

LA PROMESA EARLY LEARNING CENTER
Finance Committee Meeting Minutes
Date: February 28, 2017

Board Members Present	Ray Rivera	
Absent		
Others in Attendance	Chris Jones, Jackie Rodriguez, Mike Vigil, Danielle Miranda	
QUORUM	<u> </u> YES <u> </u> NO	
Meeting called to order		
Item	Discussion	Action/Recommendation
Approval of the Agenda	No Finance Committee Meeting	
Budget Report		

LA PROMESA EARLY LEARNING CENTER
Governance Council Board Meeting Minutes
Date: February 28, 2017

Board Members Present	Julian Munoz, Selia Cervantes, Ray Rivera, Judy Griego, Reggie Sanchez	
Absent		
Others in Attendance	Chris Jones, Jackie Rodriguez, Mike Vigil, Patty Matthews, Danielle Miranda	
QUORUM	<u> X </u> YES <u> </u> NO	
Meeting called to order	Mr. Munoz called the meeting to order at 5:39 PM	
Item	Discussion	Action/Recommendation
Approval of the Agenda	No discussion.	Julian Munoz called for a motion to approve the 02/28/17 agenda. Selia Cervantes motioned, Judy Griego seconded. -Julian Munoz called for a vote. GC approved unanimously by a vote of 5-0; 0 opposed; 0 abstained
Approval of Minutes	11/15/16 Minutes were reviewed and approved (Typo on Agenda) 01/31/17 Minutes were reviewed and approved	Julian Munoz called for a motion to approve the 11/15/16 & 01/31/17 Board Minutes. Reggie Sanchez motioned, Ray Rivera seconded. -Julian Munoz called for a vote. GC approved unanimously by a vote of 5-0; 0 opposed; 0 abstained
Discussion/Action Items	·	
Budget Report, BARS	<u>Vigil</u> : They gave you an Award based on estimates from what you had from last year's Pre-K Program and that amount was \$320,000. They took actual enrollment in that Pre-K Program, 32 ½ day and 31 extended day, that amount comes to \$301,000 if they are willing to fund, based on the award and how they do their calculations. That difference was overfunded of about \$19,000. Fortunately, this fund has about \$70,000 in availability. So basically we are putting down to a \$50,000 total in availability for the remainder of the school year. That is for all new Pre-K Initiative Expenditures. That's any new PO's, even a staff position if there wanted to be, this could be a brand new	Julian Munoz called for a motion to approve the BARS (0027- D, 0028- IB, 0029- IB). Selia Cervantes motioned, Ray Rivera seconded. -Julian Munoz called for a vote. GC approved unanimously by a vote of 5-0;

