



# GOMPERS PREPARATORY ACADEMY

a UCSD Partnership

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## GPA Finance Committee Meeting

June 8, 2021 3:30 pm

Virtual Meeting Via Zoom

Minutes of Meeting

### Members Present:

Pete Chodzko, Vincent Riveroll, Cecil Steppe,

### Excused:

Mike Rodrigues, Jacquee Nevels

### Visitors and Staff Present:

Larry Tamayo (ExED)

Jenny Parsons (Chief Business Officer)

William Frye (OTI Manager)

Ivette Limon (HR Manager)

Meeting called to order – 3:30 P.M.

### Peter Chodzko

#### 1. M/S approval of the May Financial Minutes

#### 2. E-Rate: GPA's New Network

The FCC's E-Rate program makes telecommunications and information services more affordable for schools and libraries. With funding from the Universal Service Fund, E-Rate provides discounts for telecommunications, Internet access, and internal connections to eligible schools and libraries.

Eligible schools and libraries may receive discounts on telecommunications, telecommunications services, and Internet access, as well as internal connections, managed internal broadband services and basic maintenance of internal connections. Discounts range from 20 to 90 percent and are based on the poverty level of the schools. GPA's estimated discount is projected to be roughly 75%-80%.

#### Impact at GPA

- SDUSD has been in communication with charter schools regarding charters having their own individual network system on campus and is asking that all charters move to be independent from SDUSD's network in the coming year.
- Move to a GPA network would require the purchase of:
  - Equipment: Firewalls, switches, and wireless access points; Also licensing and additional adapters that are required for those items
- Change would allow:
  - GPA to have full control over the content that's available on the network
  - GPA to resolve any network issues in-house without having to go through the District network team
- We signed up and are approved for subsidized rates through E-Rate:

- E-Rate is directed by the FCC and is federally funded
- GPA has been granted about 80% of the funds needed for this equipment
- GPA would need to cover the remaining 20%

Mr. Frye is seeking Board Approval to spend no more than \$75,000 on the E-Rate program to get the new network installed and working.

*M/S to recommend Board approval of up to \$75,000 to be spent on the new network for GPA.*

### 3. **Charter Safe Membership Renewal**

Ms. Parsons presented the Charter Safe Membership Renewal to the Finance Committee and informed the Finance Committee that GPA has been very happy with Charter Safe. They support the school with risk management, provide guidance on best practices, as well as other services. There is an increase in fees this year that are consistent with the industry.

*M/S to recommend Board approval of the renewal of the Charter Safe Membership.*

### 4. **2021-2022 ExED Contract**

Ms. Parsons also presented the updated ExED (Excellence in Education) contract as GPA must renew services with ExED each year. ExED provides back office business services for GPA as well as support with audits, taxes, and support with documented federal funds spent by the school. GPA is happy with the service that ExED has provided and would like to continue working with Mr. Tamayo and his team.

*M/S to recommend Board approval of the renewal of the ExED contract*

## **Larry Tamayo**

### **1. April Financials – Action Item**

- Budgeted ADA for the year was 1,166.40, based on an enrollment of 1215. GPA will be funded at its prior year ADA – 1,297.94.
- As of April 30, 2021 GPA's total debt was \$2,255,500.
- GPA is projected to have a net income of \$1,203,254 compared to a budgeted net income of \$709,803.
- Revenue for the 2020-2021 school year is projected to be \$17,550,129 which is \$1,099,862 more than the budgeted amount.
  - LCFF is projected to be \$2,262,170 over budget. The school passed a budget that had a -7.92% COLA, however the state budget ended up approving a 0% COLA with ADA frozen at the 19-20 P2 amount. The LCFF amount is lower from prior months projections as the unduplicated pupil per centage decreased for SDUSD which effects the Concentration Grant portion of the LCFF funds. The Unduplicated Pupil Percentage (UPP) used for the Concentration Grant is capped at the rate for SDUSD. The UPP for GPA is 83.86% versus the rate for SDUSD which is 57.42%.
  - All Other Federal Revenue is projected to be \$1,235,393 less because the PPP Loan is expected to be forgiven in the 21-22 school year instead of 20-21.
  - State Revenue – Other is projected to be \$115,907 more due to the school receiving additional Learning Loss Mitigation Funds, a portion of which is considered state funding.
- Total expenses for the 2020-2021 school year are projected to be \$16,346,875 which is \$606,411 more than the budgeted amount.
  - Certificated Salaries and Classified Salaries are projected to be \$1,219,362 and \$223,240 respectively over budget as the school reinstated staffing after the state froze ADA at the 19-20 levels and passed a 0% COLA.
  - Employee Benefits are projected to be \$469,008 over budget as a result of the increased salaries.

- Core Curricula Materials are projected to be \$115,774 as additional materials were purchased.
  - Security Services are projected to be \$127,067 over budget due to services from One Shield Services.
  - District Oversight Fees are projected to be \$68,060 over budget due to the additional revenue being forecasted this year.
  - Internet is projected to be \$130,202 over budget due to hot spot fees.
  - Depreciation is projected to be \$135,862 under budget as the large capitalized equipment purchases may not occur until later in the year.
- Cash on hand as of April 30, 2021 was \$6,895,858.
  - By June 30, 2021 the school's cash balance is projected to be \$5,954,578.
  - As of April 30, 2021 the school's Accounts Receivable balance was \$131,079.
  - As of April 30, 2021, Accounts Payable balance, including payroll liabilities, totaled \$3,070,660. The amount includes the Paycheck Protection Program loan of \$2,255,500.
- M/S to approve the February Financials.*

## **2. 2021-2022 Draft Budget**

Mr. Tamayo presented the Finance Committee with a draft budget outlining estimated expenses and income for the 2021-2022 school year. The budget was based on information from the Governor's May revise, includes the projected deferrals from the state, and the school's unduplicated pupil amount is capped at the district (SDUSD) level.

*M/S to recommend Board approval of the 2021-2022 Budget*

**Meeting Adjourned:** 4:15 P.M.

**Next Finance Committee Meeting:** 9/14/21