DRAFT

Next Generation Charter Schools

Minutes

Finance Committee Meeting

Date and Time
Thursday March 16, 2023 at 4:05 PM

Location
Join Zoom Meeting https://metlcs.zoom.us/j/99586083542?pwd=SXp5cnQrMTkxL2lHZTBxbzRvMHB2QT09

Meeting ID: 995 8608 3542 Passcode: 231812

One tap mobile +16465588656,,99586083542#,,,,*231812# US (New York)

Mission

At Nuasin Next Generation, we believe in the unlimited talent and intellectual potential of our scholars and our community. We cultivate this talent and intellectual potential through a progressive education that focuses on deep exploration, thoughtful questioning, relentless curiosity and critical thinking. Nuasin Next Generation Charter School implements a progressive K-12 educational program and an unyielding commitment to cultivating our scholars' innate intellectual talents to empower our graduates to achieve excellence in their postsecondary paths and make positive impacts on the broader community. Every single one of our scholars have the potential to be great and change the world, at Nuasin Next Generation we prepare our scholars for that opportunity.

3 Pillars

The Mission of Nuasin Next Generation stands firmly on the foundation of our three pillars: Rigor, Self-Advocacy, and Community. These three pillars are the guiding principles for our school and culture. Please find a deeper explanation of our pillars below.

Rigor:
We use the word "rigor" not in the stringent or inflexible sense, but in the sense of an unyielding need to challenge and push our scholars because we understand and believe in the potential, talent, and ability of our scholars and community. We challenge our scholars to build their confidence and help them realize what they can achieve.

Self-Advocacy:

Our scholars are empowered to advocate for themselves, their families, and their communities. As our scholars come to understand that their voices are valued and needed, they learn to advocate for themselves. Our scholars are seen and valued; they understand that not only do they have the right to express their opinions, views, and perspectives, but it is their obligation to do so.

Community:
Our scholars will embrace community and understand that as a member of a community you have certain
inalienable rights, the right to be seen, the right to be heard, the right to be protected and the right to be loved and
cherished. Our students will also learn of their obligations. As a member of a community you have the obligation to
respect, listen, support and only want and assume the best in all others. Every member of our community must understand that they are active participants in the Nuasin community and the community goes as we go.

Committee Members Present
A. Bothner (remote), E. Chen (remote), K. Brisseau (remote), S. Pressley (remote), T. Bryan (remote)

Committee Members Absent
None

Guests Present
G. Borja, J. Keeney, M. Alston (remote), S. Kochar (remote), S. Rasheed (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

S. Pressley called a meeting of the Finance Committee of Next Generation Charter Schools to order on Thursday Mar 16, 2023 at 4:07 PM.

C. Approve Minutes

S. Pressley made a motion to approve the minutes from Finance Committee Meeting on 02-16-23.
T. Bryan seconded the motion.
The committee **VOTED** to approve the motion.

II. Finance

A. General Updates

SP Taxes are ready. SB asked if anything was suspicious, and JK informed us we should be aware of whose compensation we are disclosing. SP asked when it should be disclosed, MA responded it needs to be filed on May 13. KB asked when the 990 was sent, MA responded it was sent out yesterday.

B. February Financials

SR stated total assets of 11.7 million and Grant claims for ESSR and title grants worth 900K. The debt-to-asset ratio was 2.5. Debt service coverage 1.7. Most recent billing for 674 students. total expenses spent is 7.9.

SP asked about expenses and cash on hand if they were correct and SR said they were. Reports 674 students in our school. P &L recognized 7.9 spent per pupil. total revenue of 11.8 forecasting to end at 11 million. Salaries are expected to end at 11.2 million.

C. 2023-2024 Budget Timeline Reminder

MA reports we are in the process of budget amendments and org chart reassessment. Would like to have the budget approved at April's meeting. AB wants to know if the budget will be approved in April or just presented to be approved in May. SB answered that this is not ideal since it is due 5/31, this is why we will review and approve it in April.

D. Investment Policy Review

SB asked if there should be changes to the investment policies, but no one answers and she informed that no changes will be made and investments will remain the same. Reminds the committee that it is on page 14, and would like to vote to maintain the policy the same. AB wants to understand why this is taking place during this time of the year. SB responds she wants the board to be aware and embed it into all of our policies.

