

Facilities and Finance Committee
Abby Kelley Foster Charter Public School
Friday, January 19, 2018

MINUTES

- I. The meeting was called to order by Patrick Royce, treasurer, in the executive director's office in the Middle School at 7:48 a.m.

- II. The attendance was recorded.
 - a. Board members present: Heidi Paluk, Patrick Royce, Ryan Kittredge
 - b. Board members absent: Randy Schmid, James Walsh
 - c. Others present: Brian Haas, Dianne Bonaventura, Steven Donaghy

- III. The minutes from December 15, 2017 were approved.

- IV. The January 2018 Facility Report was presented by Mr. Donaghy.
 - a. Snow removal costs to date of \$25,175; ES cafeteria estimates and RFP for drop ceiling, water fountain and acoustic wall panels; City of Worcester building inspections with no deficiencies identified; and HVAC systems were reported and discussed.
 - b. The Phase I, Phase II, and Phase III electrical diagram for the ES and MS was distributed and discussed.
 1. Phase I involves new transformers and switchgear installed outside the ES and MS buildings which would enable the school to connect to the equipment in an emergency power situation; Phase II involves bringing power into the ES; Phase III involves bringing power into the more complicated MS.
 2. The school's insurance company offered a free inspection of the electrical system. Findings were minor and the school's electrician will make estimated \$700 repairs listed in the report.
 3. Estimated Projected Costs handout, prepared by Shepard Electric, was distributed and discussed; National Grid delay in response creates a roadblock to pricing and scheduling work for summer 2018; the previously budgeted \$2.5M for electrical upgrade will be reduced to an estimated \$1M.
 - c. The Ten Year Capital Plan will be updated in April 2018 by administration as part of annual budgeting process.

- V. The financial statements were presented by Ms. Bonaventura.
 - a. Budget variances were reported in the notes to draft financial statements dated December 31, 2017 and discussed.
 - b. The Disbursement Register for the period December 14, 2017-January 18, 2018 was reviewed and discussed.
 - c. The school now accepts electronic payments for athletic fees in addition to lunch payments through PaySchools and is working towards accepting IB test payments.

- VI. The safety discussion resulted in no concerns reported by Mr. Haas.

- VII. Miscellaneous
 - a. The Strategic Plan update will be presented at the January 31, 2018 Board of Trustees meeting by Mr. Haas.
 - b. BoardOnTrack company approached Mr. Royce and Mrs. Paluk regarding the online tool for Charter School board governance at a cost of \$12K. Charter Schools utilizing the resources will be contacted by administration.
 - c. The Salary Scale handout and the Teacher Step Level handout were distributed by Ms. Bonaventura and discussed.

- VIII. The next meeting is scheduled for Friday, February 16, 2018 at 7:45 a.m.

- IX. The meeting was adjourned at 8:38 a.m. by Mr. Royce.

Prepared by: Amanda Durkin, Administrative Assistant to the Executive Director

Facilities and Finance Committee
Abby Kelley Foster Charter Public School
Friday, December 15, 2017

MINUTES

- I. The meeting was called to order by Heidi Paluk, chair, in the Executive Director's Office in the Middle School at 7:48 a.m.
- II. The attendance was recorded.
 - a. Board members present: Heidi Paluk, Patrick Royce (7:50am), Ryan Kittredge, James Walsh
 - b. Board members absent: Randy Schmid
 - c. Others present: Brian Haas, Dianne Bonaventura, Steven Donaghy
- III. The minutes from November 17, 2017 were approved.
- IV. The December 2017 Facility Report was presented by Mr. Donaghy.
 - a. Elementary and Middle School electrical study, snow removal, ALICE training, evacuation drill at the elementary school and high school HVAC were discussed.
 - b. Electrical upgrade was discussed. There has been no movement with National Grid. Mr. Schmid and Mr. Donaghy persistently request to be a priority for National Grid's designer and the engineering department.
- V. The financial statements were presented by Ms. Bonaventura.
 - a. Budget variances for tuition, staffing, health insurance, self insurance, utilities and timing were discussed.
 - b. Cost of high school expansion was discussed.
 - c. The Disbursement Register for the period November 16, 2017 - December 14, 2017 was reviewed and questions were addressed.
- VI. The safety update was presented by Mr. Haas.
 - a. Fire drills and lockdown drills were reported.
- VII. Miscellaneous
 - a. The loans and financing terms listed in the audit report were reviewed and discussed.
 - b. Elementary school cafeteria 2018 summer project sound panels were discussed.
 - c. Relevant Strategic Plan initiatives will be added to Facilities and Finance Committee agendas monthly moving forward.
 - d. The salary scale will be presented and discussed at the next meeting as per Mrs. Paluk's request.

