



# Academy of Arts & Sciences

## Compass Charter Schools

### Finance Committee Meeting

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#### Date and Time

Tuesday February 21, 2017 at 2:00 PM PST

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AAS Central Office: 850 Hampshire Road, Suite P, Thousand Oaks, CA 91361  
3305 Buckman Springs Road, Pine Valley, CA 91962  
3625 Thousand Oaks Blvd., Suite 245 Westlake Village, CA 91362

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/188967613>

You can also dial in using your phone: (312) 757-3121; Access Code: 188-967-613

Addressing the Committee – Committee meetings are meetings of the Board of Directors and will be held in a civil, orderly and respectful manner. All public comments or questions should be addressed to the Committee through the Chair of the Committee. To ensure an orderly meeting and an equal opportunity for each speaker, persons wishing to address the Committee must send a Speaker Request Message through the form of a text message or chat box message to Miguel Aguilar, Executive Assistant to the CEO (805-807-8199). Messages must contain speaker name, contact number or email, and subject matter and sent prior to the beginning of the Public Comment section of the meeting. Members of the public may address the Committee on any matter within the Committee's jurisdiction and have **three (3) minutes each** to do so. The total time of each subject will be fifteen (15) minutes, unless additional time is requested by a Committee Member and approved by the Committee.

The Committee may not deliberate or take action on items that are not on the agenda. However, the Committee may give direction to staff following a presentation. The Chair is in charge of the meeting and will maintain order, set the time limits for the speakers and the subject matter, and will have the prerogative to remove any person who is disruptive of the Committee meeting. The Finance Committee may place limitations on the total time to be devoted to each topic if it finds that the numbers of speakers would impede the Committee's ability to conduct its business in a timely manner. The Finance Committee may also allow for additional public comment and questions after reports and presentations if it deems necessary.

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For questions or requests regarding accessibility, please call Miguel Aguilar at (805) 807-8199.

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## **Agenda**

### **I. Opening Items**

Opening Items

- A.** Call the Meeting to Order
- B.** Record Attendance and Guests

### **II. CONSENT ITEMS**

- A.** Approval of February 21, 2017 Regular Meeting Agenda
- B.** Approval of the December 20, 2016 Regular Meeting Minutes

### **III. PUBLIC COMMENT**

Finance

- A.** Public Comment

### **IV. REPORTS**

- A.** Staff Report

### **V. UNFINISHED BUSINESS**

### **VI. NEW BUSINESS**

- A.** Review and Discussion of the January Financials

### **VII. Closing Items**

- A.** UPCOMING MEETING  
Tuesday, March 21 at 2 pm

**B. Adjourn Meeting**

# Coversheet

## Approval of the December 20, 2016 Regular Meeting Minutes

<b>Section:</b>	II. CONSENT ITEMS
<b>Item:</b>	B. Approval of the December 20, 2016 Regular Meeting Minutes
<b>Purpose:</b>	Approve Minutes
<b>Submitted by:</b>	
<b>Related Material:</b>	Minutes for Finance Committee Meeting on December 20, 2016

APPROVED



# Academy of Arts & Sciences

Compass Charter Schools

## Minutes

Finance Committee Meeting

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### Date and Time

Tuesday December 20, 2016 at 2:00 PM

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### **Committee Members Present**

J. Cummings (remote), J. Lewis, K. Granger (remote), L. Fishman, M. Aguilar

### **Committee Members Absent**

*None*

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## **I. Opening Items**

### **A. Call the Meeting to Order**

K. Granger called a meeting of the Finance Committee of Compass Charter Schools to order on Tuesday Dec 20, 2016 at 2:00 PM.

### **B. Record Attendance and Guests**

## **II. CONSENT ITEMS**

### **A. Approval of December 20, 2016 Regular Meeting Agenda**

L. Fishman made a motion to approve the consent items.

J. Cummings seconded the motion.

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

#### **Roll Call**

K. Granger Aye

J. Cummings Aye

L. Fishman Aye

### **B. Approval of the November 15, 2016 Regular Meeting Minutes**

L. Fishman made a motion to approve minutes from the Finance Committee Meeting on 11-15-16 Finance Committee Meeting on 11-15-16.

J. Cummings seconded the motion.

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

#### **Roll Call**

J. Cummings Aye

L. Fishman Aye

**Roll Call**

K. Granger Aye

**III. PUBLIC COMMENT**

**A. Public Comment**

No public comment.

