CEDAR TREE
— ACADEMY —
LEARN TODAY. LEAD TOMORROW.

Open Board Meeting July 02, 2020
Agenda Quarter 1

Call to order	Dr. Carla Bailey
Approval of Agenda	Dr. Carla Bailey
Approval of Minutes Public Comments	Dr. Carla Bailey
Public Comments	Dr. Carla Bailey
School Report	Dr. Henderson

- Recruitment
- Compliance
- Student Data/Curriculum
- Parent Engagement

Financial Report	Usha Jayanthi
Open Items	Dr. Bailey
Vote to Adjourn	

Board Members

Carla Bailey	Board Chair
Monica Ray	Board Co-Chair
Tanetta Merritt	Treasurer
Sandy Allen	Secretary
Tyon Jones	Member
Keyonia Dukett	Parent Member
Davon Lessesne	Parent Member
LaTonya Henderson	Ex-Officio Member

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CTA Board of Trustees and Advisory Open Board Members Minutes

July 02, 2020 (Quarter 1)

Dr. Carla Bailey Chair; Ms. Monica Ray Co- Chair; Ms. Tanetta Merritt Treasurer; Sandy Allen Secretary; Tyon Jones Board Member; Keyonia Dukett Parent Member; Dr. LaTonya Henderson, Ex-officio

Meeting called to order: Via Zoom

Dr. Bailey called the meeting to order at 6:30PM welcoming everyone. At that time she noted that there was a quorum.

The board voted to add a new parent member Katherine W. Mitchell replace parent member Keyonia Duckett.

Board Minutes Approval

Let the record reflect - Board Minutes Approval was done via conference call and was or will be submitted to PCSB as required.

Public Comments: None

School Report:

COVID-19 Update

Due to COVID-19 the school is working virtually with the DME, OSSE. DCPS, and DCPCSB in order to open the upcoming school year virtually or Hybrid. The school is planning to use Google Classroom as our instructional platform. This platform allows teachers to provide live instruction as well as post lessons so parents can review them later. Parents are also able to post questions and concerns to the teacher using the Google Classroom platform. In addition, the school is planning to issue each student an electronic device as well as hotspots for those families without internet access. Students also received work packets to help support their online learning.

The school leadership team has been meeting virtual with the DEM, PCSB, and the DC health department and other city leaders to discuss the effects of COVID-19 and the impact it is having on the students and families of the District of Columbia. We are working with this group to determine the best and safest way to reopen the school.

Recruitment/Marketing

The school is currently in the process of recurring both staff and students for the current school year. The school continues to be a part of MySchool

The school continues to stay active with marketing by taking part in community events. The school continues to be a part of My School DC. Student enrollment and recruitment continues to be the focuses of our recruitment and marketing team

Compliance

The school continues to be in compliance with all DCPCSB and OSSE requirements.

Student Data/Curriculum

The school will require all student to come into the school for a one -on -one social distance orientation. During this orientation students will pick up their electronic devices and be given their initial assessments.

Parent Engagement

We are working on a virtual parent engagement as a part of our plan for the start of the upcoming school year

Financial Report

The school has a positive financial position. Please attachment for additional detailed information

The proposed school budget was emailed to all board meets last week. During this meeting there were no questions or concerns regarding the proposed school years budget.

Open Items:

The are no open items at this time

Adjournment

Dr. Carla Bailey adjourned the meeting at 7:30PM

Carla Bailey

Dr. Carla Bailey, Board Chair
Approved by a vote of the board

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Executive Director's Report

	Status
Recruitment & Marketing	Our Projected enrollment number by grade level Pre-K 3 year-old = 115 Pr e K 4 year = 115 Kindergarten =115 1st grade =100 Projected students with IEP Pre-K 3 Year-old = 5 Pre-K 4 year old = 9 Kindergarten = 6 1st grade =6
Compliance	We are in compliance with all requested documents by DCPCSB & OSSE. We are in compliance with all requested documents by all DC Government Agencies.
Student Data/ Curriculum	All students will be given an initial assessment during August parent and student orientation. This data will be used to provide a better instructional program for all students.
Parent Engagement	The school is working to develop online parent engagement activities. Once this calendar is complete it will be sent to all board members.
Financial Report	Please see attached documents that were emailed to the board prior to the meeting
Open Items	None

