



PUENTE Charter School  
501 S. Boyle Avenue, Los Angeles, CA 90033  
Wednesday, February 23, 2022

**Meeting Minutes**

8:30 am

501 S. Boyle Avenue, Los Angeles, CA 90033

Zoom Meeting

<https://us04web.zoom.us/j/72404774606?pwd=uyEQxiX0zM23VCJsUm2MMjHIY4ORxd.1>

Meeting ID: 724 0477 4606

Passcode: 03hkH2

The PUENTE Charter School board meeting was conducted via Zoom due to COVID-19 on Wednesday, February 23, 2022

**Board Members in Attendance:** Chun Wong, Tyler Sutherland, Jocelyn Rosenwald, Oscar Cabrales, Lara Lightbody, Albert Reyes

**Board Members not in Attendance:** Greg Gonzalez

**PUENTE Staff in Attendance:** Jerome Greening, Brenda Meza, Angelica Castro, Matt Wells, Michele Wolfe, Dominic Armendariz, Gabriela Hernandez

**Call to Order**

Chun Wong called the meeting to order at 8:33 am. A quorum was established.

**Roll Call**

Board Chair Chun Wong conducted a roll call for Board Members. Present were: Chair, Chun Wong; Tyler Sutherland; Jocelyn Rosenwald; Oscar Cabrales; Lara Lightbody; Albert Reyes

**Approval of Board Meeting Minutes from December 8, 2021**

Motion: A motion was duly made by Jocelyn Rosenwald and seconded by Albert Reyes to approve

the December 8, 2021 minutes. Board moved to accept the minutes as written. *Wong, "yes"; Sutherland, "yes"; Rosenwald, "yes"; Cabrales, "yes"; Lightbody, "yes"; Reyes, "yes"*

**Public Comment**

Chun invited anyone present who wished to make public comments to do so. There were none.



### **Data Dashboard & School Operations Year-to Date Operations Update**

Brenda Meza shared the specifics of the PUENTE's focus on the 8 state LCFF priorities, and alignment to our LCAP goals and actions. Brenda highlighted our new credentialed 4<sup>th</sup> grade instructor; the support the organization is providing to new teachers with the LACOE programs; the addition of a new paraprofessional; the SBAC parent information night, including home supports for the students' test-taking; the ELPAC, SBAC and GATE testing schedules. Also, a new partnership with Thermo Fisher is in support of STEM connections for our academic program plan.

Brenda made note of the beginning of year data informing the development of the more robust classroom libraries; the physical education emphasis, in support of the health, fitness, well-being and the state standards; and the emphasis on math word problems and the introduction of IXL Math curriculum resource. Our student recognition ceremony is scheduled for March 4.

Brenda shared the current attendance and COVID-19 student data, underscoring that PUENTE has not had a positive case since January 30, 2022. Our COVID-10 twice-weekly on-site testing continues with PMH Laboratory, and parents are to submit their children's pediatric vaccine proof to the school.

The school's suspension/expulsion rate continues to be 0%.

### **UTK and Preschool through 3<sup>rd</sup> Grade Alignment**

Brenda and Jerome shared the current PUENTE Transitional Kindergarten operations and its alignment to the state's Universal Transitional Kindergarten phased inclusion of all 4-year olds by the 2025-26 academic year. In addition, Brenda shared the work being done in support of compliance with the Preschool – 3<sup>rd</sup> Grade alignment, as messaged by the California Department of Education. The PUENTE California State Preschool Program is working collaboratively with PUENTE Charter School in support of the alignment.

### **LAUSD Oversight Visit for 2021-22**

Brenda shared that we will welcome our LAUSD Charter Schools Division colleagues on Monday, March 28 for the virtual interview component & Wednesday, March 30 for the on-site classroom visits in support of the annual Oversight Visit.

### **Form 700 Filing**

Jerome shared the Information on the importance and relevancy of the Form 700 Reporting Electronic submission of the Statement of Economic Interest for public school officials



### **2021-22 PUEENTE LCAP Mid-Year Reporting**

Jerome and Mr. Cabrales shared the PUEENTE LCAP 2021-22 Mid-Year progress reporting, highlighting the documented data points. Jerome spoke about the ELPAC reclassification baseline data and the school operational supports to regain strong momentum with our outcomes data.