**IV. REPORTS**

**A. Staff Report**

Mr. Lewis shared that AAS was allotted funds from the California Education Technology K-12 Voucher Program, which is the result of the settlement of a class-action lawsuit brought by California consumers and businesses concerning certain Microsoft software. It was noted that this is an additional release of funding. Discussion of the first interim reports will be under New Business.

**V. NEW BUSINESS**

**A. Review and Discussion of the First Interim Reports**

Mr. Lewis and Mr. Scott Warner, School Business Manager from CSMC, led the committee in a review of the first interim reports. It was noted local revenue increased for AAS Del Mar, AAS Los Angeles and AAS Thousand Oaks & Simi Valley as a result of transferring the ending fund balances for closed schools which were authorized by the same authorizer. The report also now reflects projected revenue (\$75,000) from the College Readiness Block Grant.

**B. Review and Discussion of the November Financials**

Mr. Lewis and Mr. Scott Warner, School Business Manager from CSMC, led the committee in a review of the November financials.

**VI. 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 2:28 PM.

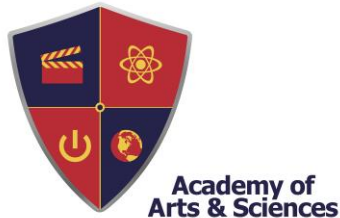
Respectfully Submitted,  
M. Aguilar

# Coversheet

## Staff Report

<b>Section:</b>	IV. REPORTS
<b>Item:</b>	A. Staff Report
<b>Purpose:</b>	FYI
<b>Submitted by:</b>	J.J. Lewis
<b>Related Material:</b>	Staff Report - February.pdf





Staff Report  
February 21, 2017

This report is meant to provide updates to the Board of Directors Finance Committee:

Annual Services Report

We were selected by the U.S. Census Bureau to participate in the 2016 Annual Services Report. The data is used to compile the official statistics used to measure economic performance in the United States and provides national policymakers and business leaders with measures of important economic sectors. Our information will be used in the nonprofit sector. Information they have requested in on operating expenses, payroll, benefit costs, retirement plans, rent and leases, and technology expenses.

CalSTRS Survey

CalSTRS is conducting a survey to better understand California charter schools and their potential impact on CalSTRS' plan design. Data from the survey will be used in a report presented to the Teachers' Retirement Board in June. The report will be made available at [CalSTRS.com/teachers-retirement-board](http://CalSTRS.com/teachers-retirement-board) at that time.

Chase Bank (checking account)

The primary account for AAS is a checking account at Chase Bank. Balances are as of the end of the reported month:

- January: \$ 1,695,764.77

JP Morgan Chase (CD account)

AAS has a laddered CD account through JP Morgan Chase. Balances are as of the end of the reported month:

- January: \$5,038,202.00

Scholar Share Grant

ScholarShare, a program of the Office of the State Treasurer, recognizes the important role that schools play in preparing scholars for college success and is proud to support their efforts with Scholar Dollars grants ranging from \$5,000 to \$25,000. Scholar Dollars grants will help support innovative school programs that foster college-going cultures on their campuses, prepare scholars academically, and enhance extracurricular activities. AAS is submitting for each of our charters in the 'Extra Small Schools' category for a chance at \$5,000. Only four (4) schools will win in this category state-wide.

# Coversheet

## Review and Discussion of the January Financials

**Section:** VI. NEW BUSINESS  
**Item:** A. Review and Discussion of the January Financials  
**Purpose:** Discuss  
**Submitted by:** Scott Warner  
**Related Material:** AAS - BS - Jan 17.pdf  
AAS - PL - Jan 17.pdf

## Academy of Arts and Science Consolidated

February 2017

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

Liquidity Ratio	11.8
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<b>Assets</b>	
<b>Current Assets</b>	
Cash	\$5,313,529
Investments	\$5,000,000
Accounts Receivables	\$415,498
Prepaid Expenses	\$27,001
<i>Total Current Assets</i>	<i>\$10,756,029</i>
<b>Fixed Assets</b>	
<i>Total Fixed Assets</i>	<i>\$0</i>
<b>Other Assets</b>	
<i>Total Other Assets</i>	<i>\$0</i>
<b>Total Assets</b>	<b>\$10,756,029</b>

<b>Liabilities and Net Assets</b>	
<b>Current Liabilities</b>	
Accounts Payable	\$845,452
Deferred Revenue	\$62,400

