

APPROVED

Vida Charter School

Minutes

Finance Committee Meeting

Date and Time

Monday April 18, 2016 at 3:30 PM

Committee Members Present

C. Maldonado, M. Rosenberger, N. McGowan, S. White

Committee Members Absent

J. Brandauer

Guests Present

A. Kittelberger (remote), Amelia Contreras, Cezar Perez, Darren Glass, committee member, Elizabeth Kellett, Jack Steiner, L. Leonard, Maria Gellman, Tania Reyes

I. Opening Items

A. Record Attendance and Guests

Other members of the staff and public attended but did not speak at the meeting. These included Claudia Vera, Forrest Haffey, Mary Canedo.

B. Call the Meeting to Order

L. Leonard called a meeting of the Finance Committee of Vida Charter School to order on Monday Apr 18, 2016 at 3:37 PM.

C. Approve Minutes

L. Leonard made a motion to approve minutes from the Finance Committee Meeting on 03-21-16 Finance Committee Meeting on 03-21-16.

M. Rosenberger seconded the motion.

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

D. Call to Public

Elizabeth Kellett asked the committee to consider withholding a bonus payment to Cynthia due to the budget shortfall.

Maria Gellman asked for the committee to explain the health insurance plan and why their co-pays and deductibles are not the same as last year.

Cezar Perez asked the committee if the teacher assistants jobs were secure. He stated that the TA's play a vital role and Vida and asked the committee to consider other cost saving measures besides cutting TA positions.

Tania Reyes told the committee that she and other teachers are willing to make sacrifices to save jobs. She suggested that the board/admin should come up with cost saving ideas then come to the teachers to see if they are willing (or not) to accept those changes.

Jack Steiner said he was confused about the the budget shortfall and wanted to understand what is going on.

Lynn Leonard recorded all comments and will work with administration to provide responses to all questions. Lynn Leonard addressed Jack Steiner's question directly and explained the current state of the fund balance as well as current year's revenue vs. expenses.

II. New Business

A. Budget Draft #3

Ryan Schumm relayed to the committee that the state finally released the tuition rates for this year. After calculating them into our current budget, it has a positive impact on our revenue. Thus, the predicted \$200,000 shortfall is now estimated to be only \$100,000 by year's end. This also has a positive impact for next year's budget planning purposes, making it easier to provide the board with a balanced budget plan by May's meeting.

Melissa Rosenberger asked Ryan Schumm for his expert opinion on the cost saving potential of using a local lawyer to provide general legal counsel to Vida while continuing to use specialized charter lawyers for only charter-specific legal issues.

Ryan responded that of the 35+ charter schools that he works with, all but 20% use only one specialized charter-specific law firm. He stated that maintaining multiple law firms for various purposes often muddies the waters as neither is fully aware of what the other is doing or how the other is counseling. He cited duplication of work and confusion around roles as contributing to greater expenses, not less, related to legal counsel. He did not think many schools save money by using more than one lawyer.

B. Search Process Expenses

The cost for specialized screeners from the LIU and CAL, combined with the LIU to conduct background checks, the total cost of the search is coming in under \$5000.

Sue White noted that despite the dollar amount, there is an additional cost in time and lost productivity in other work areas to board members, volunteer staff, and admin.

C. March Financials

After removing several planned expenses from the current budget that had been originally intended to be applied to reserved and unreserved funds from the fund balance, the P&L statement now shows a current operating surplus of \$47,000. The end of year projection is now -\$100,000, but other cost saving measures are underway to ensure this deficit is partially or completely eliminated by year's end.

D. Special Ed and Gifted Proposal

no discussed

E. Technology Proposals for current and next year

Cynthia proposed the purchase of an additional classroom set of computers for next year's 3rd grade. She also suggested the purchase of a laptop for the new 4th grade teacher that will need to be hired for next year. The total cost will be around \$16,000.

Ryan counseled that we could make the purchase now so that the supplies would be ready to use by the beginning of the school year, however, since the purchase would be intended for user in next year's budget, it would be recorded as such in the financials.

Lizzie Kellett, member of the public, interjected into the committee's discussion to ask that we reconsider the purchase in light of the budget shortfall.

S. White made a motion to recommended the purchase of a classroom set of Acer Chromebooks and a teacher MacBook for use in the 2016-17 school year.

L. Leonard seconded the motion.

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

F. Marketing Expenses

Amelia Contreras presented several ideas for marketing Vida to the local community in an effort to recruit students. She suggested making videos, several print media outlets, local church bulletin, a Youtube account, and a billboard. Total expenses were in the \$5000-\$10,000 range. The committee suggested that she move forward with projects that fall within the range of existing budget money for marketing. Thereafter, she should prioritize and create a staged plan for implementing other advertising measures.

III. Old Business/Updates

A. Enrollment and Attendance Update (Mar)

Naima McGowan stated that attendance is holding steady at 241.

B. Lease Renewal Update

no updates to report

C. Executive Session

The committee voted to enter executive session at 4:40pm (motioned by: Lynn Leonard, seconded by: Sue White, and approved by the full committee) to discuss confidential portions of the draft budget.

The committee voted to exit executive session at 5:00pm (motioned by: Sue White, seconded by: Lynn Leonard, and approved by the committee).

S. White made a motion to to exit executive session.

L. Leonard seconded the motion.

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

IV. Closing Items

A. Next meeting - May 16 @ 3:30

B. Adjourn Meeting

M. Rosenberger made a motion to adjourn the meeting.

S. White seconded the motion.

The committee **VOTED** unanimously 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 5:00 PM.

Respectfully Submitted,

L. Leonard