



BUDGET/FINANCE COMMITTEE
TUESDAY, May 26, 2015
THURSDAY, June 11, 2015

I. PRELIMINARY:

A. CALL TO ORDER & INTRODUCTIONS – M Ngo

B. Choose Recorder - O Castro

C. May 26, 2015 ATTENDANCE

a. Voting Members: Jamie Agius, Amanda Campbell, Olivia Castro, Steve Jesson, Minh Ha Ngo, Rick Steil, Mary Bush, Rachel Galper, Ellen Pfahler, Christina Nakhla, Rich Wilken, Sara Margiotta

b. Non-Voting Members: Pamela Magee, Greg Wood, Lisa Boulos

D. June 11, 2015 ATTENDANCE

a. Voting Members: Mary Bush, Olivia Castro, Minh Ha Ngo, Sarah Margiotta, Rachel Galper, Ellen Pfahler, Rich Wilken, Ben Makhani, Steve Jesson

b. Non-Voting Members: Pamela Magee, Greg Wood, Lisa Boulos

MAY 26, 2015

II. OPENING:

A. Meeting Goals (M Ngo)

B. LCAP/LTSP/School Goal Priorities (P Magee)

1. See materials for LCAP priorities in 2014-15 and proposed priorities for 2015-16.

2. LCAP Funding Priorities Stakeholder Input Form should be posted soon to gather more information about which proposals stakeholders see as most valuable. Students, parents, staff, and faculty will be asked to take the survey; we'll need a quick turnaround time.

C. New 2015-16 Funding Model and estimated funding levels (G Wood)

1. Estimated LCFF Total per ADA Funding 2014-15 - \$7,330

2. Estimated LCFF per ADA Funding 2015-16 - \$8,414

3. LCFF is comprised of the Base Grant and the High Needs Supplemental Grant.

4. LCFF Base Grant increase will be approximately 9.75% (\$716 per ADA or ~\$1.996 million)



5. LCFF High Needs Supplemental Grant increase will be an additional 5.06% (\$368 per ADA or \$1.02 million) to be used for PCHS Students with high needs defined by the CDE as the unduplicated count of Free & Reduced, English Learners, & Foster Youth (self-reporting categories, per M Iannessa). M Iannessa, G Wood, and M Ngo spoke to the need to identify all eligible students, perhaps directly through the county rather than relying on self-reporting.
6. May Revise included a one-time funding increase of \$601 per ADA (\$1.67 million) attributed to Common Core spending; these are discretionary funds that may be incorporated into the LCAP; no timeline for spending (or receiving) the funds has yet been provided.
7. Group discussion about how many students we will budget for in 2015-16, including how to determine the ideal size range for the student population at Pali considering past enrollment, charter language, class size, and the budget. The group seemed to agree that a) one-time discretionary funds (\$601 per ADA) should be used for one-time needs and b) there needs to be a more thorough discussion about an ideal enrollment range, steps towards it, and finally a budgeted ADA target for next year.

III. ACTION ITEMS (taken on 5/26/15):

- A. Final 2014-15 Common Core Budget Approval M Iannessa
 1. Motion (R Wilken) to approve Common Core Budget as submitted. Seconded by M Bush. Motion carries unanimously.
- B. Transportation Contract Approval G Wood
 1. Tumbleweed Contract calls for 5% increase. Fuel surcharge is no longer in the contract. Motion (R Wilken) to approve the transportation contract with Tumbleweed. Seconded by M Bush. Motion carries unanimously.
 2. A Campbell asked about the frequency of increases. D Riccardi said that within the three year contract with Tumbleweed this increase is allowed; the contract is up for bid again in 2017-18. As of April 2016, Tumbleweed can again propose a 5% increase.
 3. R Howard bases PCHS transportation scholarships primarily on financial need (addressing the needs of High-Needs students); in 2014-15 PCHS subsidized transportation with 89 full scholarships



and 112 partial (50%) scholarships. G Wood's projections for 2015-16 include a 30% increase in scholarships. Discussion followed about whom that increase could serve and other ways to meet the needs of students who qualify for Free/Reduced Lunch.