## Academy of Arts and Science Consolidated

February 2017

<i>Total Current Liabilities</i>	\$907,852
<b>Long Term Liabilities</b>	
Loans Payable	\$25,000
<i>Total Long Term Liabilities</i>	\$25,000
<i>Total Liabilities</i>	\$932,852
<b>Net Assets</b>	
Unrestricted Net Assets	\$15,394,719
Profit/Loss YTD	(\$5,571,541)
<i>Total Net Assets</i>	\$9,823,177
<b>Total Liabilities and Net Assets</b>	\$10,756,029

## Academy of Arts and Science Consolidated

January 2017 - January 2017

Segment Name	Filter Applied
Object	All
Restriction	All
Location	All

		January		July - January Summary				2016-2017	
Account Code	Description	Actual	Budget	Actual	Budget	Variance \$	Variance %	Total Budget	Remaining Budget
8011	LCFF Revenue			-	-	-	0.0 %	-	-
8096	Charter Schools Funding In-Lieu of Property Taxes	\$46,468	-	\$406,962	-	\$406,962	0.0 %	-	(\$406,962)
<b>Revenue Limit</b>		\$46,468	-	\$406,962	-	\$406,962	0.0 %	-	(\$406,962)
8299	Prior Year Federal Income			\$46,250	-	\$46,250	0.0 %	-	(\$46,250)
<b>Federal Revenue</b>				\$46,250	-	\$46,250	0.0 %	-	(\$46,250)
8550	Mandated Block Grant	\$114,422	\$3,836	\$196,334	\$15,343	\$180,991	1,179.6 %	\$38,359	(\$187,414)
8560	State Lottery Revenue	\$26,692	-	\$26,692	-	\$26,692	0.0 %	-	(\$26,692)
8590	All Other State Revenues			\$187,582	-	\$187,582	0.0 %	-	(\$187,582)
8594	Prop 39 Clean Energy Act			(\$45,147)	-	(\$45,147)	0.0 %	-	\$45,147
8599	Prior Year State Income			\$17,974	-	\$17,974	0.0 %	-	(\$17,974)
<b>Other State Revenue</b>		\$141,114	\$3,836	\$383,435	\$15,343	\$368,092	2,399.0 %	\$38,359	(\$374,516)
8650	Rental Income	\$39,111	\$35,600	\$244,687	\$178,000	\$66,687	37.5 %	\$356,000	\$73,313
8660	Interest Income	\$8,392	-	\$16,776	-	\$16,776	0.0 %	-	(\$16,823)
8699	All Other Local Revenue	\$3,452	-	\$108,239	-	\$108,239	0.0 %	-	(\$108,721)
8792	SPED State/Other Transfers of Apportionments from County	-	\$71,977	(\$176,205)	\$359,886	(\$536,091)	-149.0 %	\$719,771	\$895,976
8793	SPED State/Other Transfers of Apportionments from JPA			(\$99,916)	-	(\$99,916)	0.0 %	-	\$99,916
8799	Other Transfers In			\$9,920,482	-	\$9,920,482	0.0 %	-	(\$9,920,482)
<b>Local Revenue</b>		\$50,955	\$107,577	\$10,014,064	\$537,886	\$9,476,178	1,761.7 %	\$1,075,771	(\$8,976,821)
<b>Total Revenue</b>		\$238,537	\$111,413	\$10,850,711	\$553,229	\$10,297,482	1,861.3 %	\$1,114,130	(\$9,804,549)
1100	Teachers' Salaries	\$241,966	\$263,227	\$1,465,979	\$1,447,750	(\$18,230)	-1.3 %	\$2,632,272	\$1,166,293
1200	Certificated Pupil Support Salaries	\$62,513	\$80,062	\$326,902	\$440,339	\$113,437	25.8 %	\$800,616	\$473,714
1300	Certificated Pupil Support Salaries	\$28,356	\$42,503	\$259,543	\$297,520	\$37,977	12.8 %	\$512,083	\$252,540
1900	Other Certificated Salaries			\$33,600	-	(\$33,600)	0.0 %	-	(\$33,600)
<b>Certificated Salaries</b>		\$332,835	\$385,792	\$2,086,025	\$2,185,609	\$99,584	4.6 %	\$3,944,971	\$1,858,946
2200	Classified Support Salaries (Maintenance, Food)	\$56,768	\$82,668	\$408,200	\$454,674	\$46,474	10.2 %	\$826,680	\$418,480
2300	Classified Supervisor and Administrator Salaries	\$37,272	\$41,904	\$180,988	\$293,326	\$112,338	38.3 %	\$504,864	\$323,876

