



**OSA Finance Committee Meeting Minutes
Finance Study Session - Full Board invited**

January 20, 2022 12:30 PM

Via Zoom <https://oakarts-org.zoom.us/j/98836025873>

OSA Board Committee Members:

Adrienne Barnes, Josefina Alvarado Mena, Wei-Ling Huber

TOPIC	VOTE REQUIRED?	LEAD
<p>Roll Call Attendance</p> <p>Present: Barnes, Alvarado Mena</p>	No	Adrienne Barnes
<p>Public Comment</p> <p>None</p>	No	Adrienne Barnes
<p>21-22 Budget Review and Board Discussion</p> <p>Budget updates from Susan shared. Projections for lower enrollment number, resulting in a \$344k deficit. This includes COSATS increase plus step & column. Does not include STRS as that would hit cash flow and not budget. Does include the projected COLA increase from Governor’s Budget.</p> <p>Revenue review - didn’t include revenue or expenses for the programs that are a wash (funds in and out). ELAP can be used for different learning categories this year. Show revenue still estimated at \$50k (Note: Ms. Huber joined at this time). Payroll tax credit options to explore per JAM. The auditors believe we would not qualify for these options. JAM recommends we keep looking into this and will send data to Susan. Can be significant, we can’t accidentally double claim though if someone was already paid via PPE or Title I. KP - due to relief funding we likely don’t qualify but will keep researching of any different routes.</p> <p>AB: include G1 bonuses please in future. Future year revenue SB740 increase due to VA rent increase. Will decrease due to anticipated oversubscription decreasing funds again next year. Space rental costs increase by \$13k. Added +\$25k/month in legal going forward. \$157,318 in legal fees through December, not including any settlements. Additional discussion and minor adjustments to various line items.</p> <p>If we have the VA space for all of next year, 800 becomes more realistic enrollment. Advancement - SB may realistically increase goal for 22-23 to \$1.3 and to \$1.5 for 23-24 but will comment further on Monday.</p> <p>Discussion on FRL funding. Anyone not covered by union does not receive</p>	No	CSMC

<p>a raise in this scenario, which is 30-35 employees. Huber: School will run out of money in next 2-3 years, action needs to be taken. What potentially dramatic steps must be taken to make the school fiscally sustainable? Should time be cut off the school day? Should the most expensive per-capita arts classes be cut? Should spots open due to attrition be left open? Board must grapple with these things, and fast. Barnes - agrees, would like input from staff on potential cost savings, program blends, opportunities to generate revenue.</p> <p>Recap of next steps:</p> <ul style="list-style-type: none"> • FTE by arts department analysis/ number of students served • Cost of classified staff or those not covered by bargaining unit • Affordable cost per student vs current expenditures • FRL by grade level • Other models of sustainable arts schools • Reschedule tomorrow's meeting to Wednesday • Auditor must provide by Monday to be included in next board packet. <p>Have this data by next week's finance committee meeting.</p>		
<p>Cash Flow Update & Loan Discussion</p> <p>Cash flow projections as of November, not including today's data, indicates we would need to dip into reserves in September 2022. Reserves gone at end of 2023-24. Starting point is FTE by arts department and analysis. Huber - could arts become part of the academic day? LSC - different models of arts schools, can scaffold by levels. Majority of arts teachers are fulltime. JAM - Are there revenue-generating structures via arts instruction through larger charter school community, eg we provide instruction to other schools one day a week? What is the sustainable cost per student vs what we're spending now?</p> <p>SB- scope can be adjusted to focus on revenue generation vs comprehensive campaign right now. Funding is more urgent.</p> <p>Going forward - all hands on deck and need full board participation in these discussions.</p>	No	CSMC
<p><i>STRS Discussion & current position regarding payment - covered as part of budget item</i></p>	No	CSMC
<p><i>Discussion on reserves - covered as part of cash flow item</i></p>	No	Adrienne Barnes
<p>Dismissal</p>	No	Adrienne Barnes