- e. Solicitation of two audit firm proposals in addition to Bollus Lynch for presentation to the Board of Trustees was requested by Mr. Royce.

VIII. The next meeting is scheduled for Friday, January 19, 2018 at 7:45 a.m.

- a. The Facilities and Finance Committee agreed to cancel the December 20, 2017 Board of Trustees meeting. Cancellation notice will be sent to all members today.

IX. The meeting was adjourned at 8:51 a.m. by Mrs. Paluk.

Prepared by: Amanda Durkin, Administrative Assistant to the Executive Director

Facilities and Finance Committee
Abby Kelley Foster Charter Public School
Friday, November 17, 2017

MINUTES

- I. The meeting was called to order by Patrick Royce, Treasurer in the Executive Director's Office in the Middle School at 7:47 a.m.

- II. The attendance was recorded.
 - a. Board members present: Patrick Royce, Ryan Kittredge, Heidi Paluk, Randy Schmid, James Walsh
 - b. Board members absent: None (Brian Haas absent-charter office meeting)
 - c. Others present: Dianne Bonaventura, Steven Donaghy

- III. The minutes from October 20, 2017 were reviewed and approved.

- IV. The November 2017 Facility Report was presented by Mr. Donaghy.
 - a. Carpet installation in the rear entrance corridor of the HS; repairs to the concert hall rigging and lighting bars; fire sprinkler renovations and testing for the ES and HS; Mass Saves boiler rebates of \$30K; RFP's for refinishing the HS gym floor and installation of a drop ceiling in the ES cafeteria; flood control methods for the ES; athletic field fencing; van trade-in for new van purchase; and ALICE training were listed and discussed.
 - b. Electrical feasibility study continues to move forward with National Grid. Communication from Heather Mills at National Grid regarding designer and storm delays was discussed. Price quote and scope of work from Shepard Electric anticipated in December or January for possible inclusion in the FY19 budget.
 - c. Storm water concerns involving the elevator and electric panels in the ES basement, bricks and building exterior, and doors were discussed.
 - d. The Safety Committee reviewed and adopted ALICE training (handout distributed). AKF, WPS and WPD will be linking to ALICE. Training will be implemented for all three assistant principals and the director of facilities. Assistant principals will coordinate all drills. Access door safety was discussed.

- V. The financial statements were presented by Ms. Bonaventura.
 - a. Positive FY18 budget variance of approximately \$300K was discussed.
 - b. Annual instructional staff savings anticipated to be approximately \$150K net.
 - c. Discussion of creating a mid-level, in-house development associate position to execute the vision of the Educational Foundation occurred.

1. The foundation and administration will first identify the need for the school. Hiring a consultant for a one time conversation to identify the need is an option.
 2. Consideration will be given to hiring a firm to identify strategic tasks.
 3. The previous director of advancement's job description will be revised for a development associate position to write grants, represent AKF in the community, prepare and mail marketing material, and other strategic tasks identified.
 4. Mr. Haas will collaborate with the board chair in determining the appropriate course of action.
- d. Self insurance was discussed.
- e. The 401(k) audit scheduled for December 5, 2017 was discussed.
1. The committee supports administration's recommendation to reinstate the 401(k) match of up to 2% ($\frac{1}{3}$ up to 6%) for the remainder of FY18 beginning January 2018 at a cost of approximately \$50K.
- f. Discussion of positive ten year relationship with current auditor occurred.
1. Bollus Lynch acquired AKF business from the previous accounting firm.
 2. The committee requested three proposals from accounting audit firms with charter school experience and knowledge of charter school reporting requirements in order to perform due diligence.
 3. Ms. Bonaventura will notify Bollus Lynch and will solicit proposals from the two firms known to be active among charter schools. Mr. Royce will seek another firm with charter school auditing experience.
- g. The Disbursement Register for the period October 18, 2017-November 16, 2017 was reviewed and questions were addressed.

VI. Miscellaneous

- a. Long range planning and interest reset on the note will be discussed next month.
- b. Administration and Personnel Sub Committee meeting was scheduled for Monday, November 20, 2017 at 8:00 a.m.