**Academy of Arts and Science Consolidated**

**January 2017 - January 2017**

## Academy of Arts and Science Consolidated

January 2017 - January 2017

2400	Clerical, Technical, and Office Staff Salaries	\$37,171	\$28,681	\$314,236	\$200,770	(\$113,465)	-56.5 %	\$345,560	\$31,324
2900	Other Classified Salaries (Noon and Yard Sup, etc.)			\$43,008	-	(\$43,008)	0.0 %	-	(\$43,008)
<b>Classified Salaries</b>		<b>\$131,212</b>	<b>\$153,253</b>	<b>\$946,432</b>	<b>\$948,770</b>	<b>\$2,338</b>	<b>0.2 %</b>	<b>\$1,677,104</b>	<b>\$730,672</b>
3101	State Teachers' Retirement System, certificated positions	(\$6,209)	\$49,628	\$177,391	\$272,953	\$95,562	35.0 %	\$496,277	\$247,433
3313	OASDI	\$7,746	\$10,398	\$53,531	\$56,149	\$2,618	4.7 %	\$103,980	\$50,449
3323	Medicare	\$6,450	\$8,152	\$42,423	\$44,021	\$1,598	3.6 %	\$81,520	\$39,097
3403	Health & Welfare Benefits	\$43,459	\$45,403	\$333,649	\$245,176	(\$88,472)	-36.1 %	\$454,030	\$86,272
3503	State Unemployment Insurance	\$24,602	\$2,328	\$53,459	\$12,571	(\$40,887)	-325.2 %	\$23,280	(\$30,179)
3603	Worker Compensation Insurance	-	\$8,995	\$24,898	\$48,575	\$23,677	48.7 %	\$89,953	\$65,055
3703	Other Post Employment Benefits			\$950	-	(\$950)	0.0 %	-	(\$950)
3903	Other Employee Benefits	\$436	-	\$15,593	-	(\$15,593)	0.0 %	-	(\$15,593)
<b>Employee Benefits</b>		<b>\$76,484</b>	<b>\$124,904</b>	<b>\$701,892</b>	<b>\$679,445</b>	<b>(\$22,447)</b>	<b>-3.3 %</b>	<b>\$1,249,041</b>	<b>\$441,586</b>
<b>Total Personnel Expenses</b>		<b>\$540,531</b>	<b>\$663,949</b>	<b>\$3,734,349</b>	<b>\$3,813,824</b>	<b>\$79,475</b>	<b>2.1 %</b>	<b>\$6,871,116</b>	<b>\$3,031,204</b>
4100	Approved Textbooks and Core Curricula Materials	\$97,442	\$772,932	\$1,229,286	\$3,478,194	\$2,248,908	64.7 %	\$3,864,660	\$2,603,225
4200	Books and Other Reference Materials	-	\$68,282	\$500	\$477,975	\$477,475	99.9 %	\$682,821	\$682,321
4300	Materials and Supplies	\$699	\$2,872	\$22,441	\$17,232	(\$5,209)	-30.2 %	\$28,720	\$6,343
4315	Classroom Materials and Supplies	\$425	-	\$17,392	-	(\$17,392)	0.0 %	-	(\$17,392)
4400	Noncapitalized Equipment	-	\$111	\$13,838	\$664	(\$13,174)	-1,983.5 %	\$1,107	(\$12,731)
4430	Noncapitalized Student Equipment	\$717	\$13,404	\$1,981	\$80,427	\$78,445	97.5 %	\$134,044	\$132,063
<b>Books and Supplies</b>		<b>\$99,282</b>	<b>\$857,601</b>	<b>\$1,285,439</b>	<b>\$4,054,492</b>	<b>\$2,769,053</b>	<b>68.3 %</b>	<b>\$4,711,352</b>	<b>\$3,393,829</b>
5200	Travel and Conferences	\$835	\$5,000	\$33,980	\$35,000	\$1,020	2.9 %	\$50,000	\$16,020
5210	Training and Development Expense	\$2,383	\$15,000	\$124,242	\$105,000	(\$19,242)	-18.3 %	\$150,000	\$25,758
5300	Dues and Memberships	-	\$1,000	\$21,438	\$7,000	(\$14,438)	-206.3 %	\$10,000	(\$11,438)
5400	Insurance	-	\$3,088	-	\$24,708	\$24,708	100.0 %	\$30,885	\$30,885
5500	Operation and Housekeeping Services	\$680	\$648	\$4,237	\$3,960	(\$277)	-7.0 %	\$7,200	\$2,963
5501	Utilities	\$614	\$999	\$4,412	\$6,107	\$1,695	27.8 %	\$11,104	\$6,692
5505	Student Transportation/Field Trips	-	\$6,750	-	\$41,250	\$41,250	100.0 %	\$75,000	\$75,000
5600	Space Rental/Leases Expense	\$66,461	\$64,592	\$495,559	\$452,141	(\$43,418)	-9.6 %	\$778,212	\$233,550
5601	Building Maintenance	-	\$2,160	\$1,000	\$13,200	\$12,200	92.4 %	\$24,000	\$23,000
5602	Other Space Rental	-	\$450	\$223	\$2,750	\$2,527	91.9 %	\$5,000	\$4,777
5605	Equipment Rental/Lease Expense	\$1,555	\$682	\$6,588	\$4,776	(\$1,813)	-38.0 %	\$8,220	\$1,632
5800	Professional/Consulting Services and Operating Expenditures	\$3,119	\$26,557	\$104,795	\$185,900	\$81,104	43.6 %	\$319,965	\$213,150
5803	Banking and Payroll Service Fees	\$1,096	\$415	\$3,355	\$2,905	(\$450)	-15.5 %	\$5,000	\$1,620
5805	Legal Services	\$7,596	\$12,420	\$42,694	\$75,900	\$33,206	43.7 %	\$138,000	\$69,862