- C. Cafeteria Contract Approval G Wood
1. PCHS is in year two of multi-year contract with Sodexo. Projected increase of 2.7% for Sodexo's contract for 2015-16. Both parties in the contract benefit from increased sales. Motion (R Wilken) to approve Sodexo's price increase of 2.7% for 2015-16. Seconded by M Bush. Motion carries unanimously.

IV. DISCUSSION ITEMS:

- A. 2014-15 Recap G Wood
1. Currently projecting \$86,598 deficit for 2014-15. As we go through each category for 2015-16, we'll review budgeted vs. spent funds for 2014-15.
- B. Textbook 15-16 Budget Admin
1. Requested Amount: \$429,480
 2. Discussion included online curriculum (Apex, Acellus), digital textbooks and new Common Core adoption for math
 3. Motion (R Wilken) to approve \$414,480 for 2015-16 textbooks barring unexpected problems. Seconded by M Bush. Motion carries unanimously.
 4. An additional \$5000 was approved for AP Biology books on 6/11 for increased enrollment in this course.
 5. TOTAL Amount Recommended by B/F: **\$419,480**
- C. IMA 15-16 Budget Admin
1. Requested Amount: \$408,808
 2. Discussion of each department/office's requests; the group agreed to even out teacher IMA to account for office supplies, instructional materials, and additional supplies for travelling teachers. Next year the committee would like to see offices' supplies evened out as well. The committee requests (and L Boulos agrees) to inform the point people for each department/office/program of what was approved in order to improve transparency.
 3. Unlike previous years, this year's IMA budget was nearly all spent.



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4. Motion (R Wilken) to approve \$330,000 as a preliminary IMA total. Seconded by M Bush. Motion carries unanimously.
5. TOTAL Amount Recommended by B/F: **\$330,000**

D. Technology 15-16 Budget

D Mandosa

1. Requested Amount: ~\$1.445 million (\$1.3 in schoolwide; \$145,000 for dept/office requests)
2. D Mandosa reviewed Tech Dept Budget proposal with priorities including upgrades to our network, labs/study center, teacher workstations, phone lines, email systems, classroom projectors, security camera system, Chromebook carts, and 1:1 Chromebook loaners for 10th graders. Most Priority 1-identified needs were approved. Chromebook loaners were only approved for 10th graders identified as High Needs (free/reduced lunch recipients).
3. Motion (R Wilken) to approve \$1,020,389.25 (\$966,500 school-wide plus \$51,389.25 department-specific) in Tech Budget and revisit the priority 2 items at the June 11th meeting. Seconded by M Bush. Motion carries unanimously.
4. After adjustments were made by CBO (leases for Chromebooks and teacher computers), TOTAL Amount Recommended by B/F: : **\$837,889.25** (\$786,500 schoolwide tech and \$51,389.25 dept/offices)

E. Capital 15-16 Budget

D Riccardi

1. Requested Amount: \$2,051,576 (including \$50,081 in non-CapEx)
2. The group went through Schoolwide CapEx items, prioritizing and discussing funding sources (Fundraising, LAUSD, Permit, Prop 39). Again, most Priority 1-identified needs were approved.
3. Motion (R Wilken) to approve \$487,800 in General Fund monies, including \$29,000 in Cafeteria funding. Seconded by S Margiotta. Motion carries unanimously.
4. TOTAL Amount Recommended by B/F: **\$487,800**. This amount does not include the subtotals for items approved contingent on securing funds from other sources: Fundraising (\$205,500), LAUSD (\$201,676), Permit (\$200,000), and Prop 39 (\$103,600).