VII. The next meeting is scheduled for Friday, December 15, 2017 at 7:45 a.m.

VIII. The meeting was adjourned at 9:15 a.m. by Mr. Royce.

Prepared by: Amanda Durkin, Administrative Assistant to the Executive Director

Facilities and Finance Committee
Abby Kelley Foster Charter Public School
Friday, October 20, 2017

MINUTES

- I. The meeting was called to order by Patrick Royce, Treasurer in the Executive Director's Office in the Middle School at 7:40 a.m.
- II. The attendance was recorded.
 - a. Board members present: Patrick Royce, Heidi Paluk, James Walsh
 - b. Board members absent: Ryan Kittredge, Randy Schmid
 - c. Others present: Brian Haas, Dianne Bonaventura, Steven Donaghy, Steve Lynch, Mark Wojcicki
- III. The minutes from September 15, 2017 were reviewed and approved.
- IV. The discussion draft audit report was presented by Mr. Wojcicki of Bollus Lynch, LLP.
 - a. A clean opinion was expressed by Bollus Lynch, LLP in accordance with accounting principles and GASB standards.
 - b. Net position increase of \$404K and healthy balance sheet were reported.
 - c. Auditors expressed a clean opinion that AKF is satisfying compliance with federal grant programs and AKF has operated in compliance with Title I Grants to Local Educational Agencies.
 - d. Tuition revenue decrease and transportation revenue increase in relation to prior year; \$40K in adjusting entries made to expense legal fees related to the build-out project; \$19M operating expenses comprised of \$14M in payroll related expenses; no contribution to the 401(k) Plan in FY17; long term debt service requirements; and copier leases and disclosure to banks were discussed.
 - e. The cash position, industry standards, and state requirements were discussed.
 - f. Mr. Lynch commented on the strong financials, good balance sheet, and limitations of the student enrollment cap in relation to revenue, and further explained the importance of managing and caring for existing property, building reserves, and investing in new projects without borrowing.
 - g. Consideration will be given to increasing the enrollment cap by analyzing potential changes to net assets and operating expenses.
 - h. The clean opinion expressed in the draft letters addressed to the board of trustees, management, and the finance committee include no material weaknesses or deficiencies and all charter school and major federal program requirements have been met.
 - i. The committee will present a motion to the board of trustees recommending acceptance of the FY17 audit as submitted by Bollus Lynch, LLP.**

The auditors excused themselves at 8:45 a.m.

- j. Staffing and payroll savings were questioned by Mrs. Paluk.

- V. The Facility Report was presented by Mr. Donaghy.
 - a. High school boilers, emergency lights in the 8th grade wing, electrical service for the elementary and middle school, noise levels in the new elementary school cafeteria and safety were listed.
 - b. Air conditioning in the 8th grade wing, manufacturers warranties for new equipment in the high school, upgrading climate control software would require replacement of hundreds of sensors in the high school to regulate temperature, and summer 2018 project to install soundproof ceiling tiles and flame retardant draping for ES cafeteria walls were discussed.
 - c. Electrical feasibility study to obtain a price quote and scope of work continues to make progress with National Grid and Shepard Electric; completion of the study remains months away; and \$20K budgeted for the process remains sufficient.
 - d. The Safety Committee meeting minutes from September 14, 2017 were distributed.
 - 1. A.L.I.C.E. update will be discussed at the November 17, 2017 meeting.
 - e. The Estimated Ten Year Capital Plan Report was distributed and discussed.
 - 1. The \$1M electrical budgeted for 2017 will be revised to start in FY19.
 - 2. The estimated total 10 year capital plan is currently \$5.7M.
 - 3. Consideration of cash positions and projections; six month analysis of long-term debt; increasing enrollment, build-out of additional space, expenditures, staffing and programs to increase enrollment will be considered this year for planning purposes.
- VI. The financial statements were presented by Ms. Bonaventura.
 - a. Positive FY18 tuition budget variance of \$142K was reported.
 - b. The FY18 Debt Service Coverage Ratio is 3.28:1, compared to a required ratio of 1.15:1.
 - c. Amazon gift cards purchased for all staff were expensed in FY17 and FY18 due to Amazon's daily limit restriction. The FY18 expense was balanced by the expense incurred for science curriculum that was received in FY17 but included in the FY18 budget.
 - d. The Disbursement Register for the period September 13, 2017-October 18, 2017 was reviewed. Primex Wireless \$241 replacement satellite receiver for the school's clocks was discussed.
- VII. The next meeting is scheduled for Friday, November 17, 2017 at 7:45 a.m.
- X. The meeting was adjourned at 9:17 a.m.