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June 2020 Financials

PREPARED **AUGUST 2020** BY

EDOPS

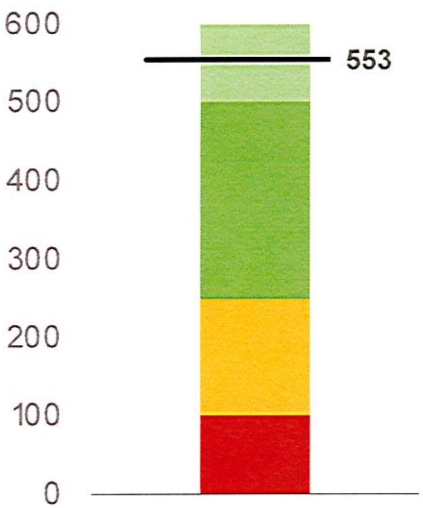
Contents

EDOPS

Key Performance Indicators

Days of Cash

Cash balance at year-end divided by average daily expenses

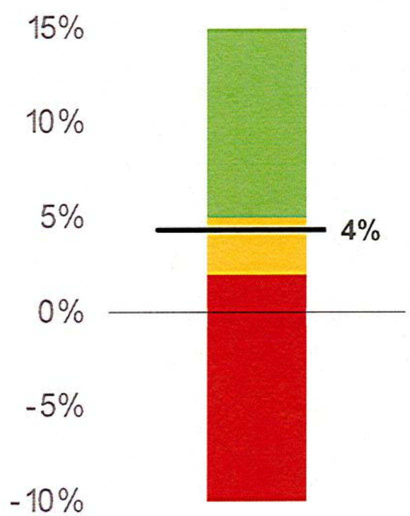


553 DAYS OF CASH AT YEAR'S END

The school ended the year with 553 days of cash. This is above the recommended 60 days, and 10 less days than last month

Gross Margin

Revenue less expenses, divided by revenue

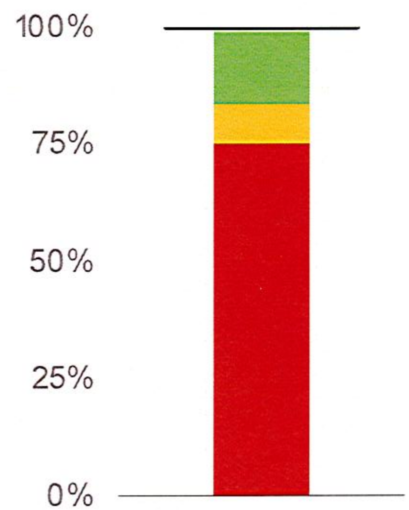


4% GROSS MARGIN

The net income is $374k, which is $197k above the budget. It yields a 4% gross margin.

Grants Invoiced

Federal grants requested divided by federal grants awarded.

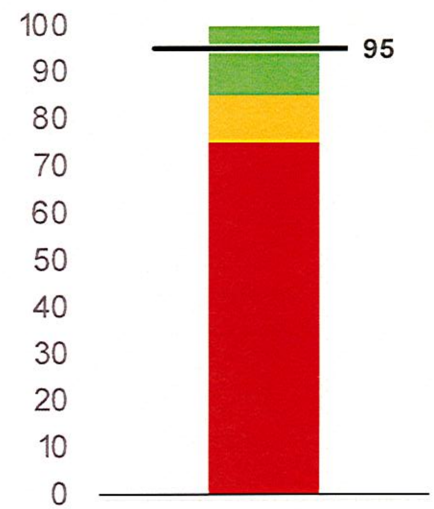


100% GRANTS INVOICED

IDEA, ESEA and SOAR grant allocations have been fully drawn down.

