

Blue Oak Charter School
450 W. East Avenue, Chico, CA 95926
CHARTER COUNCIL
SPECIAL MEETING: FINANCE TRAINING

Minutes

Band Room / Meeting Room

Saturday, September 21, 2019 - 8 AM

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.

LCAP Goal Summary: Build the parent community, support success for all students, and prepare students for high school

Notice: Any person with a disability may request the agenda be made available in an appropriate alternative format. A request for a disability-related modification or accommodation may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting at, 450 W. East Ave., Chico, CA or by calling (530) 879-7483 between the hours of 8:00 a.m. and 4:00 p.m. Monday through Friday (at least 48 hours before the meeting). All efforts will be made for reasonable accommodations.

All times noted on the agenda are approximate and listed solely for convenience. The Board may hear items earlier later than is noted and may move the order of agenda items.

The Blue Oak Charter Council reserves the right to take action on any item on the agenda.

AGENDA

OPEN SESSION - 8AM

1. OPENING - 5 Minutes

1.1. Call Meeting to Order

- Monica McDaniel called the meeting to order at 9:06 AM
- The late start was due to a miscommunication regarding the venue and a last minute change.

1.2. Roll Call of Council Members and Establish Quorum

- Present: Chelsea Parker, Trisha Atehortua, Laurel Hill-Ward., Monica McDaniel, Vicki Wonacott
- Monica McDaniel addressed the board and audience, stating that since all board members were present and all members of the Finance Committee were present, sitting in quorum, that we have a joint meeting of the Blue Oak Charter Council (BOCC) and Finance Committee. The BOCC 8AM meeting and the Finance Committee 9:10AM meeting will be concurrently held and the BOCC 9:40AM meeting is cancelled (all scheduled for Saturday, September 21).
- Monica McDaniel welcomed and introduced Chico Unified School District (CUSC) visitors: Tina Keene, Director of State and Federal Programs and Jaclyn Kruger, Director of Fiscal Services. Tina and Jaclyn work to oversee charters authorized by CUSC.

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, Love of life itself. Let us remember that as many hands build a house, So many hearts build a school.”

- Kate McDonald read the school verse.

1.4. Agenda Modifications

- Chelsea Parker and Trisha Atehortua requested that all of the items on the CONSENT AGENDA be pulled to ADMINISTRATION for discussion.

1.5. Audience to Address the Council

This is an opportunity for members of the community to address the committee concerning items not on the agenda. Persons addressing the Committee will be allowed a maximum of three (3) minutes for their presentation. The chair may establish a maximum speaking time for any item. Persons may not yield their time to another speaker (Gov. Code § 54954.3)

- No audience members wished to address the Council.

2. CONSENT AGENDA - 10 Minutes

2.1. Cash Flow

- Susan Lefkowitz of Charter School Management Corporation (CSMC) forwarded an updated cash flow that included closed records for August. Susan Domenighini made adjustments to include recently received Federal Emergency Management Agency (FEMA) funds and the proposed funds being borrowed from Charter Asset Management (CAM). These additions change the monthly cash flow. This information was presented and discussed.
- Chelsea Parker made a motion to approve the cash flow that was provided in the packet, prior to the FEMA and CAM additions. Trisha Atehortua seconded.
- Vote:

Name	Yes	No	Abstain	Absent
Monica McDaniel			X	
Vicki Wonacott	X			
Chelsea Parker	X			
Trisha Atehortua	X			
Laurel Hill-Ward	X			

2.2. Unaudited Actuals

- Unaudited Actuals were explained and discussed.
- Chelsea Parker made a motion to approve the Unaudited Actuals. Laurel Hill-Ward seconded the motion.
- Vote:

Name	Yes	No	Abstain	Absent
Monica McDaniel			X	
Vicki Wonacott	X			
Chelsea Parker	X			
Trisha Atehortua	X			
Laurel Hill-Ward	X			

2.3. EPA Resolution 2019/2020

- The EPA Resolution was explained and discussed. This resolution is the education protection account and part of our regular funding. It designates how specific funds can be spent. It is a component of state aide.
- Trisha Atehortua made a motion to approve the EPA Resolution. Laurel Hill-Ward seconded.
- Vote:

Name	Yes	No	Abstain	Absent
Monica McDaniel	X			
Vicki Wonacott	X			
Chelsea Parker			X	

Trisha Atehortua	X			
Laurel Hill-Ward	X			

2.4. Borrowing Agreement (2.1 on the Finance Committee Agenda)

- The updated cash flow report was reviewed. It reflects the addition of CAM funding from the borrowing agreement and if reductions are adopted at the next regularly scheduled BOCC meeting then the cash flow should be in good standing for the year. It was explained that LCFF funds would be redirected at the county level, at the Butte County Office of Education, to pay back the funds from CAM.
- Trisha Atehortua made a motion to approve the borrowing agreement with CAM. Laurel Hill-Ward seconded the motion.
- Jaclyn Kruger from CUSD pointed out that the school has a history of having to borrow funds and that Blue Oak needs to make the necessary cuts to reduce the need for borrowing and correct cash flow issues. She stressed to the board that this is a cycle of borrowing and that Blue Oak should be getting more stable and borrowing less. Blue Oak needs to spend funds in a quality way and needs to have the hard conversations necessary to reduce spending. She strongly encouraged budget cuts to decrease and cease borrowing and encouraged the board to take recommendations from Susan Domenighini regarding budget reductions. Jaclyn Kruger stressed the importance again of making budget cuts now.
- The difference between budgets and funding for other district schools and charters schools was explained and discussed.
- Vote:

