

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

Board Members Present	Julian Munoz, Selia Cervantes, Cipriano Lucero	
Absent	Ray Rivera	
Others in Attendance	Chris Jones, Jackie Rodriguez, Mike Vigil, Danielle Miranda	
QUORUM	<u> </u> YES <u>X</u> NO	
Meeting called to order	at 5:20 PM	
Item	Discussion	Action/Recommendation
Approval of the Agenda	No discussion.	
Budget Report	<u>Vigil</u>: Opened a PO for Get Funded- E-rate services. This PO should've been opened at the beginning of the year because they started the work at the beginning of the year. They provide the filing for the E-rate, which provides up to 90% coverage of your internet and phone services. The budget balance for the operational fund hasn't budged much. As we get closer to the end of the year, hopefully we can locate those PO's that we can close or reduce significantly to bring the budget a little less out of deficit. Looking at the month of February, cash flow is actually really good. We have about \$100,000 more coming in than we have going out. We know that we're at least staying within our means, as far as cash is concerned. We still have a problem with where the cash actually lies. A big reason why we have such a large cash revenue over expenditures, we did receive the 1st and 2nd quarter of our lease reimbursement. We submitted the 1st quarter back in October and the 2nd quarter in January. We didn't get those back until February. There was an issue with the school's address on file with the public schools facility authority. We cleaned that up so the 3rd quarter should come in just fine. Your bank reconciliation has no variances. <u>Updated page 13- included comments. Issues:</u> <i>Operational SEG-</i> that being negative is a huge problem because it indicates that you don't have enough operational cash to run your program. It also indicates that you're floating off of your capital funding, which is out of compliance at this point. We're still working on trying to correct that situation. We sent an email to the PED requesting if there was any possibility of having a permanent cash transfer from the capital funds to the operational fund. This is usually a huge no, I wouldn't even suggest such a request but the fact of the matter is the school probably spent all of last year already, permanently borrowing that cash. We did make that attempt and if somehow they allow it, what we're going to bring is a permanent cash transfer- resolution type form. Basically saying that the GC wants to move that cash and then we submit that to the secretary of education. <i>EMSI-</i> I'm not sure if the school was awarded this grant. It's a middle school initiative. You brought forward nearly an \$18,000 deficit but there's no cash that's going against it. I'm not sure if it's going to be received. We will work on it. <i>Reads to Leads Grant-</i> This is something that the school doesn't even have this year. It's usually for elementary students to have instructional or reading coaches. It looks as if the fund was over expended last year or there was no reimbursement requested. That one will sit negative. We would have to request a permanent cash transfer from operational to cover those funds to bring it back to zero. <i>K-3 Plus-</i> This one was really difficult to grasp because it looks like the June Program was heavily expended with no reimbursements requested. That giant negative amount is from previous fiscal year carried into this year. The current year we got about \$225,000 for all the current year expenditures. So I'm not sure what happened to that \$109,738. We will need further research but with that type of state grant we can't reach back, PED closes out their books and that's that. After school Enrichment Program- I'm not sure what happened with that one.	

	<i>Pre-K Construction-</i> There was \$50,000 requested from previous year that still is in processing, it might have been received by now. We should see those reimbursement requests come in to zero out that amount. <i>Special Appropriations-</i> We have not expended out of that because we were told that it was frozen. So anything that was coming forward as a negative balance was from previous year, which would indicate again that the reimbursement request was not fully requested or not submitted. In order to clean it up, overtime you would have to cover those with operational funds. <u>Jones:</u> So we have through the end of June to try to zero these things out, right? <u>Vigil:</u> Not necessarily, it would be nearly impossible to find that amount of money in 3 months. We have to have a 2-5 year plan to get out of debt in each of these individual funds and return cash to where it belongs in that Operational SEG. *Updated sheet will be sent out	
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LA PROMESA EARLY LEARNING CENTER
Governance Council Board Meeting Minutes
Date: March 28, 2017

Board Members Present	Julian Munoz, Selia Cervantes, Cipriano Lucero, Judy Griego, Reggie Sanchez, Diego Trujillo	
Absent	Ray Rivera	
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 5:41 PM	
Item	Discussion	Action/Recommendation
Approval of the Agenda	No discussion.	Julian Munoz called for a motion to approve the 03/28/17 agenda. Judy Griego motioned, Reggie Sanchez seconded. -Julian Munoz called for a vote. GC approved unanimously by a vote of 6-0; 0 opposed; 0 abstained
Approval of Minutes	02/28/17 Minutes were reviewed and approved	Julian Munoz called for a motion to approve the 02/28/2017 Board Minutes. Selia Cervantes motioned, Judy Griego seconded. -Julian Munoz called for a vote. GC approved unanimously by a vote of 6-0; 0 opposed; 0 abstained
Discussion/Action Items	.	
Budget Report	<u>Vigil:</u> From a cash flow perspective, this school is doing absolutely fine. We have no issues in paying bills, paying payroll, or paying payroll taxes. We are on target with all of that. We are seeing invoices trickle in from previous years and vendors remembering that the school exists and that they hadn't been paid for over a year. So after we verify services, we send a procurement violation letter to PED and get those paid out as they come in. We are seeing these come in less and less. We got the bank reconciliation completed and it balanced the general ledger, with no variances. No BARS for approval.	

