



MCCPS Board of Trustees

Finance Committee Monthly Meeting

Published on January 14, 2023 at 7:01 PM EST

Date and Time

Friday January 27, 2023 at 10:00 AM EST

Location

At school - 17 Lime Street, Marblehead, MA 01945

For Remote Participants - Quorum must be present in person

Join Zoom Meeting

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

Meeting ID: 996 [2563 7131](#)

Passcode: MCCPSfinco

Please note that the in-person meeting will not be suspended or terminated if technological problems interrupt the remote connection.

Agenda

	Purpose	Presenter	Time
I. Opening Items			10:00 AM
A. Record Attendance			1 m
B. Call the Meeting to Order			
C. Approve Minutes	Approve Minutes	Rodolphe Herve	4 m

	Purpose	Presenter	Time
Minutes need to be approved for the December and November Finance Committee Meetings			

Approve minutes for Finance Committee Meeting on December 16, 2022

II. Financial Statements Discussion	10:05 AM
--	-----------------

A. Committee review of Previous Month's Financial Statements	Discuss	Jeff Barry	30 m
--	---------	------------	------

III. Other Business	10:35 AM
----------------------------	-----------------

A. Finance Committee members should agree date of next meeting	Discuss	Rodolphe Herve	3 m
--	---------	----------------	-----

IV. Closing Items	10:38 AM
--------------------------	-----------------

A. Adjourn Meeting	Vote	
--------------------	------	--

Coversheet

Approve Minutes

Section: I. Opening Items
Item: C. Approve Minutes
Purpose: Approve Minutes
Submitted by:
Related Material: Minutes for Finance Committee Meeting on December 16, 2022
2022_11_22_finance_committee_monthly_meeting_minutes (1).pdf
2022_12_16_finance_committee_meeting_minutes.pdf



MCCPS Board of Trustees

Minutes

Finance Committee Meeting

Date and Time

Friday December 16, 2022 at 8:00 AM

Location

At school - 17 Lime Street, Marblehead, MA 01945

For Remote Participants - Quorum must be present in person

Join Zoom Meeting

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

Meeting ID: 996 2563 7131

Passcode: MCCPSfinco

Please note that the in-person meeting will not be suspended or terminated if technological problems interrupt the remote connection.

Committee Members Present

Andrea Barlow, Jeff Barry, Julie Santosus, Molly Teets, Peter Cohen, Rodolphe Herve, Tim Wadlow

Committee Members Absent

Karl Smith

I. Opening Items**A.**

Record Attendance

B. Call the Meeting to Order

Rodolphe Herve called a meeting of the Finance Committee of MCCPS Board of Trustees to order on Friday Dec 16, 2022 at 8:02 AM.

C. Approve Minutes

Julie Santosus made a motion to approve the minutes from Finance Committee Monthly Meeting on 11-22-22.

Jeff Barry seconded the motion.

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

Roll Call

Jeff Barry	Aye
Julie Santosus	Aye
Peter Cohen	Absent
Tim Wadlow	Aye
Rodolphe Herve	Aye
Andrea Barlow	Aye
Molly Teets	Abstain
Karl Smith	Absent

D. New Finance Committee Member appointment

Peter Cohen made a motion to approve Molly Teets as a new member of the Finance Committee.

Tim Wadlow seconded the motion.

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

Roll Call

Jeff Barry	Aye
Julie Santosus	Aye
Karl Smith	Absent
Peter Cohen	Aye
Tim Wadlow	Aye
Rodolphe Herve	Aye
Andrea Barlow	Aye
Molly Teets	Aye

II. Financial Statements Discussion

A. Committee review of Previous Month's Financial Statements

The discussion tracked with the notes provided by Jeff Barry.

III. Other Business

A.

Capital Project Reserve Fund

The Finance Committee, at the request of Jeff Barry and Peter Cohen, discussed the opportunity to open a Capital Project Reserve account to support improvements made to the school. Expenditures in this account would have to track to the annual report filed with DESE.

It is understood that funds deposited in this account may only be used for capital expenditures purposes. At this point, no monies will be deposited on this account but given expected paperwork and time lag involved in its opening, MCCPS management suggested to open this account immediately.

Rodolphe Herve made a motion to authorize Jeff Barry to open a new Capital Project Reserve account, subject to Board Approval.

