



Dr. Shearon Roberts, Interim Committee *Chair*, present
Matthew Moreland, Committee Member, on his way
Enrique Garcia, Committee Member, present
Courtney Elzey, Committee Member, present
Kimberly Kupresan, Committee Member, virtual out sick with flu
Bernard Guste, Committee Member, present
Catherine MacPhaille, Committee Member, present

Ex-Officio

Dr. Chase McLaurin, CEO, present

Keeanya Chenier, CFO, absent

Finance Committee Meeting

Board of Directors of Lycée Français de la Nouvelle Orleans

Thursday, January 5, 2023 from 5:30PM – 7 PM

Priestley Campus (In-Person Meeting)

1601 Leonidas Street, New Orleans, LA 70118

Community Conference Room

I. Roll Call

Dr. Shearon Roberts

Meeting called at 5:41 p.m. All present except Matthew Moreland, Kimberly Kupresan is on zoom and Keeanya Chenier absent. All others present.

A. Motion to Approve Minutes of December 8, 2022 Finance Committee meeting

Catherine moves, Enrique seconds
Minutes unanimously approved.

II. Organizational Fiscal Presentation

Dr. Chase McLaurin, CEO

BESE 6 year renewal, higher than any other BESE school

First Lady of France visited

Miss Haiti visit

AEFE visit for accreditation

School Grade is now a B

New Pre-K policy is now in place to support base enrollment, it starts next month to improve kindergarten enrollment.

Enrollment crisis is across the state and country

7 school goals

Matthew Moreland arrives at 5:41 p.m.

Future investments

PK Expansion work,
Teacher Goal bonuses and pay scale implementation
Pay equity adjustments needed
New curriculum support
TOC think tank to revise
Contract with Ed Ops for projections in time for March
McNair Early Learning Upgrades needed
AEFE and LFNO Branding upgrades are all part of future investments

Workforce investments
LASBO & ASBO Training

Funding Sources:

22% from Federal government ... that isn't normal its usually around 10%, it is high due to COVID funds that are going away

4% State and Local

74% MFP

Factors causing this

9% student enrollment decline

Priestly building payments drastically reduced funding reserves

Coding and compliance funding gaps, can be fixed but we won't see funds right away

Increased transportation cost

COVID funds are going away

Priestly building is roughly 900k in costs

70% of MFP Instructional Funding Challenge

Bernard: do grants take into consideration inflationary issues with buses, and buses not being able to get insurance.

Dr. McLaurin: New Orleans is different because in traditional school districts but in NOLA charter schools buses go beyond just the neighborhood. Also district schools have their buses in-house and NOLA schools have different requirements for buses and drivers. Our context is different from most places. NOLA being only school district that is all charter. It is not standard practice to provide beyond what is required by the law which is K-5. Competitors are providing transportation but only doing so for K-5. Across the city other schools are having problems with transportation.

Catherine: 900k in Priestly cost is that only the loan payment or maintenance?

Dr. McLaurin: Info from 4th Sector and someone from LAPSC is saying that Priestly numbers are not the same. Some funds go to property taxes, franchise taxes, insurance costs, building costs.

Catherine: Property taxes I hope we can get an abatement.

Catherine: It needs to be paid under protest to reserve the right to receive the abatement for taxes.

Dr. McLaurin: 900k a year is a big shift in our spending. 70% of MFP be spent on instruction is part of the law.

In 2019, 80% for MFP use on instructional cost

Funding Expenditures

Salaries and Benefits = 72%

Purchased Services = 7%

Property Services = 8%

Contracted Services = 9%

Supplies and Materials = 4%

These are normal.

How each building generates revenue and how we generate revenue per building determines which building we keep.

Dr. McLaurin:

We don't get the money for everyone of the students, mostly for the Orleans Parish students for the deduction for Orleans Parish buildings

Dr. McLaurin:

Reduction in Force

Presented policy from earlier in the year.

Actions:

Benefits Adjustment = eliminate 3% discretionary profit sharing and increase 401k match to 8%

Restructure Organization – create more position levels to begin addressing pay equity issue

January Phase 1 Reduction in Force (RIF): eliminate 11 FTEs and Central Office Staff -36% this year

February-March Phase 2 RIF: implement staff ratios – 13 at primary (-13%) and 14 at secondary (-25%).

Contracted & Purchased Services: reduce the number of contractors, reduce contracting force for staff.

Dr. McLaurin: Roughly \$1.8 million in reduction in the budget for this first plan

Catherine: some of the struggles the school can face with this reduction in staff.

Dr. McLaurin: The challenge is the school is unique such as after care, athletics, the biggest stretch is on the administration to cover the other areas, combined positions, people asked to be cleaned in this area. That can be difficult transition, we want to build out transition plans.

The most generous staff is in the classroom. Made projections in retaining all of our students, but I did not calculate for teachers.

Bernard: suggested we keep the 401k match at its current level of 5%

Katie: noting the change of the 401k match the 8% could soften the blow

Bernard: that won't be money they can see with inflation, salary is

Darren: consideration with the two Orleans schools. McNair, to use Johnson.

Danielle: profit share from calendar year or school year needs clarification so that we can determine if its on the books or not.

Catherine: is it paid in a lump sum every year?

Danielle: yes

Courtney: can that be recouped for those who aren't here

Danielle: CFO has been working on that.

Public comment: a lot of hire start and executive staff have deflated their salaries to soften the blow and improve morale. In the tech world people are paid substantially.

Bernard: what percent we need to add that when we are removing the pension plan.

Dr. McLaurin: The 3% is for everyone

Catherine: currently it's a 5% match.

Danielle: discretionary 3%: \$132k 2020, \$171k 2022.

Question: what % participate in 401k: 37% to 28% most recent ratio.

B. Motion to Approve Recommended Organizational Fiscal Restructuring Plan

Matthew moves and Courtney seconds.

Bernard notes that: With the note that the 401k match remains at 5%.

Motion passed unanimously.

III. Outstanding Finance Matters

Dr. Shearon Roberts

Bernard: Discussed McNair and getting sub-lease, hope to get that discussed. Prepare the school for that and the timelines for doing that. Source of revenue...St. Francis of Assisi.

Mat: students in Patton and McNair pay more.

Dr. McLaurin: Patton would have been a different discussion before. The Archdiocese would have leased with us. With Orleans Parish schools closed this year. Approved no new charters this year. The challenge is subleasing.

Mat: the Carrollton campus, McNair being a problem.

IV. General Public Comment Period

Dr. Shearon Roberts

Public Comment: A large part of the staff comes from France to work here which is a sacrifice. Context is important in understanding how we came to these current organizational decisions

V. Final Remarks from Committee Members

Dr. Shearon Roberts

Dr. Roberts restated that the Finance Committee will hold 2 more January meetings to examine 2 other fiscal areas of the school's expenditure to align with forecasting that will balance the annual budget.

VI. Meeting Adjourned

Dr. Roberts adjourned the meeting at 6:58 p.m.