

**Blue Oak Charter School**  
**450 W. East Avenue, Chico, CA 95926**  
**Meeting Room 24**  
**FINANCE COMMITTEE**  
**REGULAR MEETING APPROVED MINUTES**

**Tuesday, July 9, 2024 4:15 PM**

**Join Zoom Meeting**

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**Meeting ID: 899 7862 7326**

**Passcode: e6CMjN**

**Tuesday, July 9, 2024 - 4:15 PM**

*Vision: To be a model for successful education of the whole child.*

*Mission: To nurture and deepen each child's academic and creative capacities using methods inspired by Waldorf education in a public school setting.*

Virtues: Hold Reverence - Have Courage - Build Friendships - Seek Wisdom - Show Compassion

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**AGENDA**

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**OPEN SESSION - 4:15 PM**

**1. OPENING**

**1.1.** Call Meeting to Order 4:18PM

**1.2.** Roll Call of Committee Members and Establish Quorum

<b>Name</b>	<b>Present</b>	<b>Absent</b>
Trisha Atehortua	X	
Susan Domenighini	X	
Kate McDonald	X	

Cheryl Grant	X	
Elizabeth Nail	X	

**1.3. Invocation - School Verse Read**

*“This is our school, May peace dwell here, May the rooms be full of contentment. May love abide here, Love of one another, Love of our school, and Love of life itself. Let us remember that as many hands build a house, So many hearts build a school.”*

**1.4. Audience to Address the Committee**

*This is the opportunity for members of the community to address the committee concerning items not on the agenda. Committee Members will not respond to comments due to Brown Act expectations concerning agendas. Persons addressing the Committee will be allowed a maximum of three (3) minutes for their presentation. Persons may not yield their time to another speaker (Gov. Code § 54954.3)*

**1.5. Agenda Modifications** No agenda modifications.

**1.6. Approve Minutes - June 11, 2024**

Motion to send minutes to BOCC for approval by Susan Domenighini. Second motion by Trisha Atehortua.

➤ Vote.

Name	Yes	No	Abstain	Absent
Trisha Atehortua	X			
Susan Domenighini	X			
Kate McDonald	X			
Cheryl Grant	X			
Elizabeth Nail	X			

➤ Vote passes.

**2. FINANCIAL REPORTS**

**2.1. Charter Impact Monthly Report (June 2024)**

Annie Gilbert-Charter Impact

Just a caveat. We just got financials at the end of the day yesterday. This is my first June at Charter Impact. Since this is the year end financials we will see some additional invoices come so adjustments will need to be made for June. This is called a “soft close” meaning it is not final. There may be expenses and revenue that come later after the end of the fiscal year on 6-30-24. Adjustments to the budget will be presented in the unaudited actual report in September.

P2 ADA reports are now available on the department of education website = 214.8 In April we reported an ADA of 211. That reflects the independent study numbers. In revenue there were some funds that were reclassified, specifically the CA Collaborative for Educational Excellence (CCEE). Revenue from this totals \$18k . Forecast deficit is \$220k with actuals through June. Based on current level of spending, cash is forecast to be \$771k at June 30th, 2024 representing 61 days cash on hand. We knew we would have a deficit at year end as the year progresses the state becomes more specific With their finances and numbers. It might increase due to any possible additional expenses.

Yes, it is not unusual for schools to end without a deficit. When we look at the fund balance, there is a minimum fund balance that the authorizer requires us to keep and that is in the range of 5-15%. We currently have a healthy fund balance. There are years where a school knows that we will be spending more than we take in. A deficit is then expected. Sometimes this is planned, sometimes not. As long as the fund balance is above 5% then you are in range. There are many reasons for the deficit this year. The biggest thing is that we show in future years that our expenditures will be in line with our revenue. Obviously you cannot continue in the type of deficit or your fund balance would continue to decline and you would not be in compliance with your authorizer at Chico Unified.

At one point historically we were working with \$30k cash on hand. Today we are sitting at \$700,000k. Part of having a cash balance is so you can be more flexible with expenses.

