Finance Committee Meeting
Friday June 9, 2023 – 8:00 A.M.
Via zoom and in person

Liz Dorn Parker and John Luker, Chief Financial Officer conducted a meeting of the Samueli Academy Finance Committee on Friday June 9, 2023 at 8:00 A.M.

ATTENDANCE

Present	**Absent**	**Staff / Contractor**
Liz Dorn-Parker		John Luker
Jeff Bloom		Linda Giel
Kevin Tiber		Larry Tamayo
Sandi Jackson		
John Fogarty		

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- Liz Dorn Parker welcomed those in attendance.

- There were no public comments.

- The committee reviewed the minutes from May 12, 2023 and approved unanimously. (J Bloom 1st, K Tiber 2nd)

- Larry Tamayo and John Luker gave an update on the April 2023 YTD financials which is the tenth month of the fiscal year. Enrollment is 798 with 93.2% attendance for a total of 750.50 ADA. P2 is at 753.58 vs the budgeted 800 at 94.5% or 756.16 ADA for a negative variance of (2.58) ADA. The P2 ADA will be the final for funding.

- Our YTD revenue through April 2023 is $11,850,730 vs a budget of $10,337,811 which results in a positive variance of $1,512,919. This is primarily due to a positive variance in fundraising of $499k, Earned Retention Tax Credits of $409k, CTIEG fund and the timing of some of LCFF payments.

- Our expenses YTD are $10,975679 vs a budget of $10,609,640 which results in a negative variance of ($366,039). Salaries & Benefits were under budget by $120k. YTD we are under budget overall due to unfilled positions and lower than anticipated benefit costs offset by a higher holiday bonus. Student Supplies were over budget due to educational supplies to meet certain grant requirements and are offset by higher revenue for these items than was budgeted. In addition we

had higher facility and utility costs than forecasted.

- John Luker reviewed the benchmark data and noted that all benchmarks were on schedule.

- The April 2023 YTD financials were approved unanimously. (K Tiber 1st, S Jackson 2nd)

- Anthony Saba presented to the committee an update on the FY 22-23 operational fundraising through April noting that $1,176,000 had been raised vs the goal of $740,000 for a positive variance of $436,000. This was primarily due to an $84,500 gift from a Foundation, and a $250,000 gift from a Foundation that was not forecasted. The Holiday Event in October also did very well and slightly exceeded the forecast. There was also a $90k Foundation gift in February. Anthony noted that the June $100,000 draw from the endowment to support the Alumni program will not be needed due to the strong fundraising and therefore he received permission from the donor to move this $100,000 from scholarship/alumni endowment to the operational endowment. This will happen in June 2023.

- Tim DePriest, the insurance broker for Samueli Academy gave a presentation on the Samueli Academy insurance package. It was noted that the premium was $192,873 vs the expiring premium of $149,188. This was due to higher enrollment, higher property coverage and higher salaries resulting in higher work comp premiums. After discussion it was noted that Chartersafe continues to provide the most comprehensive coverage for charter schools with the highest coverage limits. The committee discussed limits for potential wage and hour claims and it was noted that Tim would review these limits. John noted he would update the committee once the information was delivered.

- The committee reviewed the current Endowment and Investment policy and noted that this would be continued to be reviewed in the next month by the governance committee. This item will be brought back to Finance next month.

- John Luker presented to the committee a reconciliation of the 22-23 shared services agreement that showed actual expenses compared to the forecasted totals. The actual expenses were $999,361 vs forecasted of $836,176 for a variance of $163,184. The variance is due to some higher salaries for certain staff and a higher percentage allocation for the Facilities Director due to multiple Samueli Academy infrastructure projects. The committee reviewed the variances and approved an additional allocation for shared services of $146,376 which is approximately 90% of the total variance which is consistent with the current % allocation in the agreement. (J Bloom 1st, K Tiber 2nd, S Jackson abstained)

- John Luker noted that there were 4 contracts for approval for the new 23-24 fiscal year. 1. Charter Safe Renewal at $192,873 2. Shared Services agreement $875,000 3. Revolution Foods $352,750, 4. EXED $42,000. After review of each of the contracts and the terms, it was noted that these amounts had been included in the budget. The committee reviewed and approved each contract unanimously. (K Tiber 1st, J Bloom 2nd, S Jackson abstained on the shared services agreement)

- John Luker and Larry Tamayo presented the 23-24 budget for approval. The budget had some key assumptions such as 800 students, 8.22% COLA on LCFF, 5% compensation increases as well as many other assumptions that were detailed and reviewed. It was noted the budget had gone through the LCAP process as well and the budgeted line items had been assigned to various LCAP

goals that will also be reviewed in this meeting. After review of the budget, it was noted revenue is projected at $16,035,416 which includes$1,008,000 in fundraising. Expenses were forecasted at $14,693,932 for a net surplus of $1,341,484. The surplus is primarily due to the fundraising and one time dollars from various state grants. These funds will be used as operational reserves and for infrastructure projects. After review and discussion the committee recommended approval to the board. (K Tiber 1st, J Bloom 2nd)

- As noted above, the committee reviewed the LCAP budget. The LCAP has various goals and then the budgeted line items approved above are assigned to these goals. Anthony Saba presented the LCAP and the various goals for the year. After review and discussion, the committee approved unanimously. (K Tiber 1st, S Jackson 2nd)

- The committee reviewed and approved the consolidated application for federal funding. The report shows the use of federal funds spent during the year. It was noted that all federal funds had been spent and no funds would be rolled over. The committee approved unanimously. (J Fogarty 1st, S Jackson 2nd)

- The committee reviewed the compliance calendar noting all items appeared on track.

- In Other Business, no items were noted.

- **Meeting Schedule -** The next Samueli Academy Finance Committee meeting is scheduled for Friday July 14, 2023 at 8:00 A.M. via zoom unless it is cancelled due to no board meeting that month.

The meeting was adjourned at 9:00 A.M.