

Trillium Charter School
Board of Directors
Meeting Minutes
03/11/2013

Note: Board meeting minutes are approved at the following month's meeting. Posting of minutes is done prior to the approval of the meeting minutes and is considered in DRAFT form until after the next month's meeting.

Board Members: Jeff Cavener, Emily Swensen, Christian Nielsen, Jennifer Jardee-Borquist

Staff: Kieran Connolly (Executive Director), Sarah Cramer (Assistant Director), Emily Saxton

Guest: Johanna Norton

The meeting started at approximately 6:05 p.m.

Secretary Jennifer Jardee-Borquist moved to approve February's minutes; Jeff Cavener seconded. The motion passed unanimously.

Guest comments: Johanna Norton, the Together For Trillium (TFT) representative, discussed this year's grant requests. The latest grant awarded funded a document camera to support a senior project. TFT has over \$9600 in the bank. Johanna noted that TFT had created a professional development fund to support the staff. She also discussed TFT's concern over the lack of school crossing signs on Interstate Ave.

Director's Report:

- Executive Director Kieran Connolly noted that the salary schedule for employees will be implemented in increments. Two new positions will potentially be added next year, a development director and a school counselor. Accountant Dave Coffman and Kieran are working to develop the budget and plan to finalize it by April 30, present it at the May meeting and have it ratified in June.
- Dave expects a 2% projected increase in the funding from Portland Public Schools next year. If so, that could mean \$100,000 more than the current year. Also, TCS has \$83,000 more than projected so far this year. However, certain increased costs could balance it out, so that money is not being considered as surplus and if it does exist at the end of the year, will probably be put aside as a prudent reserve.
- Kieran and staff have completed a new Expulsion Policy. Assistant Director Sarah Kramer has sent it out to the staff for vetting and is waiting on feedback. Sarah will share it with students and parents for feedback, and it will be discussed at the upcoming coffee klatch. Once finalized and it will be accessible on the TCS website. Later it will be part of a student handbook when it is created. Much of the intervention strategy is borrowed from PPS.
- Kieran shared his intention that Trillium's school counselor will more of a social worker and less of a guidance counselor, as the high school teachers are already performing that function and there is a significant need for individual counseling among TCS students.
- Kieran reported at a teacher let her license expire and is on leave until it gets taken care of. Kieran has to inform the Teachers Standard and Practices Commission how it happened and what steps the school is taking to ensure it never happens again with any TCS teacher. Sarah will create a database of all licenses and registries and notify teachers before they expire.

Kieran announced that the high school open house is this Thursday. There will be several changes, i.e. a strong focus on an internship program, in that program in the coming year, and staff are excited about sharing the new direction with prospective families. Kieran also reported that the lower school Open House was packed for both sessions.

Board Chair Emily Swensen gave a Board Development Report. She noted that due to the very small number of board members, there are effectively not committees working at this time and the group explored what skill sets and targeted expertise the Board needs. Job one at this moment is quickly building a very highly functioning Board. Kieran said he was considering expediting the process by hiring a consultant. He has also reached out to a few potential board members. Jennifer shared some concern over

spending the money and with Kieran's proposed choice of consultant, based on previous dealings with her. Kieran replied that an intern from the Nonprofit Association of Oregon might be another option instead of paying a consultant to help with Board development, but the group agreed that with things like this, you either pay with money or time spent chasing after "free" alternatives. No decision on a course of action was reached; more discussion will take place at the next meeting. The group discussed Board committees, both those which have existed historically and which ones currently seemed most needed. We also discussed expertise desired including:

Finance
Human Resources
Public Education
Democratic Education
Law
Non-Profit Administration
Mental Health
Community/Equity
Fundraising

Emily committed to meeting with previous Board chair James Hindes to discuss the previous process of vetting and on-boarding new members. She will report back on that discussion at the next meeting.

A valuable conversation for a potential consultant is whether the current size of the staff makes sense given the school's current budget.

Finance Report: See attached

Christian moved that the Board adopt the Accounting Manual as presented with recommendations, including that the Board designate the Treasurer and Secretary as signatories on TCS bank accounts. Jen seconded, and the motion passed unanimously.

Emily and Kieran noted that it is time start the process of Kieran's first annual review. Emily Swensen will work on an electronic version of a staff member input form, and Jeff Cavener offered to write a SurveyMonkey survey to collect parent and student input for Kieran's review.

The group discussed recent information from attorney Brooks Cooper that all parties to a lawsuit filed by former teachers Beth MolenKamp and Will Watts had agreed to a proposed settlement. The Board discussed how to communicate the settlement to the Trillium community and agreed that Brooks' input would be invaluable and agreed that someone would communicate with him before the next meeting to help the group finalize a decision.

At 8:45, the meeting adjourned.

**Trillium Charter School
February 2013 Financial Report**

TO: Trillium Charter School
FROM: Dave Coffman
DATE: March 11, 2013
RE: February 2013 Financial Reports

Attached are the following reports:

Financial Statements February 2013

Balance Sheet as of the end of February, 2013
P & L YTD Summary Actual vs Budget July 2012 – February 2013
P & L YTD July 2012 – February 2013 Detail Actuals vs. Budget
Current Cash Position
Cash Flow Projection

Notes to the February Income Statement

Revenue Summary

February Revenue of \$239,629 is \$3,584 under budget for the month. Year-To-Date (YTD) Revenue of \$1,051,707 is \$11,079 over budget at this point in the year. These amounts contain about \$6,100 of Restricted Playground Contributions and if we exclude those, it doesn't change February but brings the YTD variance to about \$5,000 over budget.