**Motion:** A motion was duly made by Chun Wong and seconded by Oscar Cabrales to approve The 2021-2022 PUEENTE LCAP Mid-Year report.

Board voted to approve: *Wong, "yes"; Sutherland, "yes"; Rosenwald, "yes"; Cabrales, "yes"; Lightbody, "yes"; Reyes, "yes"*

### **Financial Report:**

#### **Charter Financials as of December 31, 2021**

#### **Statement of Activities Analysis:**

As of December 31, 2021, the Charter School reported total revenue \$1,911,670 and expenses of \$1,799,859 for a net surplus of \$111,811. As of December 31, 2021, total operating revenue exceeded YTD budgeted revenue by \$343,805. This was mainly due to unbudgeted Federal Income ESSERS funding provided by the State of California. The awarded funds are earmarked for health and safety of the students as well as COVID compliance reporting.

Line items to highlight are as follow:

**Personnel cost:** Personnel cost was \$1,100,776 or approximately 61.2% expenses allocation. This expense was \$47,421 over budgeted amount. This was mainly due to the shift in labor allocation to the Charter School to meet the health and safety needs of the students as well as more rigorous compliance reporting.

**Professional Services:** Professional services was \$101,660 or approximately 5.65% expense allocation. This expense was \$61,722 over budgeted amount. The overage was due to expenses associated with Strategic Planning, additional costs incurred for COVID 19 screening, reporting compliance, temporary staff for accounting department, as well as a new custodial contractor.

**Special Ed Contract:** Special Ed Contract was \$100,651 or approximately 5.59% expense allocation. This expense was \$46,101 over budgeted amount. This was mainly due to the expanded health and wellness component requirements from the CDE for ESSERS funding.

**Special Ed Fair Share:** The Charter School is fiscally responsible for a partial payment of expense associated with Special Education Programs that the School District is responsible for and pays for out of its General Fund. **Special Ed Fair Share** was 74,958 or 4.16% expense allocation. This expense was \$4,462 over budgeted amount.



**Food Service Contract:** Food Service Contract was \$72,322 or approximately 4.02% expense allocation. This expense was \$30,022 over budgeted amount. This was mainly due to additional expense associated with a more rigorous COVID-19 compliance component.

**Utilities:** Utilities was \$37,610 or approximately 2.09% expense allocation. This expense was \$10,384 over budgeted amount. This was mainly due to and adjustment to expense allocation to reflect the increased usage.

**Insurance:** Insurance was \$31,875 or approximately 1.77% expense allocation. This expense was \$9,965 over budgeted amount. This was mainly due to an increase in our insurance premium due to COVID-19 increase exposure.

**Accounting:** Accounting was \$25,986 or approximately 1.44% expense allocation. This expense was \$8,893 over budgeted amount. This was mainly due to additional audit expense associated with ESSERS funding compliance.

**Dues and Subscriptions:** Dues and Subscriptions were \$16,679 or approximately .93% expense allocation. This expense was \$8,691 over budget amount. This was mainly due to additional expenses associated with subscriptions for DocuSign and Parent Locker.

**Supplies:** Supplies were \$14,056 or approximately .78% expense allocation. This expense was \$7,012 over budgeted amount. This was mainly due to the purchase of PPE supplies.

**Equipment & Building Repair:** Equipment & Building Repair was \$11,817 or approximately .66% expense allocation. This expense was \$6,589 over budgeted amount. This was mainly due to expenses associated with addressing hazards associated with COVID.

## **Statement of Financial Position**

For our Statement of Financial Position, I will be covering the following items with large or unusual fluctuations from the prior period:

Cash & cash equivalent: The change in cash from prior year was \$479,082.

**Cash & cash equivalent:** Cash balance was \$824,633. An increase of \$479,088 from June 30, 2021. This was mainly due to the collection of all deferred payments.

**Deferred revenue:** Deferred revenue represents a prepayment from the CDE earmarked for Expanded Learning Opportunity (ELO) funding. This will gradually be recorded on the Statement of Activities when the obligations are performed.