Name	Yes	No	Abstain	Absent
Monica McDaniel	X			
Vicki Wonacott	X			
Chelsea Parker			X	
Trisha Atehortua	X			
Laurel Hill-Ward	X			

- At this time and point in the meeting the Finance Committee was called to order as both the Finance Committee and the BOCC are at the same place on both of their agendas.
- **Finance Committee called to order at 9:33 AM by Chelsea Parker**
- At this time both meetings are meeting concurrently.
- **Roll Call of Council Members and Establish Quorum**
 - Present: Maggie Buckley, Kate McDonald, Tighe O’Neill, Chelsea Parker, Susan Domenighini
 - Absent: Chairun Combs
- **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, Love of life itself. Let us remember that as many hands build a house, So many hearts build a school.”
- Chelsea Parker read the school verse.
- **Audience to Address the Council**

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- No audience requests to address the committee
- **Agenda Modifications**
- Chelsea Parker requested to remove Borrowing Agreement from the Finance Committee agenda as the BOCC has already voted on it.

3. ADMINISTRATION

3.1. New Back Office Contract (2.2 on the Finance Committee Agenda)

- Susan Domenighini reported that the current back office provider, CSMC, increased their fee in the last two years to almost double what it had previously been. This increase is not inline with the services that are being provided. Concerns about this increase were expressed to CSMC. A favorable response was not received from CSMC, so Susan Domenighini sought out different back office providers. Potential contracts were explored with EdTech and Butte County Office of Education (BCOE). The CALPADS and attendance accounting pieces were moved from CSMC and contracted with BCOE, with positive internal feedback. With this move a lower price was negotiated with CSMC. In August of 2019 CSMC quality of service continued to decline and Blue Oak Charter School needs were not being met. In 2017 Linda Hovey, a prior Blue Oak employee had proposed the services of Steven Rudy, a financial consultant. Steven Rudy was contacted regarding his services and he has responded positively. Steven Rudy would be available for meetings, preparation of reports and cash flow with a significant reduction in cost.
- Potential issues were discussed, such as generating checks on site, processing payroll on site, training for current office staff, and PERS and STRS accounting.
- It was communicated that CSMC has terminated their contract with us.
- Tina Keene shared that the MOU agreement in place with CUSD states that a third party back office provider was needed and that Blue Oak would be in violation of the MOU agreement if checks were cut in house and payroll was done onsite.
- Jaclyn Kruger explained that the MOU agreement was to protect the school from fraud. A 60 to 90 day transition period was suggested, during which proposals and contracts for back office third parties could be sought, reviewed, voted on and instituted.
- At 9:53 AM Trisha Atehortua exited the meeting.
- Policy was discussed at length regarding how contracts are approved and the process and order by which they are brought to the Finance Committee and BOCC. Different interpretations of policy were presented and clarity was sought. The desire to seek multiple contracts and options for back office providers was expressed.
- It was proposed to allow a 60 to 90 breach of the MOU agreement by CUSD representatives. In the interim back office staff will work with the current payroll vender to support payroll and bills will be paid on site for the 60 day interim. Steve Rudy will be sought to prepare reports in the interim period while multiple contracts/proposals are sought for comparison.
- Laurel Hill-Ward made a motion to table this discussion item pending an MOU from CUSC allowing for a 60 day transition period with other items to be discussed further. Chelsea seconded.
- Vote: BOCC

Name	Yes	No	Abstain	Absent
Monica McDaniel	X			
Vicki Wonacott	X			
Chelsea Parker	X			

Trisha Atehortua			X	
Laurel Hill-Ward	X			

➤ Vote: Finance Committee

Name	Yes	No	Abstain	Absent
Chelsea Parker	X			
Tighe O'Neill	X			
Kate McDonald	X			
Chairun Combs			X	
Maggie Buckley	X			
Susan Domenighini	X			

4. FINANCE TRAINING

Susan Lefkowitz

- Cancelled.

5. NEXT MEETING - Tuesday, September 24, 2019

ADJOURNMENT (*BOCC adjourned - Finance Committee continues*)

- BOCC adjourned 10:29 AM by Monica McDaniel

Finance committee continues:

2.3 Printer/Copier Contract (*2.3 on the Finance Committee Agenda*)

- Maggie Buckley presented the Advanced Documents contract and proposal. This option would put all Blue Oak copiers with the same service provider. The cost of color copies would be less under this contract as they determine color printing in a more precise manner. The idea of possibly having Measure K funds sought to pay for copiers was suggested.
- Susan Domenighini made a motion to accept the Printer/Copier contract with the note to see if Measure K can pay for copiers. Tighe O’Neille seconded.
- Vote:

Name	Yes	No	Abstain	Absent
Chelsea Parker	X			
Tighe O'Neill	X			
Kate McDonald	X			
Chairun Combs			X	
Maggie Buckley	X			
Susan Domenighini	X			

- **NEXT MEETING - Tuesday, October 8, 2019**

➤ **ADJOURNMENT**

- Finance Committee adjourned at 10:41 AM by Chelsea Parker

Approved by: _____ **Date:** _____

DRAFT