JUNE 11, 2015

V. OPENING:

A. 2015-16 Estimated Funding Levels and 2014-15 projected final Budget UPDATE (G Wood)



1. \$8414 LCFF Funding per ADA; \$591.25 of that is for LCFF High Needs Per ADA
2. Budgeting for the same ADA – 2793, keeping in mind last year's lessons learned. \$2 million increase, same enrollment.
3. Salary Expenses in materials reflect new contracts, actual costs from the 2104-15 year, and positions added in 2014-15.
4. Benefits will continue to rise, largely due to STRS/PERS working to close their gap in required funding. Possible Workers Comp savings to come.

VI. DISCUSSION ITEMS:

- A. Civic Center Permit 15-16 Budget G Wood
1. 2014-15 budgeted income \$894,502; 2014-15 projected income \$947,840; 2014 budgeted expenses \$344,235; 2014-15 projected expenses \$445,125; overall after paying debt service, 2014-15 budgeted net income \$314,194 and 2014-15 projected net income \$261,931 (increased expenses to increase revenue in the longer run).
 2. 15-16 Permit Projected Income: \$1,001,651
 3. 15-16 Permit Projected Expenses: \$592,541 (\$200,000 for track replacement)
 4. After paying debt service: net contribution to reserves of **\$168,326**
 5. 2015-16 budget includes a consultant to represent school and oversee permit holders -- paid for from Civic Center Permit (\$81,000 includes this consultant from 4:30-9:30pm and weekend Uniserve overtime).
 6. G Wood seeking to refinance loan with Bank of the West that is due end of December or January; combined with R Gilbert's loan, refinancing for five years at lower interest will be likely.
- B. Personnel 15-16 Budget G Wood
1. Requested Amount: \$1,642,650.60 (recurring and new)
 2. Increased personnel costs approved, including a full-time counselor; auxiliaries for career/internship program (1), potential English lab (1), Math lab (1), administrative/compliance/assessment support for Special Ed (2); pull-out PD and scoring time; summer hours and Summer Bridge expansion. See materials for details.
 3. What was requested vs. what was approved vs. what is new this year (additional costs) will be cleaned up and clarified before Board meeting.



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4. TOTAL Amount of *new* salaries Recommended by B/F: **\$258,837**
(\$255,837 certificated and \$3000 classified)

C. Consulting 15-16 Budget G Wood

1. Requested Amount: \$2,171,741
2. Reviewed the overages from 2014-15 to account for spending over budget. (See materials.) Some items were funded through specialized revenue offsets (i.e. Americorp grant); some were oversights (i.e. MxxMaster); some were due to vacant positions, presumably offset in salaries (i.e. AppleOne). We discussed significant changes to next year's budget to more accurately capture the true Consulting expenses and the need to address any changes (overages) during the year through updates at Budget/Finance meetings.
3. TOTAL Amount Recommended by B/F: **\$2,171,741**

D. OTHER Categories

1. Conferences/PD, Subscriptions&Dues, Housekeeping, Rentals&Repairs, and Communications were budgeted at a schoolwide level under direction and approval of the Executive Director/Principal. See materials for the recommended amounts used as a guideline for overall funding levels.

VII. ACTION ITEM:

A. Recommendation to Board for 2015-16 Budget All

1. Overall projected 15-16 Revenue: **\$30,136,656**.
2. Overall projected 15-16 Expenses: **\$29,402,835**
3. Considering Depreciation (\$714,645) for an accurate reporting of cash flow, we end up with Net Fund *increase* of **\$19,176**.

Motion (R Wilken) to recommend this budget to the Board for approval.

Seconded by M Bush. Motion approved unanimously.

VIII. SCHEDULE FOLLOW-UP MEETINGS:

- A. Date for Presentation to the Board of Trustees: June 23, 2015
- B. Date of Next Regular Meeting: August 17, D204 (Agenda items must be submitted to ocastro@palihigh.org by Monday, August 10, 2015@ 2:00 P.M. via EMAIL)