E. Review of Salary Portion in 2023- 2024 Budget

MA reports that the first slide is a recap of what we did last year to this school year. We are keeping the interim leader of school culture to a permanent position. We are requesting 3-4 AP, K- 4 AP and K-@ ap. We are keeping two college readiness positions since there is a need. EC asked what this person's role would be. MA explained this is going to push down into lower levels. K-12 Manager is something we have discussed and hat the board was requesting, the two additions for K-8 going from 2 AP's in the lower school and transitioning to one. AB asked if we weld need resources to help are we ok with the transition and is part of this thinking about this is because of the positions we want someone to grow into. MA agrees that this is the thinking behind this strategy. AB asked about high school for senior leadership change and asked why. MA responded that we started the school year with an AP but we have not had one for this year, but we are not slatted to add any senior leadership until we have a new building. AB clarifies that we

are waiting to add leadership since we do not need them. MA explains that we just need to fill the positions that we have and not anything further. We are requesting an additional general and SPED teacher. In the HS we are adding one general ED teacher. Leader of school culture, Manager of Human resources and also proposing 3 mid year hires in operations in order to run school successfully and have the support we need in the final building. We re requesting to increase salaries 5% across the board, a few positions would be more than 5% that would include the new k-4 AP, Operations of scholar services. Estimated cost would be 980K increase. JK said this summarizes the new request for salaries and new positions. Per pupil revenue will increase 4%, this helps to offset the increase, other costs are facility, # of students are the same, inflation costs can impact facility costs. Federal cares act funding and ESSER funding will decrease by 1.8 million and will be lower in FY25. Revenue hit of 1.8 million for FY24. Loss in revenue and increase in salary personnel. Last year FY 24 was presented as a deficit, but the number is increased than the number presented. EC asked what that means in terms of what we can do and what we want to do? JK responded that the changes presented would force the organization to dip into their reserve funds. SB responds that we would be operating in 3.1 deficit for FY24 year. EC asked if that sounds ok? SP said it does not. EC asked what we need to do? SP responded that although we usually vote for this during March meeting, she would like the board to meet with MR to understand positions and increases before moving forwarded with these changes. Although he is proposing a high increasing according to market rates according to 4th sector, we should not vote on compensation next week and would like to defer this committee autonomy to review this in depth and review with MR. This should give the school enough time to send out their offer letters. TB asked what the difference was between 4% and 5% and SR responded that 1% is 70K. SB responded that we should look at evaluation increase, merit based increases. Would like to get Malik's input on this. SR mentioned other organizations that are doing this and she would like to explore the possibility with MR. AB asked what per pupil will increase, SR said it would be 3.3 and 4.1 but not confirmed. Would like to know when that number will be confirmed, JK said we would likely know until May. AB wanted to frame thoughts on moving forward. He agrees that we should not vote on this budget in March due to the climate and the growth outlook. We should think our way through the current environment, would like us to work and articulate to the board a better first version of what we are spending vs operations vs. growth. are any of the costs presented geared towards growth and he assumes it might be. Would like the financial numbers to be clear on this. Budget finances so that we are clear on what is expansion and what is operational. The budget also might need to be a full board vote, AB is ok with raises and costs but we need to find a solution and cost savings elsewhere. 1. lest think about this in operation vs expansion 2. lets be sure that if we are increasing salaries that we are also finding savings elsewhere. SP agrees and feels having the conversation with Malik is important. AB suggests we check the bylaws to ensure about board members and finance committee voting. AB asked how this is conversation is going with other schools. JK responded that some schools have further complications with enrollment, some are creating non teaching position raises at a lower raise rate. No schools are increasing salaries without having an increase in the number of students. AB askes if outside of that

what other schools are doing that are a good idea or guidance on what we can do, providing an example of best lessons. The teacher scale is a lot higher than most schools, average teacher salary at our school is relatively high. SP adds that last year we gave 7% increases. JK also adds we have very low teacher turnover. we benefit from the quality. TB askes how much higher are we, JK responds that we are about 10% higher than the average salary cost. AB responds that the 10% overall cost is better than having to pay for turnover. AB said he just wanted to learn from others and hear about best practices in the industry. Reminds everyone that we have a hard decision to make. MA reminds that vacant positions and positions we are adding are not added but this year they are and these are mid level and we have decreased SPED projections. AB suggests meeting with MR as soon as possible and do as much work as we can before Thursday. SP also asks for any best practices to be emailed. and thanked everyone for their attention to this matter.

F. Budget Amendment

MA reports on costs savings based on how much we spent so far and our places until June. There is a savings in supplies since they are not individual sized due to covid, we are more relaxed and we can buy in bulk, We have a different telephone service. Our custodial supplies are supplied by vendor. Trinet will have a savings since they granted a discount in our renewal of their services. Computer support also cost savings with different vendor. Scholar transportation is always variable due to DOE calendar, there are cost savings since our calendar matches well this year. Field trips have been conservative in the beginning of the year, and we are now in good standing. Marketing money is saved since we did not have to advertise for expansion. There have also been increased expenditures. There have been increased expenditures in occupancy. professional services, school culture and other expenses.
MA projects that this will not impact budget month over month. SP says we will present this next week at board meeting.

G. Fundraising Timeline

SP states that MR is proposing a fundraising plan. Hoping to have a Gala that would be an annual event. MA stated that MR has a network of contacts that would purchase a table and that the board could support by having their networks purchase a table as well. There were no questions.

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 5:25 PM.

Respectfully Submitted,

S. Pressley