Other reasons for the \$220k deficit this year include maintaining aide positions, supporting several teaching staff with unusual circumstances concerning health and other situations and giving support to the school as a whole during covid and beyond. ERC funding was expected to come to us that did not. Arts, Music & Instructional Materials Block Grant Board approved plan.

Attendance Actual was 234, Forecast 234, Budgeted for 262.

ADA	Actual	215	Forecast	215	Budgeted for	244
Attendance Rate		90.1%		91.0%		93. %
Unduplicated %		57.78%		60.0%		58.4%
Revenue per ADA				\$20,472		\$17,280
Expenses per ADA				\$21,509		\$17,161

Unduplicated pupil count is estimated. Expect it to stay consistent.

Revenue we budgeted for more students than we had.

Annie needs the enrollment numbers from the Registrar so she can better estimate budget items.

The enrollment/attendance numbers are needed each month for her to provide a more accurate report.

Revenue from community engagement hasn't changed \$70k and the one time funding of \$849k has also not changed. The biggest piece of one-time funding was the \$380k for extended learning. We were able to apply expenditures because there's a lot of extended time, over 35% increased school days. That funding goes down to \$192k for the next two years.

Reduced funding that will go away next year- ESSR III (Covid)

MTSS funding was a grant that may not have been allocated properly so that needs a deeper look into expenses attached to this item. We do have training to charge to this area so we will be having a meeting regarding this item as well as other budget clarifications.

Prop 28 is the new arts and music funding very strict as far as using it to support something that is already in place. Need to be careful to not supplant these funds. Taking money we are already spending and spend this instead. Annie needs to meet with the Auditors to address this area as there was a reduction in staff that applied here.

The soft close of the 6-30-24 budget does not recognize most of this one-time funding. In fact, that's \$779k unfavorable, because of that one time funding. It's not all of it but most of it. This amount will soon be recognized in the budget and that is included in that next annual full year budget. So, the forecast of 4.3 million includes that one time funding of \$849k and your actual year end "hard close" of the budget.

When we budget for last year we didn't have the lunch program and the community engagement grant expenses and or revenue in that forecast because we were not aware of these actual numbers.

Salaries increased from May to June. Then you would expect an increase in benefits as well. Books

and supplies and additional \$20k is for summer camp and extended learning programs. SPED expenses were up 16k from the previous month. SPED budget for the year was over \$87k. Why is this? Did we hire another person? Annie mentioned that this area of the budget was over all year. When we looked at the percentage of expenses that charged to SPED we believe that adjustments might need to be made. It may have to do with how salaries are classified. More budget adjustments will be looked at. One example of why this happens is we had our own speech therapist last year. This is why they were allocated in the salaries. This year we had a new contractor so they were allocated to a different area of the budget.

Increase is due to forecast not due to new hires or additional expenses.

SPED expenses were over and we will be looking at why, is it due to how salaries are classified? Were there some mis-classifications? Big bills came in - School Psychologist, Advantage Therapy.

As we are getting into the final budget numbers, can we look at the work we need to do next year? Yes. The budget will always stay the same but the actual and the forecast will both change. Every month we look at the budget to determine if we are in range. This is the best way to stay on top of this.

We will get better at tracking the budget.

Fund balance ending 10.9% budgeted 17.9% Most schools budget for 5%

Cash balance 61 days

Susan is concerned about the coding - we still need to be sure that we have accuracy in coding. She is still trying to ensure that are coding correctly.

Susan needs to know what would be covered under the SB740 - additional funds are available and they may allow submission of additional costs if the threshold has not been met.

Compliance Deadlines are reviewed.

**2.2. Attendance and Enrollment**

2.2.1. Cash Flow

2.2.2. Balance Sheet Detail

2.2.3. Warrants/Aged Payable

2.2.4. Actual to Budget Summary (*part of the Financial Forecast in the Charter Impact Report*)

Motion to send Financials to BOCC for approval Trisha Atehortua. Second motion by Kate McDonald.