## Academy of Arts and Science Consolidated

January 2017 - January 2017



## Academy of Arts and Science Consolidated

January 2017 - January 2017

5806	Audit Services			\$32,615	-	(\$32,615)	0.0 %	-	(\$32,615)
5809	Employee Tuition Reimbursement			\$4,581	-	(\$4,581)	0.0 %	-	(\$4,581)
5810	Educational Consultants	\$4,290	\$20,610	\$18,430	\$125,950	\$107,520	85.4 %	\$229,000	\$210,570
5811	Student Transportation	\$1,130	-	\$28,613	-	(\$28,613)	0.0 %	-	(\$28,613)
5815	Advertising/Recruiting	\$161	\$9,000	\$20,407	\$55,000	\$34,593	62.9 %	\$100,000	\$79,593
5873	Financial Services	\$21,400	-	\$191,467	-	(\$191,467)	0.0 %	-	(\$212,867)
5874	Personnel Services	\$32	-	\$928	-	(\$928)	0.0 %	-	(\$928)
5877	IT Services	\$6,198	-	\$36,634	-	(\$36,634)	0.0 %	-	(\$36,634)
5890	Interest Expense/Fees			\$1,018	-	(\$1,018)	0.0 %	-	(\$1,368)
5899	CMO Management Fee Expense			-	-	-	0.0 %	-	-
5900	Communications (Tele., Internet, Copies, Postage, Messenger)	\$305	\$3,320	\$46,213	\$23,240	(\$22,973)	-98.9 %	\$40,000	(\$6,509)
<b>Services &amp; Other Operating Expenses</b>		\$117,855	\$172,692	\$1,223,430	\$1,164,787	(\$58,643)	-5.0 %	\$1,981,586	\$659,518
5875	District Oversight Fee			\$90,235	-	(\$90,235)	0.0 %	-	(\$90,235)
7200	Transfer to Charter			\$9,920,482	-	(\$9,920,482)	0.0 %	-	(\$9,920,482)
<b>Other Outgo</b>				\$10,010,717	-	(\$10,010,717)	0.0 %	-	(\$10,010,717)
<b>Total Operational Expenses</b>		\$217,136	\$1,030,293	\$12,519,586	\$5,219,278	(\$7,300,308)	-139.9 %	\$6,692,938	(\$5,957,370)
<b>Total Expenses</b>		\$757,668	\$1,694,242	\$16,253,934	\$9,033,102	(\$7,220,832)	-79.9 %	\$13,564,054	(\$2,926,166)
<b>Net Income</b>		(\$519,130)	(\$1,582,829)	(\$5,403,224)	(\$8,479,873)	\$3,076,649	36.3 %	(\$12,449,924)	(\$6,878,383)

## Academy of Arts and Science Consolidated

January 2017 - January 2017