The current month variance results from Preschool Tuition and State Funding coming in under budget while Contributions came in over budget.

The Preschool variance is due to the fact that we had fewer students attending the longer, full-day schedules than we had anticipated. I anticipate that if the schedule mix of enrollment doesn't change, we will be under budget in Preschool tuition throughout the year. Over the course of the year, this shortfall will likely amount to \$15,000-\$20,000.

We were under in State Funding by \$3,200 in February. This is the result of budgeting State Revenue flat over the prior year and we're actually receiving a 2% increase, but is offset by a decrease in enrollment compared to last year at this point (12 students). The State Per Pupil Funding rate fluctuates throughout the year so it is possible the per pupil rate will be decreased later in the year. Our enrollment is coming in slightly under what we had budgeted, but year-to-date this negative variance is more than offset by the increase in the State Funding rate.

We were over by about \$2,200 in Contributions. This is not the result of anything specific, but is likely more of a reflection of the fact we built the budget without much in the way of historical data.

Our year-to-date variance results from the items noted above combined with the additional \$17,000 of one-time State funding received in August.

One interesting thing to watch will be the Contributions line item. We are about \$3,000 short year-to-date, not counting the Restricted Playground Contributions. If this trend were to continue through the remainder of the year, the shortfall could amount to between \$5,000-\$10,000.

Expense Summary

Total expenses for February of \$129,878 is \$12,933 under budget for the month. Total YTD expenses of \$990,692 is \$72,502 under budget at this point in the year. The YTD amount contains expenditures from the Restricted Playground fund for exterior awnings. If we exclude those we ended about \$75,500 under

year-to-date.

The current month and year-to-date variances result from the following:

Instructional Expenses in February \$9,525 under budget, YTD \$49,365 under budget

- The monthly and YTD variances result primarily from savings in Wages & Benefits. We are over in Instructional Wages YTD due to a timing issue that will even out at the end of the year. Additionally we are under budget in both Medical Insurance and Retirement Contributions. We budgeted medical insurance for all new employees for the entire year, but enrollment in the insurance plan isn't as high as we'd anticipated. Retirement is under budget because it was also budgeted for the entire year for new employees. Many new employees do not begin contributions until 2013, so we should see this positive variance continue until March 2013.
- Purchased Services is under budget YTD because we budgeted to pay for an Americorps position for 2012-13 but were not awarded a position.
- Supplies and Materials Expense is under for the month and YTD, which is the result of a timing issue. I anticipate we will end the year within our total budget for this area.

Support Services Expenses in February \$749 under budget, YTD \$32,798 under budget

- February variance is due primarily to Employee Taxes & Benefits coming in under budget, while Wages and Occupancy are slightly over budget.
- The variance in the PERS line, both for February and YTD, results from budgeting PERS contributions for the entire year for a couple of newer employees who have yet to start making contributions.
- The variance in the Medical Insurance line is due to a lower number of employees enrolling for insurance than planned in the budget.
- Purchased Services is under budget YTD due to under-spending in the areas of Audit/Accounting Services and Legal Services.
- Food Service expenses are on track YTD.
- Occupancy is coming in close to budget YTD, although there are some variances within the category. We've underspent in Utilities and Janitorial Supplies, but we've overspent in Maintenance Services and Security Systems. Overall, we're within our total occupancy budget.

Other Activities in February \$2,159 under budget, YTD \$6,618 over budget

- The variance for the month and YTD are due to adjustments relating to Bad Debt. The YTD Bad Debt total represents the clean-up of a number of old customer balances that had been carried over from previous years.

Capital Outlay in February \$500 under budget, YTD \$3,044 over budget

- The YTD variance is due to spending related to the Playground. We have received donations to be used for the Playground project, but neither the revenue nor the expense has been budgeted. Therefore, it makes it appear we are over budget in this category, but the expenditures are fully funded by Restricted Playground donations.

Debt Service in February \$0 over budget, YTD \$0 over budget

Net Income / (Loss) Summary Notes:

February Net Income of \$109,750 is \$9,348 better than our budget for the month. YTD Net Income of \$61,015 is \$83,581 better than our budget at this point in the year. **Of this YTD variance, about \$2,000 is reserved for the Playground Project, so our true positive variance at this point in the year is about \$81,000.** I anticipate we will have variances to our budget throughout the year since a lot of our budget for the year was created without much in the way of accurate historical data. The experience and familiarity we gain this year with our budget will allow us to be more accurate in creating budgets in future years.

Summary of Current Cash Position:

At the end of February, we had approximately \$320,000 in our checking account. This is up about \$77,000 from the previous month, which results from typical State Funding fluctuations.

As of this date, we are in a good position to make it through the school year without experiencing a significant cash crunch. Our State funding payments are coming in consistently and will allow us to maintain a steady cash balance through the remainder of the fiscal year.

As we look to the next fiscal year and the planned increases in PERS contributions, it appears that if we continue spending at our current level, we should be able to maintain a steady cash balance. This is something we'll need to keep an eye on and give consideration to when we begin work on the budget for next fiscal year.