## **Financial Key Indicators**

### **Working Capital**

**The Working Capital:** PUENTE has \$1,311,221 available for current and future use.

### **Asset performance.**

**Cash Ratio is \$2.45:** This is another indicator of future cash flow. This means that for every \$1 of



liability, the Charter School has \$2.45 of liquid cash.

**Quick Ratio \$3.96:** Measures the ability to pay PUENTE's short-term liabilities by having assets that are readily convertible into cash. This means that the Charter School has capacity to pay off its current liabilities with the current assets and can easily fund its day-to-day operations. Here for every \$1 of current liability, the Charter School has \$3.96 of quick assets to pay for it.

**Months of Cash on Hand:** Represents the number of months of operating expenses that the Charter can pay with its current cash available. According to our Statement of Activities, total operating expenses were \$1,799,859. As such, the average monthly expense or burn rate is \$299,977. Our total cash and cash equivalent of \$830,425 when divided by the burn rate of \$299,977 we get 2.8 months of cash on hand.

Capitalization structure assess long-term solvency and stability:

**Debt-to-equity Ratio:** Calculated by dividing current liabilities of \$442,710 by total equity \$1,817,993 for a total of \$0.244, this ratio indicates that most of PUENTE's assets and resources are provided by funding from the school district and not creditors or vendors. PUENTE uses \$0.244 of debt financing for every \$1 of equity financing.

### **Statement of Cash Flow**

The Charter School's cash increased by \$479,078. This increase was mainly due to the following:

- a. As the Statement of Activities reports equity earnings, the Statement of Cash Flows, however, report how much cash coming from the equity earnings reported on the Statement of Activities. For that reason, on this statement we eliminate noncash items such a depreciation expense. (A non-cash item). As a non-cash item, change in depreciation of \$14,700 is added to the net surplus to reconcile the cash from operations.
- b. Accounts receivable decreased by \$206,365. Decreasing receivables means more inflow of cash through increase in collections. Therefore, the \$260,365 is added to the net surplus.
- c. Contributions receivable increased by \$1,523. Increasing receivables means less cash through the decrease in collections. Therefore, the \$1,523 is subtracted from the net surplus.
- d. Deferred revenue: In order to keep track of the cash received against the unearned revenue, it is recorded in the cash flow statement when the cash is received.
- e. Due to Other Programs to the Center increased by \$68,395. Increasing liabilities means that obligations are paid at a later date. As such, the Charter School has more cash on hand, as the \$68,393 is subtracted from the net surplus.
- f. Property & Equipment increased by \$24,183. This was mainly due to the payments related to the purchase of laptops and hotspots for our students



without reliable internet access and/or technology to participate in digital learning. The increase resulted in a decrease in cash. As such, the change is subtracted from the total change in net assets.

The total increase in cash of \$479,078 is added to the beginning cash of \$351,347 resulting in ending cash balance of \$830,425

#### **LAUSD 2<sup>nd</sup> Interim Report**

Angelica Castro shared the PUENTE LAUSD 2<sup>nd</sup> Interim Report.

**Motion:** A motion was duly made by Chun Wong and seconded by Jocelyn Rosenwald to approve the LAUSD 2<sup>nd</sup> Interim Report.

Board voted to approve: *Wong, "yes"; Sutherland, "yes"; Rosenwald, "yes"; Cabrales, "yes"; Lightbody, "yes"; Reyes, "yes"*

#### **Approval of the FY22 Audit Engagement Letter from Audit Firm Maginnis, Knechtel & McIntyre**

Angelica Castro, Chun Wong, Jocelyn Rosenwald & Albert Reyes presented the FY22 Audit Engagement Letter from Maginnis, Knechtel & McIntyre for approval.

*Albert, Chun and Jocelyn shared their review of the letter, the scope of the services to be provide and their recommendation for approval of the Engagement Letter.*

**Motion:** A motion was duly made by Albert Reyes and seconded by Jocelyn Rosenwald to approve the FY22 Audit Engagement Letter.

Board voted to approve: *Wong, "yes"; Sutherland, "yes"; Rosenwald, "yes"; Cabrales, "yes"; Lightbody, "yes"; Reyes, "yes"*

#### **Adjournment of Meeting**

Chun Wong thanked everyone for their participation and adjourned the meeting at 9:08 am.

Submitted Respectfully,  
Gabriela Hernandez