➤ Vote.

Name	Yes	No	Abstain	Absent
Trisha Atehortua	X			
Susan Domenighini	X			
Kate McDonald	X			
Cheryl Grant	X			
Elizabeth Nail	X			

➤ Vote passes.

**2.3. Point of Sale Transactions/Check Register (June 2024)**

Discussion/Motion to send the POS transactions to BOCC for approval by Trisha Atehortua. Second motion by Elizabeth Nail.

➤ Vote.

Name	Yes	No	Abstain	Absent
Trisha Atehortua	X			
Susan Domenighini	X			
Kate McDonald	X			
Cheryl Grant	X			
Elizabeth Nail	X			

➤ Vote passes.

**2.4. Credit Card Statement (June 2024)**

Discussion/Motion to send the Credit Card Statement to BOCC for approval by Cheryl Grant. Second motion by Trisha Atehortua.

➤ Vote.

Name	Yes	No	Abstain	Absent
Trisha Atehortua	X			
Susan Domenighini	X			
Kate McDonald	X			
Cheryl Grant	X			
Elizabeth Nail	X			

➤ Vote passes.

Annie Gilbert - Just one more follow regarding what numbers we used to determine the budget for 2024-25, up before you don't hear from me for a few weeks. For next year we used 233 enrollment, at a 91% attendance rate. Which would calculate to 211.5688 and currently we are at 215. So it is very much in line or conservative with our current numbers. There are permits that are needed before closing but we are still in line with the current closing date of August 15. The Finance Committee will not be looking into financing it will go directly to the BOCC as the options were already discussed.

**3. BUSINESS**

**3.1.** Update on the progress of our new building- Susan received a text from John Roth CBRE Vice President who is currently meeting with Chico Unified. The appraisal came in below what was asked. Christine at Chico Unified is working on finding an architect not looking at financing here at this meeting today. BOCC will have the tax free bond information and financing options at the next meeting next Tuesday. They will talk about design cost etc.. Cheryl asks, Did you get the name of the architect that I sent to

you? Yes it was received and passed on. Thanks to Cheryl for doing this research. Susan encourages everyone to attend or listen in to the next BOCC meeting as there will be a full presentation with a lot of information shared.

- 3.2.** BCOE Data Contract 2024-25 Discussion/Motion to send to BOCC for approval by Kate McDonald. Second motion by Elizabeth Nail.

➤ Vote.

Name	Yes	No	Abstain	Absent
Trisha Atehortua	X			
Susan Domenighini	X			
Kate McDonald	X			
Cheryl Grant	X			
Elizabeth Nail	X			

➤ Vote passes.

- 3.3.** Cyber Insurance Contract 2024-25  
Discussion- table item until next meeting. The Finance Committee would like to know more about the support BCOE provides and how it differs from this proposal for cyber protection before making a decision to send this to the board for approval.

- 3.4.** School Psychologist Contract 2024-25  
Discussion/Motion to send contract to BOCC for approval by Elizabeth Nail. Second motion by Kate McDonald.

➤ Vote.

Name	Yes	No	Abstain	Absent
Trisha Atehortua	X			
Susan Domenighini	X			
Kate McDonald	X			
Cheryl Grant	X			
Elizabeth Nail	X			

➤ Vote passes.

**4. NEXT MEETING - Monday, August 12, 2024**

**5. ADJOURNMENT 5:37PM**

Minutes Taken By: Maggie Buckley

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

<b>Name</b>	<b>Present</b>	<b>Absent</b>
Trisha Atehortua		
Susan Domenighini		
Kate McDonald		
Cheryl Grant		
Elizabeth Nail		

➤ Vote.

<b>Name</b>	<b>Yes</b>	<b>No</b>	<b>Abstain</b>	<b>Absent</b>
Trisha Atehortua				
Susan Domenighini				
Kate McDonald				
Cheryl Grant				
Elizabeth Nail				

➤ Vote passes.