	\$50,000 expenditure for that program. <u>Munoz:</u> So that \$50,000 that's already in existence will roll out until when? <u>Vigil:</u> Until June 30th. So you have to have availability. If it doesn't get used, it does get ruled back up as a below the line award. Those get put back in the big pool and redistributed based on legislation. <u>Munoz:</u> So use it or lose it type deal? <u>Vigil:</u> Basically. There's another reduction to funding from the Legislative Session. It is already signed. The issue is that PED is trying to scramble to find out what is each school's portion that is owed. First any district that received emergency supplemental (special type of funding for districts in trouble) anyone who ever requested that money is exempted from having to pay it back. Also any school that had less than 3% of its prior year's SEG as cash carryover is exempt. These are supposed to be audited figures. For example, a school like LPELC did not have an audit that is verifiable. So we have to work with the school budget finance to let them know what we can determine is what our cash carryover is. We have provided those numbers to say this school had zero cash, as far as we could tell. I can't promise you that the school budget director will not come down and say we determined you owe x amount of dollars. The first amount was kicked back by the school was \$60,000, so it's going to be somewhere around that vicinity. It's all dependent on all education and who pays in to get to that amount of 49 million, what our portion will be. The school budget and finance director has to the numbers in by tomorrow; so we should know very soon. <u>Jones:</u> When do you foresee we'll have the final notice from David Craig? <u>Vigil:</u> Early next week. They will have a spreadsheet saying this is the amount for each of you. They'll spread out the cut over the next 4 months, so it won't be a huge hit like we'd have to cut a check. But budget wise it could be a huge impact for a school that is already struggling with its budget. Expenditures: -Operational (325,252.54) (Account Summary Report-page 3). This is as close as we're going to get as knowing where our actual budget is at. -Title 1 (Account Summary Report-page 4). Budget availability is over \$100,000. So if we can determine any positions or any expenditure that has already occurred that we can qualify for as Title 1 (purely supplemental). If we can move expenditures into that \$100,000, we can reduce the hit to Operational. That is a large availability to have in Title 1. This is a reimbursement fund, so we spend the cash out and the cash comes back in (zeros out). -Bank Reconciliation (Account Summary Report-page 13). Now we can tell the auditors this is why we had a variance, this is when it will clear, this is the reason why it happened, and this is how we're going to prevent it going forward. It's a small variance. When we first came into this situation in August, the variance was \$190,000. So down to \$1,000 is a huge win. -Cash Summary Report (Account Summary Report-page 14). I've never seen a charter school with so many funds. I broke out your cash in each account, so that it adds up to the balance on the Bank Reconciliation. The problem is the Operational SEG fund has (50,000) in it. The reason you're not closing your doors is because other funds are clearing you. <u>Jones:</u> Some of these things look like there have been no expenditures or no requests for reimbursements. What does that mean for us? <u>Vigil:</u> We're only allowed to request on a quarterly basis. We know we're paying a large amount for rent. But what we've done is moved as much rent as we could into there, so that our Operational fund is reflective of what is actually left to pay. That account is already zeroed out; we'll expect that one to recover that full amount fully except for what is brought over negative from last year. Again, mismanagement of funds. Those negative amounts shouldn't be there. <u>Munoz:</u> For future reports, include the expected reimbursements. Would the mismanagement of funds be under the former business manager? <u>Vigil:</u> Yes, that is absolutely under prior management. <u>Munoz:</u> Can you identify those funds and have a report? So we can assign responsibility for that and show this is why we're in this situation. Mr. Jones might need that information coming up. <u>Jones:</u> What did the school budget release this year? <u>Vigil:</u> The original budget and this is public information. The \$88,000 out of the Operational fund. That is clearly under budgeted by \$200,000. Going forward, any auditor would be able to determine that an audit for FY17 is able to be completed. We have 100% documentation since August 8th, since we had the contract signed. We will have 11 out of 12 months of full documentation, paper and electronic. There are 3 BARS for consideration: 1. 528-000-1617-0027- D	0 opposed; 0 abstained
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	publicly and apologize'. We will have the revised letter by Friday, March 3 rd for the Governance Council to sign and then to be sent out.	
Closed Session	No discussion	Julian Munoz called for a motion for La Promesa Board of Education to convene an Executive Session Pursuant to the Open Meetings Act, for the purpose of discussing the charter revocation. Reggie Sanchez motioned, Judy Griego seconded. -Julian Munoz called for a vote. GC approved unanimously by a vote of 5-0; 0 opposed; 0 abstained
Reconvene to Open Session	Reconvene at 7:30pm <u>Munoz</u> : Roll Call- states that all members agree that the matters discussed in the Executive Session were only limited to those specified in the agenda. Roll Call by Reggie Sanchez and everyone said 'Yes'.	
Head Administrator Report	<u>Jones</u> : We are finishing Middle of Year Assessments (Access, SBA-Science, Writing, and DEA Test-C). Next meeting in March, I will present to you the growth we have made so far. We are identifying areas that we are not completely satisfied with. It's been a learning experience for all of us, staff and administration as a whole. We see grade levels that aren't making the same growths/gains as others, what kind of support do they need? How do we restructure and utilize our staff as teacher leaders? We have a lot of expertise here. Looking at staffing, who needs to be in this current situation? We need the best of the best. Charter School are much different, all of our teachers are like coordinators. We expect them to step up and do much more. Overall this has been a management year; we haven't been a position to lead effectively the way we would want to lead. I believe that we have made huge strides from last year. But we aren't content; we understand fully that there is a lot of work to do. By next year we're going to be able to make really big changes that impact instruction when it comes to teaching and learning. <u>Rodriguez</u> : It is a huge change from last year to this year.	
Public Comment Adjourn	NA Next GC meeting: March 28, 2017 Finance Committee: 5:00 PM Regular GC Meeting: 5:30 PM Meeting was adjourned at 7:46 pm	Julian Munoz asked for a motion to adjourn. Judy Griego motioned, Ray Rivera seconded. -Julian Munoz called for a vote. GC approved unanimously by a vote of 5-0; 0 opposed; 0 abstained.