Tim Wadlow seconded the motion.

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

Roll Call

Tim Wadlow	Aye
Karl Smith	Absent
Julie Santosus	Aye
Molly Teets	Aye
Peter Cohen	Aye
Andrea Barlow	Aye
Rodolphe Herve	Aye
Jeff Barry	Aye

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 8:55 AM.

Respectfully Submitted,
Rodolphe Herve

Documents used during the meeting

- Biography Molly Teets.pdf
- FinCom notes Nov 22.pdf
- MCCPS-Nov-2022-Financial Statements v1.xlsx

DRAFT



MCCPS Board of Trustees

Minutes

Finance Committee Monthly Meeting

Date and Time

Tuesday November 22, 2022 at 8:00 AM

Location

At school - 17 Lime Street, Marblehead, MA 01945

For Remote Participants - Quorum must be present in person

Join Zoom Meeting

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

Meeting ID: 996 2563 7131

Passcode: MCCPSfinco

Please note that the in-person meeting will not be suspended or terminated if technological problems interrupt the remote connection.

Committee Members Present

Artie Sullivan (remote), Jeff Barry, Julie Santosus, Karl Smith, Peter Cohen, Rodolphe Herve

Committee Members Absent

Andrea Barlow, Sara Pouladian, Tim Wadlow

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

Rodolphe Herve called a meeting of the Finance Committee of MCCPS Board of Trustees to order on Tuesday Nov 22, 2022 at 8:03 AM.

C.

Approve Minutes

Jeff Barry made a motion to approve the minutes from Finance Committee Monthly Meeting on 10-21-22.

Karl Smith seconded the motion.

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

Roll Call

Sara Pouladian	Absent
Andrea Barlow	Absent
Peter Cohen	Aye
Rodolphe Herve	Aye
Tim Wadlow	Absent
Artie Sullivan	Aye
Jeff Barry	Aye
Karl Smith	Aye
Julie Santosus	Aye

II. Financial Statements Discussion

A. Committee review of Previous Month's Financial Statements

The discussion tracked with the notes and financials provided in the agenda and meeting packet. Topics of note included:

- Positive meeting with our bank. They acknowledged that we met our mortgage covenants for the past financial year, and indicate interest in working with MCCPS for any expansion.
Discussions about the mortgage rate situation remained high-level given that our current interest rate is locked until Aug 2024
- Enrollment is at 224 (in line with budget assumption) due to attrition of 1 student following a family move. A handful of new students may be joining after Exhibition in December
- Since we shared the notes in the meeting packet, DESE has now started to repay the school for meal expenses. There are caps for each lunch and breakfast but this will make a noticeable difference in the numbers going forward
- Schoolspring expense of \$2k this month (platform to advertise teacher positions and receive candidacies)
- Continued discussion about the setup of a Capital Expense fund.
Expenses in that fund need to be tied to the Capital Plan that is published by the school as part of its Annual Report in August.
- Appreciation bonuses ratified by the Board were paid in November and will show in November numbers.

III. Other Business

A. Architect proposals discussion

Ebbrell Design presented their pitch to the Facilities Taskforce, which viewed their proposal very favorably due to thoroughness of the pitch, competitive cost and all-female ownership of the design firm.

The taskforce voted to send the proposal to the Finance Committee for review and approval before being sent to the Board for ultimate discussion at the upcoming Board Meeting.

Karl Smith made a motion to approve the selection of Ebbrell Design for app. \$36K, and completion of the work as presented in their scope proposal, contingent upon further diligence of the vendor.

Julie Santosus seconded the motion.

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

Roll Call

Jeff Barry	Aye
Julie Santosus	Aye
Rodolphe Herve	Aye
Artie Sullivan	Abstain
Karl Smith	Aye
Sara Pouladian	Absent
Peter Cohen	Aye
Andrea Barlow	Absent
Tim Wadlow	Absent

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 9:00 AM.

