APPROVED

Lawrence Family Development Charter School

Minutes

LFDCS Finance Subcommittee Meeting

Date and Time
Wednesday February 5, 2025 at 5:30 PM

Location
Zoom

Meeting ID: 203 254 9498
Passcode: yJ32tX

Committee Members Present
C. Needham (remote), D. DeFillippo (remote), J. Henriquez (remote)

Committee Members Absent
G. Lopez, L. McRae

Guests Present
D. Thakkar (remote), S. Perry (remote), Y. Rodriguez (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

C. Needham called a meeting of the Finance Committee of Lawrence Family Development Charter School to order on Wednesday Feb 5, 2025 at 5:39 PM.

C.

Approve Minutes

Dave D. noted an edit to be made in section 3, Update on Management Services Agreement. In the second sentence, it should state "four trustee members" not "three".
J. Henriquez made a motion to approve the minutes with the edit from LFDCS Finance Committee Meeting- December 4, 2024 on 12-04-24.
D. DeFillippo seconded the motion.
The committee **VOTED** to approve the motion.

II. Management Services Agreement

A. Discussion

The Management Service Agreement (MSA) will be an ongoing agenda item at all Finance Committee and Board of Trustees meetings. Darshan T. reported that Dan Halloran, Executive Director of Lawrence Prospera, informed him that the first draft of the agreement is currently under review by LFD's attorneys. Once approved, it will be forwarded to the school's counsel for further review.

Chris N. inquired about the extent of expected revisions to the MSA by LFP, to which Susan P. noted that the changes would likely be minor, primarily involving the language related to dual roles. Basic services language is expected to remain unchanged. Susan confirmed that the positions identified by LFD would be removed as part of the revisions.

Darshan T. highlighted the complexities in the financial and organizational relationship between the school and Lawrence Prospera, identifying 163 workflow items to address, with some requiring consolidation or rewriting. Both organizations acknowledged the need for more expertise in finance and HR management, with Darshan proposing that the school hire its own finance and HR directors to better manage the growing workload and ensure clearer decision-making.
The discussion also covered the ongoing transition from QuickBooks to NetSuite, with the team recognizing delays in the process. The consensus was that having dedicated finance and HR leadership would help clarify expectations and plans for the next five years.

Chris N. raised concerns about long-term financial liabilities due to the bond, and asked Susan P. about LFD's financial outlook for the year. Susan reported that LFD is performing better than the previous year, though a delay in grant reimbursement remains a challenge. She expressed frustration over the reduced grant amount approved by the city council, which impacted the budget and the alternative youth program.

Susan emphasized the alignment of both organizations' missions, particularly in serving youth, while Dave D. expressed a desire for the best possible outcomes for both entities. Darshan T. noted that as both organizations grow, there is a clear divergence in their

paths. Susan reaffirmed that NetSuite software would facilitate transparency and smoother financial management.
Darshan emphasized the school's readiness to hire dedicated finance and HR directors due to the increasing volume and complexity of the work. He provided an example of the school's need for financial advice, citing a large equipment purchase decision that could benefit from expert guidance. He anticipates that such scenarios will increase and require both organizations to provide financial expertise.

Darshan T. proposed a plan for transitioning LFDCS to its own finance manager and HR director, using compensation data from the Charter School Association. The survey revealed salary ranges for CFOs, finance directors, HR directors, and HR managers, which Darshan suggested could inform future hiring decisions.

Dave D. asked whether discussions with Lawrence Prospera and LFDCS regarding these issues would continue. Darshan confirmed ongoing conversations with Dan H. and Susan P. about the school assuming the finance and HR roles. The final outcome of the MSA will determine the number of positions and the transition plan, including potential fee adjustments. Darshan also clarified that there would be significant overlap in roles during the initial phase of the transition.
Finally, Chris N. offered guidance from the Board on moving the process forward, and Darshan T. expressed his intention to seek further support from the Board.

Chris N. recommended considering the salary ranges provided by Darshan T. while factoring in the local cost of living. He also proposed filling the finance and HR positions by the end of April to allow for at least a month of budget cycle discussions with the new hires involved.

Susan P. inquired whether the Netsuite accounts would need to be separated, to which Chris N. stated that the school finance department should have its own contract or license for the software, assuming it is the appropriate system for the school's needs.

Chris N. also asked Darshan T. if he would need to engage a consultant to assess the school's needs regarding accounting or CRM software. Darshan agreed, and Chris recommended beginning the search for an advisor within the next few weeks, parallel to the hiring process.
Chris N. asked whether board approval would be required for the proposed salaries. While he felt the figures were reasonable, Darshan T. clarified that the numbers were provided to gather feedback. Both Chris N. and Dave D. agreed that the proposed salary ranges were appropriate.

The committee discussed the potential impact on the relationship with Prospera, with Darshan assuring that the transition is progressing amicably. Susan emphasized the need for a clear plan to implement these changes, considering Darshan's workload.

Darshan noted that he could seek guidance from mentors at the Charter School Association to support the hiring process.
Jose H. offered to provide comparative salary and responsibility data relevant to the positions, based on his own professional field.

III. Cell phone pouches

A. Planning if the STUDY ACT passes.

Darshan T. presented a bill filed by the Massachusetts Attorney General regarding the collection of cell phones in schools, outlining three potential methods for implementation:

1. Collecting phones in pouches and storing them in the office for the entire day.
2. Students turning off their phones and placing them in pouches, which they would keep in their possession.
3. Allowing students to retain their phones and use them during the lunch period.

The Attorney General expressed support for the first option, which is the one included in the bill. Darshan T. noted that the bill may be approved as proposed or with modifications. He also mentioned that pouches used by other schools, such as those in the city of Wellesley, typically cost between $20 and $30 each. Additionally, considerations such as the cost of replacements and storage would need to be factored into the overall expenses.
The team agreed to monitor the situation as it progresses.

Chris N. inquired about any updates regarding the new lease and its alignment with the capital improvement plan. Darshan T. responded that there are no updates at this time but hopes to have more information by the next meeting. Chris N. requested that a proposal be presented within the next month.

IV. Closing Items

A. Adjourn Meeting

D. DeFillippo made a motion to adjourn the meeting.
J. Henriquez seconded the motion.
The committee **VOTED** to approve the motion.
There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:50 PM.

Respectfully Submitted,
Y. Rodriguez

Documents used during the meeting

None