Forecasted FAR

Forecasted calculation of PCSB's Financial Audit Review (FAR) at year-end



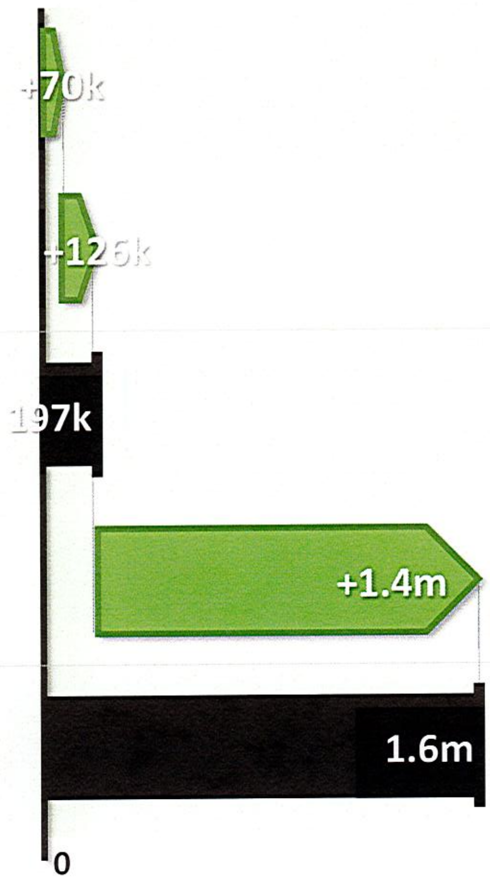
FORECASTED FAR SCORE: 95

The Financial Audit Review (FAR) is the PCSB's annual evaluation of the school's financial and operational position.

Financials Overview

	Forecast	Budget	Variance	Comments
Revenue	$8.6m	$8.5m	$70k	Driven by higher than budgeted SOAR grant revenue, CARES funds, Title VB funds, 2 additional students, additional funding from the Mayor partially offset by lower than budgeted per pupil SpEd revenue due to lower Level 2 and Level 3 SpEd student enrollment and lower before/after care fees due to COVID-19 related school closure.
Expenses	$8.2m	$8.4m	$126k	Driven mainly by lower than budgeted direct student expenses, occupancy expenses, and office and business expenses offset by higher than budgeted salaries, health insurance, and payment of unemployment taxes from previous years.
Net Income	**$374k**	**$178k**	**$197k**	
Cash Flow Adjustments	$294k	-$1.1m	$1.4m	Driven by fewer principal payments than budgeted being made on the Main campus loan.
Change in Cash	**$669k**	**-$900k**	**$1.6m**	