Respectfully Submitted,
Rodolphe Herve

Documents used during the meeting

- FinCom notes Oct 22.pdf
- MCCPS-Oct-2022-Financial Statements v1.xlsx

DRAFT



MCCPS Board of Trustees

Minutes

Finance Committee Meeting

Date and Time

Friday December 16, 2022 at 8:00 AM

Location

At school - 17 Lime Street, Marblehead, MA 01945

For Remote Participants - Quorum must be present in person

Join Zoom Meeting

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

Meeting ID: 996 2563 7131

Passcode: MCCPSfinco

Please note that the in-person meeting will not be suspended or terminated if technological problems interrupt the remote connection.

Committee Members Present

Andrea Barlow, Jeff Barry, Julie Santosus, Molly Teets, Peter Cohen, Rodolphe Herve, Tim Wadlow

Committee Members Absent

Karl Smith

I. Opening Items**A. Record Attendance****B. Call the Meeting to Order**

Rodolphe Herve called a meeting of the Finance Committee of MCCPS Board of Trustees to order on Friday Dec 16, 2022 at 8:02 AM.

C.

Approve Minutes

D. New Finance Committee Member appointment

Peter Cohen made a motion to approve Molly Teets as a new member of the Finance Committee.

Tim Wadlow seconded the motion.

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

Roll Call

Rodolphe Herve	Aye
Jeff Barry	Aye
Molly Teets	Aye
Karl Smith	Absent
Julie Santosus	Aye
Andrea Barlow	Aye
Peter Cohen	Aye
Tim Wadlow	Aye

II. Financial Statements Discussion

A. Committee review of Previous Month's Financial Statements

The discussion tracked with the notes provided by Jeff Barry.

III. Other Business

A. Capital Project Reserve Fund

The Finance Committee, at the request of Jeff Barry and Peter Cohen, discussed the opportunity to open a Capital Project Reserve account to support improvements made to the school. Expenditures in this account would have to track to the annual report filed with DESE.

It is understood that funds deposited in this account may only be used for capital expenditures purposes. At this point, no monies will be deposited on this account but given expected paperwork and time lag involved in its opening, MCCPS management suggested to open this account immediately.

Rodolphe Herve made a motion to authorize Jeff Barry to open a new Capital Project Reserve account, subject to Board Approval.

Tim Wadlow seconded the motion.

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

Roll Call

Jeff Barry	Aye
Andrea Barlow	Aye
Julie Santosus	Aye
Peter Cohen	Aye
Tim Wadlow	Aye
Karl Smith	Absent
Molly Teets	Aye
Rodolphe Herve	Aye

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 8:55 AM.

Respectfully Submitted,
Rodolphe Herve

Documents used during the meeting

- Biography Molly Teets.pdf
- FinCom notes Nov 22.pdf
- MCCPS-Nov-2022-Financial Statements v1.xlsx

Coversheet

Committee review of Previous Month's Financial Statements

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

FinCom notes December 2022

Happy New Year!

Tuition rates for FY23 were updated by the state, and the adjustment from 230 students to 224 is reflected in a loss of \$103K

Dec check - \$232,422

Nov check - \$338,209 (July-Nov '22)

Difference - (\$14,787)

\$14,787 x 7 checks = (\$103,509)

The current PPE is \$17,656

As of today our population is 221

Please see the attached memo from 1/9/23

The updated data can be found at

<https://www.doe.mass.edu/charter/finance/tuition/fy2023/q2-preliminary.html>

Revenue

State check was reduced

We brought in just over \$2K from the play (participants pay NSCT directly, school keeps the box office receipts)

We rec'd \$10K thru the Medicare reimbursement program. This represents submissions for 3 prior quarters (crosses fiscal years)...we were just approved for an additional \$4,676, which we should see shortly. They are reimbursing at a higher rate than they did when we last participated in the program.

Grant funds continue to get reimbursed

Expenses

We purchased a new snow blower for \$1,700

We started the admissions post card project in December

In the coming months there will be changes to the Salaries line item as we have folks going out on leave (paid state leave) and temporarily coming off the books...we are currently looking into replacements as needed.

Misc.

