board-restricted fund. Jeff Barry made a motion to accept the draft budget as presented and to submit it to the Board for review and adoption.

Artie Sullivan seconded the motion.

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

III. Finance - Financial Statement Review

A. Committee review of Previous Month's Financial Statements

A brief discussion of monthly financials followed which tracked with the notes posted for this meeting.

IV. Other Business

A. Other discussion points

Jeff Barry sent a request to Rockland Trust to start conversations about potential refinancing options for the school's mortgage. Rockland bought East Boston Savings bank in 2021.

V. 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 9:03 AM.

Respectfully Submitted,
Rodolphe Herve

Documents used during the meeting

- FY23 budget worksheet_Fincom version.xlsx
- MCCPS-Feb-2022-Financial Statements v1.xlsx
- FinCom notes March 2022.docx

Coversheet

Committee review of Previous Month's Financial Statements

Section: II. Finance - Financial Statement Review
Item: A. Committee review of Previous Month's Financial Statements
Purpose: Discuss
Submitted by:
Related Material: April 22 FinCom notes.pdf
MCCPS-Apr-2022-Financial Statements v1.xlsx

FinCom notes April 2022

The April check from the Commonwealth was \$309,514, down a bit as a result of the DESE's annual error (see attached)...the May & June checks will also be reduced. At press time the enrollment was 221...Peter can update on enrollment and admissions for next year.

We rec'd mostly good news about the FY23 budget (see attached)...there's still no answer if the state will enact a 'free lunch' program now that the feds are shutting it down. Over the summer I will work with Danette & Hope to see how much it would cost to run the program ourselves and see if we can find non-governmental sources of support.

Expenses

- We added Kim Ginsberg, HR Manager, to the payroll
- The new gutter system for the section over the mural was \$2,500
- We incurred \$2,800 in legal expenses in April

Grant updates

There is funding in the recently awarded literacy grant to vastly improve the grade-level libraries since the big curriculum purchase came in well below the budgeted estimate.

I have submitted for reimbursement to The Friends of Marblehead Public Schools for our FY22 grants. They have awarded us several for FY23, including partially funding a new mural in the back of the school.



Error in March Tuition Payments

2 messages

Laghetto, Joanna C (DOE) <joanna.c.laghetto@state.ma.us>

Thu, Apr 28, 2022 at 9:49 AM

To: "Laghetto, Joanna C (DOE)" <joanna.c.laghetto@state.ma.us>

Cc: Cynthia Marie <cynthia.marie@centralsource.org>, "Hopkins, Alyssa K (DOE)" <alyssa.k.hopkins@state.ma.us>, "Cabral, Hadley B (DOE)" <hadley.b.cabral2@state.ma.us>, "O'Donnell, Robert F (DOE)" <robert.f.o'donnell2@state.ma.us>

Dear Charter School Leaders and Business Managers,

This is a targeted e-mail sent only to schools affected by this error. There was an overpayment in your school's March tuition payment. This overpayment will be deducted from the April, May and June tuition in approximately equal amounts. I have included the details for each impacted school below so that you can plan accordingly. Please remember that June payments may also be adjusted based on other factors, such as your February claim form.

School Name	Amount of Overpayment in March	Projected Amount Deducted from Monthly Tuition Apr-Jun
Academy of the Pacific Rim	10,989	3,663
Benjamin Banneker	9,677	3,226
Boston Collegiate	4,929	1,643
Boston Preparatory	11,148	3,716
Boston Renaissance	24,688	8,229
Bridge Boston	12,436	4,145
Brooke	57,383	19,128
Codman Academy	12,060	4,020
Community CS of Cambridge	4,900	1,633
Conservatory Laboratory	4,813	1,604
kcFoxborough Regional	21,802	7,267
KIPP Academy Boston	14,482	4,827
KIPP Academy Lynn	12,811	4,270
Marblehead Community	7,812	2,604
Martha's Vineyard	7,551	2,517
Match	10,336	3,445
Neighborhood House	11,191	3,730
New Heights CS of Brockton	47,167	15,722
Prospect Hill Academy	16,618	5,539
Roxbury Preparatory	5,305	1,768
Salem Academy	186,145	62,048
South Shore	564,056	188,019



Jeff Barry <jbarry@marbleheadcharter.com>

Important FY23 Budget Update & Preliminary Tuition

4 messages

Erica Brown & Jennie Williamson <ebrown@masscharterschools.org>

Wed, May 11, 2022 at 2:08 PM

Reply-To: ebrown@masscharterschools.org

To: Jeff Barry <jbarry@marbleheadcharter.com>

School Leaders and CFOs:

With the Senate Ways & Means (SWM) budget released Tuesday at noon, we wanted to provide you with our analysis and also take a moment to celebrate several critical advocacy wins for our schools:

BIG NEWS! FULL FACILITIES PER PUPIL INCREASE INCLUDED: After extensive advocacy by many members of MCPSA and the MA charter public school community during Advocacy Week and beyond, we are very happy to report that **the SWM Budget includes our full FPP ask of \$1,088 per pupil**. This increase of \$150 per student represents a 16% increase over the FY22 funding level – a significantly greater funding increase than we have ever achieved for our charter public schools. (For context, recall that in FY20, we celebrated a 5% FPP increase after over a decade of unchanged funding.) Overall, this significant win represents an investment of an additional **\$7 million** in our schools!