Variance Graphic



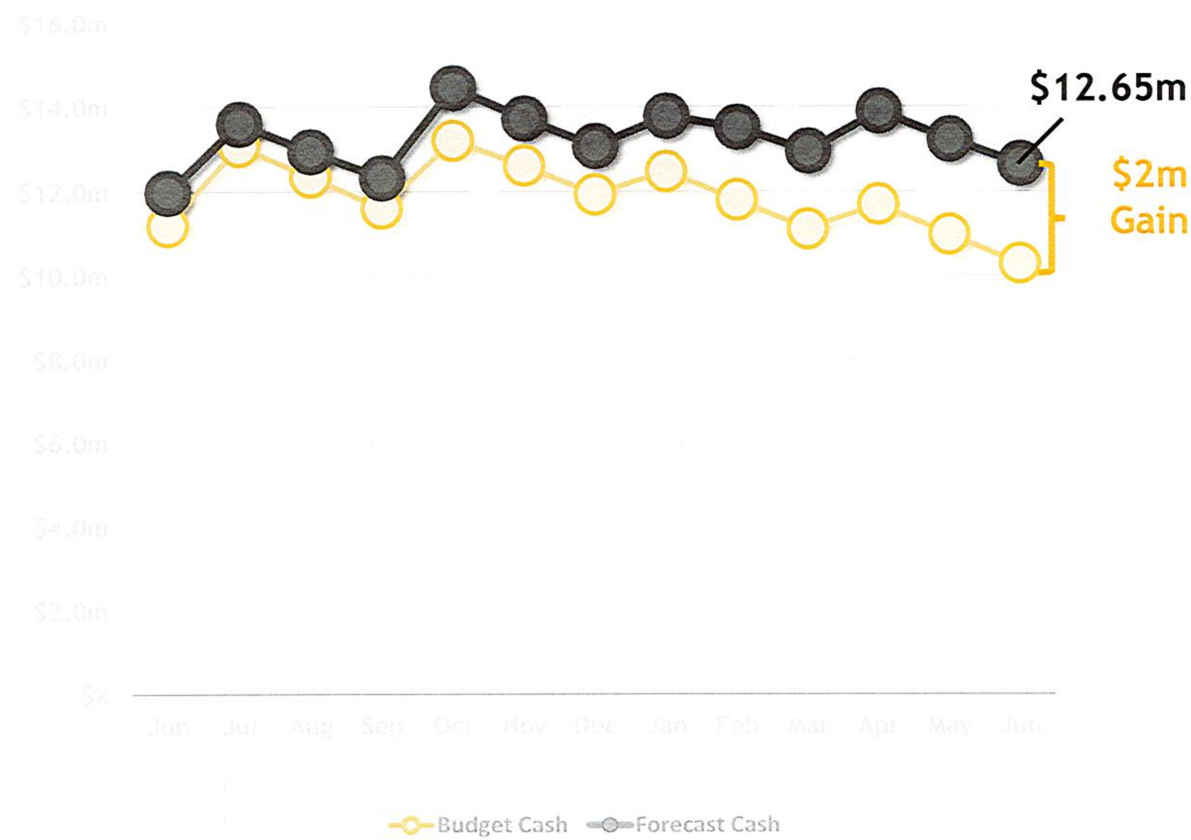
PREPARED 8/28/2020 BY EDOPS

Cash Flow

553 Days of Cash at year's end

The school's year ending cash balance is **$12.65m**, **$2.35m** above budget.

Cash balance at year end is $2.35m higher than budgeted mainly due to higher than budgeted starting cash, fewer principal payments than budgeted being made on the BB&T main loan and higher than budgeted net income.



State and Local Revenue | $103k annual increase

Total state and local revenue is $103k higher than budgeted due to changes in enrollment driven mainly by enrollment of two more students and additional funding from the Mayor partially offset by lesser than budgeted Level 2 and Level 3 SpED enrollment.

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Per-pupil alloc Revenue is $70k higher than budgeted due to enrollment of 2 more students than budgeted.	5.2m	5.1m	70k	0
Per-pupil SpEd alloc Sped revenue is $140k lower than budgeted due to enrollment of 5 fewer Level 2 and 5 fewer Level 3 students than budgeted partially offset by 4 more Level 1 students than budgeted.	369k	508k	-140k	0
Per-pupil LEP/NEP alloc ELL revenue is $16k higher than budgeted due to enrollment of 3 more students than budgeted in this category.	16k	0	16k	0
Per-pupil At Risk At-Risk revenue is $17k higher than budgeted due to enrollment of 4 more students than budgeted in this category.	615k	598k	17k	0
Per-pupil adjustment Revenue is $124k higher than budgeted due to additional funding from the Mayor and 1st, 2nd and 3rd supplemental payments.	124k	0	124k	32k

0

Accounts not shown provide $118k in annual variance and $33k in adjustments this month

Federal Revenue | $254k annual increase

Total federal revenue is $254k higher than budgeted mainly due to higher SOAR grant revenue, CARES funds and Title VB funds partially offset by lower NSLP revenue forecast.

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
CARES Act Funds $67k revenue from CARES Act which was not budgeted for.	67k	0	67k	0
Title Vb grants $100k revenue from Title VB grant which was not budgeted for.	100k	0	100k	0
Competitive federal grants SOAR revenue is higher since the original allocation was $153k higher than budgeted.	287k	134k	153k	0
EIDL Advance $10k revenue from Economic Injury Disaster Loan Advance.	10k	0	10k	10k
National school lunch prog NSLP revenue is $89k lower than budgeted largely due to no more meals being served during COVID-19 related school closure. This reduction in revenue is accompanied by a higher reduction in food service expense.	180k	269k	-89k	-0k

0

Accounts not shown provide $267k in annual variance and $12k in adjustments this month

Earned Fees | $292k annual decrease

Total earned fees is $292k lower than budgeted driven mainly by unrealized loss on SWAP.