RFP for Legal Services	<u>Jones:</u> The Vigil Group sent me a template and I used that template to create RFP for legal services. We are getting close to meeting our threshold for legal services. The RFB process is underway; it was published on the March 25th. From there we will have 10 days by which we can post. So we have to wait the 10 days and then we can go ahead and release the RFP. It's taking us to about April- early May until we wrap up this whole project and unfortunately we need legal services. So we are trying to see who can best meet the school's needs because charter school law is a very specialized area, especially considering the situation we're in. Submission of the proposal is May 3rd, that gives us the 30 days. So they have 30 days through May 3rd to submit. Proposal Evaluation will take place on May 4th. Selection of Finalists will take place on May 4th. The contract will be awarded on May 5th. It is a very tight timeline but we don't have a lot of time and we need to make sure we have legal representation. The protest deadline is May 20th. Looking at the Rubric, The Evaluation Point Summary: - Technical Specifications- 10 points - Organizational Experience- 30 points (because you can get attorneys) - Organizational References- 10 points - Required Deliverables- 20 points - Cost- 20 points - Financial Stability- 10 points *Will be posted to the website.	
Board of Finance Suspension Corrective Action Plan & List of Conditions update	<u>Jones:</u> We have received notification that we have a Corrective Action Plan due to the PED by April 6th. That is due to their Audit Bureau. We also have another Corrective Action Plan that is due to David Craig- the Director of School Budget. It's a list of conditions that were sent. These conditions have to do with the August 12th Audit and the Audit that recently took place. David Craig wants to come up with this Corrective Action Plan to demonstrate what we've done to correct our finances. So he said the documentation would be very helpful and supportive, to show that we've been working together. We have to submit this, so Mr. Vigil and I are going to work on completing this together. For efficiency purposes, we would like to combine the Corrective Action Plans. On April 7th, we are presenting to the PEC; hoping they will allow us to move forward with the corrective action plan.	
BMEB Technical Assistance Visit Update	<u>Jones:</u> For the 1st time in the school's existence, I received an email from the Director of the Bilingual Bureau, who said we were selected for a monitoring visit (technical assistance visit). They were here for 6 hours. They went into our classrooms and observed our instructional program. They looked through our CUM files; they wanted to make sure we were following all of the steps. What I saw them wanting to do was ensure that what we reported, when it comes to staffing, was accurate. I think that's what triggered them to come and visit many districts, to make sure that people were adequately staffed and weren't falsely reporting because that's fraud. STARS- We report at the 40, 80, & 120th day. They align the STARS report with the instructional plan that we submit to the Bilingual Program. They wanted to come because it's for funding. If you don't have highly qualified teachers in those positions at those reporting periods, you don't get the funding. Ultimately, I don't think it went as great as we would like. They were asking for historical documents that we just can't answer to. The Monitoring Checklist is due on April 11th.	
Conflict of Interest Forms- GC member signatures	Revisions were made Final draft was signed by GC	
Closed Session		Julian Munoz called for a motion for La Promesa Board of Education to convene an Executive Session to discuss the pending charter revocation proceedings. Reggie Sanchez motioned, Diego Trujillo seconded. -Julian Munoz called for a vote. GC approved unanimously by a vote of 6-0; 0 opposed; 0 abstained

Reconvene to Open Session	Reconvene at 6:57pm <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	
Head Administrator Report	<u>Jones</u> : <i>Application Submissions</i> : Pre-K Application was submitted 2 weeks ago. The continuing application that is for 3 classrooms, 2 full-time and 1 part-time. Pre-K funding is going to remain flat, so it should stay consistent, no new money. K-3 Plus application was submitted on the 15 th . The application was based on 200 students. Total budget is about \$208,000. We have to float that with operational. <i>Charter School Division Site Visit</i> : By contract, they have to come out at least once per year. It is scheduled for April 14 th . We have a checklist. I have been advised to record the meeting and have an attorney present. I feel confident that we will satisfy that checklist. <i>Registration</i> : 1 st registration date is April 1 st 2 nd registration date is April 5 th 3 rd registration date is April 6 th Lottery is April 10 th We have about 320 students who have submitted their letter of intent to return. We will allow new students to submit their registration packets. Then we will have our lottery to draw for those remaining openings. As of now, we are full at each grade level.	
Public Comment Adjourn	N/A Next GC meeting: April 25, 2017 Finance Committee: 5:00 PM Regular GC Meeting: 5:30 PM Meeting was adjourned at 7:15 pm	Julian Munoz asked for a motion to adjourn. Cipriano Lucero motioned, Judy Griego seconded. -Julian Munoz called for a vote. GC approved unanimously by a vote of 6-0; 0 opposed; 0 abstained.