I'm auditing the PayPal account



Jeff Barry <jbarry@marbleheadcharter.com>

FY23 Q2 tuition updates

1 message

Erica Brown <ebrown@masscharterschools.org>
Reply-To: ebrown@masscharterschools.org
To: Jeff Barry <jbarry@marbleheadcharter.com>

Mon, Jan 9, 2023 at 7:00 AM

As you saw before break, the Department released a file of tuition analysis:

“The Office of District and School Finance updated tuition payments for the second quarter based on October 1st SIMS data and updated FY23 budgeted net school spending data from sending districts. Overall, charter public school enrollment is down 2,043 students compared to pre-enrollment estimates and total tuition payments are \$46.7 million less than originally projected, due to the enrollment declines and (to a lesser extent) to decreases in tuition rates compared to earlier projections. As a result, there are 58 charter schools that will see reductions in their monthly tuition payments starting in December, see the [linked summary file](#) for more information.”

The full complement of FY23 Q2 tuition files are now published on [DESE's website](#) with more detailed information.

We've spent some time analyzing the information in these newly-published files, and found three major themes:

1. In many charter schools, enrollment was lower in October 1 SIMS reports than in the pre-enrollment reports that were submitted last spring;
2. In many communities, Above Foundation Rates decreased from FY22; and
3. Within some schools, the demographic makeup of students shifted:
 - A number of schools experienced a sharp drop in identified low income students, while
 - A few schools attracted a greater number of students from low-AFR sending districts and fewer students from high-AFR sending districts.

As a reminder, Q2 tuition files reflect two major updates from the Q1 rates that were received in August: (1) October 1 enrollment and (2) current-year above foundation rates (AFRs).

	Q1	Q2
Enrollment	April 2022 pre-enrollment reported by each school	October 1 2022 SIMS
Foundation Rates	Final statewide foundation rates set in the FY23 state budget (same as Q2)	Final statewide foundation rates set in the FY23 state budget (same as Q1)
Above Foundation Rates	FY22 Q4 final AFRs	Current-year AFRs calculated from district financial reports that were submitted to DESE in September

December tuition rates usually bring a higher degree of certainty to the year's tuition. This is still true, as it is the first time that *actual current-year demographics* are applied to state budget rates set last spring. **Schools with very little or no above foundation component can feel a much higher degree of certainty with these published rates. However, for any school with a significant above foundation component of their tuition, there is still uncertainty ahead.** In particular, Holyoke and Boston's AFRs appear inflated, and we would advise conservatism around the portion of tuition calculated from the AFR in those communities, and anticipated reductions in Q3 or Q4. In addition, a few communities (Medford, Randolph, Melrose, South Hadley, North Attleboro, Wareham, Amherst and a few others) do not yet have updated AFRs.

In case a tuition refresher would help your school understand this information better, please see these two resources:

- The basics of tuition [brief video](#) (Note that the facilities rate has been updated to \$1,088 since this was recorded.)
- A [workshop recording](#) from spring 2022 that goes deeper on AFR (starting at 23:00)

Even more so now than ever before, we recommend:

- **Exercising financial transparency** by (1) using this opportunity to proactively educate your school's stakeholders about the school's financial position, what forces drive tuition calculations, and how the school spends its money, and (2) engaging teachers in transparent systems to identify spending priorities in FY23 and FY24, *ESPECIALLY if your school anticipates making difficult financial decisions.*
- **Tracking the timing of sending districts' FY23 and FY24 ESSER spending.** Districts can supplant local discretionary funding with federal ESSER funding, which has a negative effect on charter Above Foundation Rates. Districts can continue to file amendments throughout the year that can adjust AFRs in the March and June 2023 tuition calculations.

- **Ensuring your school's FY24 process to identify and report Low-Income students (including using the Supplemental Low-Income Data Collection process, outlined below) and English Learners is strong**, as these demographic counts are major drivers of foundation rates.

Two notes about the state FY24 budget:

- State revenues continue to be strong, so we are anticipating FY24 SOA implementation to continue, driving up state foundation rates.
- We may not see a first draft of the state budget until as late as March 1st.. In most years, we expect to see the first draft of the budget in mid-January. However, in a year of a gubernatorial transition, the governor has an additional 5 weeks to file their first budget

Please feel free to reach out to us for thought-partnership on your school's individual situation, or reach out to Hadley Cabral at DESE (Hadley.B.Cabral@mass.gov).

Warmly,

Erica

#EdThatAddsUp

Copyright © 2023 Massachusetts Charter Public School Association. All rights reserved.

Unsubscribe or Manage Your
Preferences

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-Dec-2022-Financial Statements v1.xlsx