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Before care after care fees Revenue is $37k lower than budgeted due to no before/aftercare revenue after March during COVID-19 related school closure.	125k	162k	-37k	0k
Unrealized gains/losses Unrealized loss of $242k on SWAP which had not been budgeted since the year end SWAP values cannot be reasonably estimated. This is a non cash accounting adjustment.	242k	0	-242k	-242k

Accounts not shown provide $306k in annual variance and $234k in adjustments this month

Salaries | $165k annual decrease

Total salaries are higher than budgeted by $165k mainly due to higher spending on teacher salaries, student support salaries and supplemental service stipends partially offset by savings on curricular stipends and specials salaries.

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Teacher salaries Salary expense is $50k higher than budgeted because we hired 2 additional teachers than budgeted partially offset by termination of 1 teacher in October.	1.1m	1m	-50k	12k
Specials salaries Expense is $63k lower than budgeted since we did not hire a music teacher and the Spanish teacher took on an Instructional Assistant role.	103k	166k	63k	0
Curricular stipends Spending on curricular stipends is $132k below budget.	213k	345k	132k	0
Student support salaries Expense is $106k higher because the Parent Center Coordinator and Behavior Specialist positions had not been budgeted for.	247k	141k	-106k	-6k
Clerical salaries Expense is $37k higher than budgeted due to addition of new coordinator position.	199k	162k	-37k	0
Supplemental service stipends Total YTD spending of $295k in this account exceeds the total annual budget by $173k.	295k	122k	-173k	0

0

Accounts not shown provide $159k in annual variance and $11k in adjustments this month

Occupancy Service | $68k annual increase

Overall occupancy expenses are $68k below budget mainly driven by savings on maintenance and repairs expenses.

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Maintenance and repairs Maintenance and repairs expenses are $57k under budget since we did not spend down the cushion that had been budgeted for this account.	198k	255k	57k	-8k

Accounts not shown provide $11k in annual variance and $1k in adjustments this month

Direct Student Expense | $59k annual increase

Direct student expenses are $59k less than budgeted driven mainly by lower than budgeted food service fees, student recruiting and student uniform costs partially offset by higher than budgeted student supplies.

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Student supplies, snacks Student supplies were over budget by $135k mainly due to purchase of laptops.	300k	165k	-135k	-174k
Student uniforms Student uniform expense is $41k under budget since we did not spend down the cushion that had been budgeted for this account.	10k	51k	41k	0
Contracted SpEd instruction Contracted SpEd instruction is $30k under budget since we did not spend down the cushion that had been budgeted for this account.	129k	159k	30k	0
Food service fees Expense for food service fees is $62k lower than budgeted due to no more meals being served under COVID-19 related school closure.	209k	270k	62k	-3k
Student field trips Expense for field trips is $18k lower than budgeted due to no more field trips after March during COVID-19 related school closure.	14k	33k	18k	0k
Student recruiting Student recruiting expense is $73k lower than budgeted since we do not need to utilize part of the cushion that was budgeted for this account.	182k	255k	73k	0

0

Accounts not shown provide $31k in annual variance and $14k in adjustments this month

Office & Business Expense | $79k annual increase

Total office and business expense is $79k lower than budgeted driven mainly by lower spending on computer support fees and other professional fees

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Computer support fees Computer support fees is $60k lower than budgeted since we do not need to utilize part of the cushion that was budgeted for this account.	93k	153k	60k	0
Other professional fees Other professional fees is $32k lower than budgeted primarily due to spending on SRL Consulting being $13k lesser than budgeted and voiding of an uncleared check of $12k from FY17.	46k	79k	32k	6k
Loss/theft of asset Loss due to disposal of old assets that had not been fully depreciated.	132k	0	-132k	-132k

Accounts not shown provide $198k in annual variance and $20k in adjustments this month

Contingency | $79k annual increase

Contingency expense budget of $79k did not need to be utilized.