Prepared by: Amanda Durkin, Administrative Assistant to the Executive Director

Facilities and Finance Committee
Abby Kelley Foster Charter Public School
Friday, September 15, 2017

MINUTES

- I. The meeting was called to order by Patrick Royce, Treasurer in the Executive Director's Office in the Middle School at 7:49 a.m.
- II. The attendance was recorded.
 - a. Board members present: Patrick Royce, Heidi Paluk, James Walsh, Ryan Kittredge
 - b. Board members absent: Randy Schmid
 - c. Others present: Brian Haas, Dianne Bonaventura, Steven Donaghy
- III. The minutes from June 2, 2017 were reviewed.
- IV. The building project update was presented by Mr. Donaghy, director of facilities.
 - a. Final payments, boilers and rebates, science room plumbing and recurring odor issues, new rooftop air conditioning unit issues, and emergency lighting issues were summarized.
- V. The facility update was presented by Mr. Donaghy.
 - a. The September 2017 Facilities Department Report was distributed.
 1. The electrical feasibility study update was discussed. Mr. Schmid will be asked to assist Mr. Donaghy with the National Grid process if necessary.
 2. Summer projects including the activity center heater replacement, summer moves throughout the district, elementary school (ES) cafeteria, area drains and flood concerns at the ES, and the sidewalk sinkhole between ES and MS located above Weasel Brook were discussed.
 3. New issues including the sewer pipe sinkhole on New Bond Street in front of the ES were discussed.
 - b. *The Estimated Ten Year Capital Plan Report will be updated to include the ES flood abatement and will be presented in a spreadsheet at every other Facilities and Finance Committee meeting beginning October 2017.*
- VI. The financial statements were presented by Ms. Bonaventura, Business Manager.
 - a. The draft (unaudited) FY17 Year End Financial Statements were distributed and discussed.
 1. Revenue from state sources exceeded budget by \$301K.
 2. Expenses were under budget.
 3. Result was a positive change in net position of \$460K which exceeded the FY17 budget by almost \$300K.
 4. The FY17 Debt Service Coverage Ratio is 1.38:1, compared to a required ratio of 1.15:1.

5. Bollus Lynch, LLP auditors will be on site September 18-22, 2017 to conduct the annual audit in preparation for the October 20, 2017 presentation to the Facilities and Finance Committee.
- b. The FY18 budget was discussed.
 - i. Currently operating \$250K ahead of FY18.
 - ii. Economically disadvantaged and Title I changes effective FY18 resulted in \$114K additional revenue.
 - iii. Salary savings resulting from staffing changes currently estimated to be \$108K savings.
 - iv. Unbudgeted stipends totaling \$18,000 have been issued.
 - v. A proposal utilizing Metasoft software suite will be prepared by Mr. Haas for consideration.
 - vi. Consideration will be given to cash management options for unrestricted funds and other cash balances.
- c. The Disbursement Register for the period June 1, 2017 - September 13, 2017 was distributed.
 1. Payment for cell phone reimbursements to certain employees, workers comp insurance, T&G advertising for legal notices, Pellets Inc., and computer hardware and phones were questioned and discussed.
- d. The Benefit Questionnaire 2017 survey results were distributed by Ms. Bonaventura.
 1. Survey respondents: 70 out of approximately 200 employees.
 2. Health insurance, sick time, vision insurance, parental leave, and retiree health insurance were summarized and discussed.
 3. *Administration will email all employees a summary of the results and changes made based on the survey.*

Mr. Kittredge excused himself at 8:53 a.m.

VII. The safety update was presented by Mr. Haas.

- a. Traffic patterns at the elementary school were discussed.
- b. Student safety continues as a priority for AKF, Liberty Properties, WPD and WFD.

VIII. Miscellaneous

- e. Consideration will be given to scheduling a campus wide tour including AKF athletic fields and Kendrick Field for the Board of Trustees.
- f. The tent purchased by the AKF Educational Foundation will arrive soon for use at the football games and other events.

IX. The next meeting is scheduled for Friday, October 20, 2017 at 7:45 a.m. (Audit Report)

- a. *The September 20, 2017 Board of Trustees meeting was cancelled.*
- b. The October 25, 2017 Board of Trustees meeting will be longer than usual.

X. The meeting was adjourned at 9:05 a.m.