Since this increase was also included in the House budget, **we can now say with relative certainty that these essential resources will be included in the FY23 final budget!**

While the SWM budget does *not* include language that ties the rate to inflation (which was included in the House budget), there is still an opportunity to ensure that this inflation language is included in the final budget. MCPSA will be working to try to secure the inflation language, and will keep you posted.

OTHER KEY WINS: The implementation of the Student Opportunity Act (SOA) combined with state and federal COVID relief funds continues to create a **very optimistic financial picture for public education in Massachusetts in FY23**. Moreover, many of our key advocacy priorities are reflected in the FY23 SWM budget, representing a major win for our schools and all public school students across the Commonwealth. Specifically, the SWM Budget includes:

- **Increased Charter Tuition:** DESE has confirmed that there are no changes from the April tuition calculations, which stood at **\$119.5 million above Q3 FY22**, representing a 9.9% year-over-year increase.
- **Full Funding for District Reimbursement:** The Student Opportunity Act requires district reimbursement to be fully funded within 3 years of implementation. Like the House budget, the SWM budget accelerates this implementation timeline by fully funding district reimbursement at 100%, which amounts to a total funding level of \$243.8 million. Fully funding district reimbursement is an important component of our collective advocacy agenda and represents another legislative win for all public schools!
- **Access to Mental Health Grants:** The SWM budget includes a \$6M grant program to support schools' efforts to "adapt, expand or strengthen multi-tiered systems of support to respond to the social emotional and

behavioral health needs of students, families and educators". Thanks to our previous advocacy efforts, charter public schools are included in this line item and will therefore have access to this essential funding if adopted in the final FY23 budget.

PROCESS AND TIMELINE: As a reminder, the SWM budget is the **third step in a five step** annual budget process. The next step is for the House and Senate to negotiate a final version in a conference committee next month. We expect that a final state budget will be passed by June 30th and that FY23 tuition based on the final state budget will be published within a day or two of the budget's approval.

RELEVANT FY23 BUDGET ITEMS: In every published state budget version, the MCPSA tracks a number of line items that are relevant to member schools' budgets:

	Line item	FY22 Final	FY23 House	FY23 SWM	SWM Increase/ decrease over FY22
Chapter 70	7061-0008	\$5,503,268,224	\$5,988,520,366	\$5,998,209,887	\$494,941,663
District reimbursement	7061-9010	\$154,604,742	\$243,804,746	\$243,804,746	\$89,200,004
SpEd Reimbursement	7061-0012	\$373,333,860	\$441,031,605	\$435,031,606	\$61,697,746
Regional Transportation	7035-0006	\$82,178,615	\$77,801,545	\$82,178,615	\$0
Homeless Transportation	7035-0008	\$14,449,605	\$22,981,479	\$21,500,000	\$7,050,395
Facilities reimbursement	(within 7061-9010)	\$938 (per pupil)	\$1,088 (per pupil)	\$1,088 (per pupil)	\$150 (per pupil)

PRELIMINARY CHARTER TUITION: For a refresher about how charter tuition works, see this MCPSA-created [short video](#) explaining the component parts of charter tuition. In addition, see this March 2022 [webinar recording](#) (start at 23:00) to better understand the impact of these tuition increases across schools with high and low Above Foundation Rates (AFRs).

The major headline for FY23 charter tuition based on the SWM version of the FY23 budget: Rates are unchanged from the April version of DESE-published tuition, which significantly increases confidence in those numbers.

How much stock should schools put in these May tuition numbers?

- **HIGH CONFIDENCE:** The published foundation component of tuition is unchanged from January. MCPSA continues to caution that schools should incorporate their own understanding of 2022-2023 student demographic and enrollment projections for 2022-2023. DESE's FY23 tuition projections still rely upon October 1, 2021 SIMS demographic data, and actual FY23 tuition will use a mix of FY22 and FY23 enrollment data.
- **HIGH CONFIDENCE:** As we noted above, the **facilities per pupil** increase is included in the Senate version of the budget – note that confidence is much higher in this area now, and we recommend that schools DO include this increase in their FY23 budgets!
- **URGING CAUTION:** For schools who receive a significant amount of **above foundation** tuition, local district conversations about (overall and ESSER) spending for FY23 can give an indication of AFR in FY23. The most recent FY23 tuition projections use FY22 Above Foundation Rates, and actual FY23 tuition will use more updated district spending data that will be integrated into FY23 tuition in December 2022 and March 2023. See the resource MCPSA developed last year as a refresher of [what to listen for in local district](#)

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. [Adobe Reader](#):

MCCPS-Apr-2022-Financial Statements v1.xlsx