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Unforeseen expenses We did not need to utilize the contingency that had been budgeted.	0	79k	79k	0

Accounts not shown provide 0 in annual variance and 0 in adjustments this month

Other Operating Activities | $280k annual increase

Total cash flow adjustment due to operating activities is $280k above budget driven by positive cash adjustment variance due to accrued salaries and interest SWAP partially balanced by negative cash adjustment variance due to accounts receivable.

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Accounts Receivable Cash adjustment due to accounts receivable was $175k below budget mainly since we had not accounted for year end receivables related to Title VB grant and CARES funding at the time of budgeting.	175k	0	-175k	-44k
Accrued salaries Cash adjustment due to accrued salaries is $170k above budget based on the updated FY20 salary roster and payroll schedule.	167k	2k	170k	18k

Accounts not shown provide $285k in annual variance and $289k in adjustments this month

Facilities Project Adjustments | $990k annual increase

Total cash flow adjustment on long term debt is $990k lesser than budgeted due to fewer/ semi-annual payments being made on the Main BB&T loan.

Selected Accounts	Forecast	Budget	**Annual Impact on Cash** (And Monthly Change)	Monthly Change
Loans Payable - Principal - BBT Refinance Forecast changed to include only semi-annual principal payments	200k	1.2m	988k	0

Accounts not shown provide $992k in annual variance and 0 in adjustments this month

QUESTIONS?

Please contact your EdOps Finance Specialist:

Atima Shahi

atima@ed-ops.com

202-717-4678

Annotated Financials

	Year-To-Date			
	Actual	Budget	Variance	
Revenue				
State and Local Revenue	7,587,282	7,484,422	102,860	
Federal Revenue	828,863	574,778	254,086	
Private Grants and Donations	5,691	-	5,691	
Earned Fees	180,924	473,190	(292,266)	
Donated Revenue	-	-	-	
Total Revenue	**8,602,760**	**8,532,390**	**70,370**	1
Expenses				
Salaries	4,566,540	4,401,350	(165,190)	
Benefits and Taxes	1,003,537	960,605	(42,932)	
Contracted Staff	-	-	-	
Staff-Related Costs	43,229	69,676	26,447	
Rent	-	-	-	
Occupancy Service	536,642	604,860	68,218	
Direct Student Expense	988,230	1,047,485	59,254	
Office & Business Expense	676,642	756,096	79,454	
Donated Expense	-	-	-	
Contingency	-	79,014	79,014	
Total Ordinary Expenses	7,814,820	7,919,086	104,265	
Net Operating Income	787,939	613,304	174,636	
Extraordinary Expenses				
Interest	135,836	163,923	28,087	
Depreciation and Amortization	277,748	271,753	(5,995)	
Total Extraordinary Expenses	413,584	435,676	22,092	
Total Expenses	**8,228,404**	**8,354,762**	**126,358**	2
Net Income	**374,356**	**177,628**	**196,728**	3
Cash Flow Adjustments	294,483	(1,077,219)	1,371,703	4
Change in Cash	**668,839**	**(899,591)**	**1,568,431**	5

1 REVENUE: $70K AHEAD
Driven by higher than budgeted SOAR grant revenue, CARES funds, Title VB funds, 2 additional students, additional funding from the Mayor partially offset by lower than budgeted per pupil SpEd revenue due to lower Level 2 and Level 3 SpEd student enrollment and lower before/after care fees due to COVID-19 related school closure.

2 EXPENSES: $126K AHEAD
Driven mainly by lower than budgeted direct student expenses, occupancy expenses, and office and business expenses offset by higher than budgeted salaries, health insurance, and payment of unemployment taxes from previous years.

3 NET INCOME: $197K ahead

4 CASH ADJ:$1.4M AHEAD
Driven by fewer principal payments than budgeted being made on the Main campus loan.

5 NET CHANGE IN CASH: $1.6M AHEAD