

Board of Trustees' Meeting

October 15, 2019

5:00 PM

Southwest Louisiana Charter Academy
Lake Charles College Prep



Southwest Louisiana Charter Academy
Board of Trustees' Board Meeting
October 15, 2019 | 5:00 p.m.
Lake Charles Charter Academy
3160 Power Centre Blvd., Lake Charles, LA 70607



Southwest Louisiana Charter Academy
Agenda

Call to Order

Roll Call

- I. Administrative**
 - Approval of September 2019 Board Meeting Minutes
- II. Financial Report**
 - Approval of the August 2019 Financial Report
 - Preliminary Audit Review—Southwest Louisiana Charter Academy Foundation, Inc.
- III. CSUSA Reports**
 - School and Enrollment Report
- IV. Executive Secretary's Report**
- V. New Business**
- VI. Old Business**
 - Update on Implementing an ESL Program Partnership with SWLCA and SOBA
 - Follow Up on Contribution to the Impact Agency
- VII. Public Comments**
- VIII. Trustee Comments**
- IX. Recess**

Lake Charles College Prep

Agenda

6:30 PM CST

Call to Order

Roll Call

- I. Administrative and Financial Report**
 - School and Enrollment Report
 - Finance Report
- II. Facility Update**
 - Requirement for Public Bid
 - Presentation to State Bond Commission, October 17, 2019
- III. Executive Secretary Report**
- IV. Public Comments**
- V. Trustee Comments**
- VI. Adjournment**

◀ Next Meeting: November 19, 2019 at Southwest Louisiana Charter Academy ▶

Section Cover Page

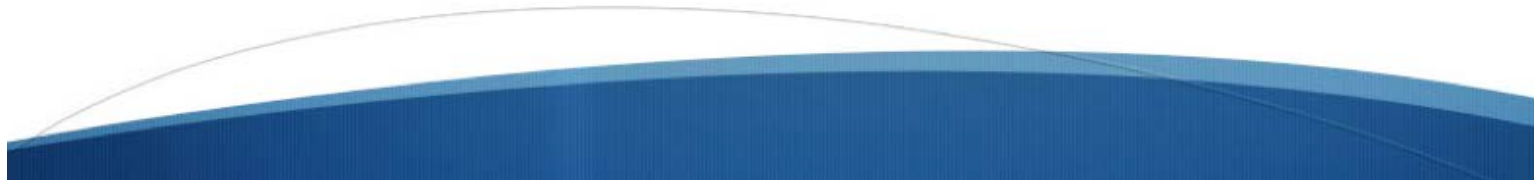


ADMINISTRATIVE

- Informational
- For Discussion
- For Action

Notes:

Approval of Board Minutes



MEETING MINUTES

Name of Foundation: Southwest Louisiana Charter Academy Foundation, Inc.
Board Meeting: September 17, 2019—Board Meeting
School(s): Lake Charles College Prep
Southwest Louisiana Charter Academy

Date:	Start	End	Next Meeting:	Next time:	Prepared by:
September 17, 2019	12:45 PM	2:02 PM	October 15, 2019	5:00 PM	S. Brunet
Meeting Location:					
Southwest Louisiana Charter Academy, 1700 E. McNeese Street, Lake Charles, LA 70607					

Attended by:	
Board Members: Ulysses Gene Thibodeaux, Board President Dr. Michael Kurth, Board Trustee Ron Richard, Board Trustee Clyde Mitchell, Secretary/Treasurer Sylvia Stelly, Board Trustee Nicole Simien, Board Trustee Phyllis Kittling, Board Trustee Charles Honore, Board Trustee Absent: Rebecca Boniol, Vice President	Other Attendees: Dr. Lonnie Luce, State Superintendent Mr. Carlos Sam, Deputy State Director Mr. Greg Theriot, Deputy Director of Curriculum Mark Gamble, State Finance Director Kim Lewis, Principal, Southwest Louisiana Charter Academy Dr. Pam Quebodeaux, Principal, Lake Charles Charter Academy Stacey Brunet, Governing Board Manager Henry Mancuso, Executive Secretary Dr. Sabrah Kingham, Lake Charles College Prep Amberlee Brown, District Test Coordinator Shanice Guillory, Director of Curriculum & Instruction Shawn Piper, Chief Business Officer Lionel Thierry, Freshman Academy Administrator Julian Guillory, Director of STEM & Technology Peyton Pawlicki, Veron and Bice Phone: Christine Locrotondo, Finance, CSUSA Debra Leite, State Finance Manager, CSUSA Myrna Laine Hyppolite, Vice President Financial Planning & Analysis

CALL TO ORDER

Pursuant to public notice, the board meeting commenced at 12:20 PM CST with a Call to Order by Board President Thibodeaux. Roll call was taken and quorum was established at the time of roll call.

I. ADMINISTRATIVE

Approval of the August 2019 Board Meeting Minutes

- President Thibodeaux asked the board to review minutes and asked if there were any corrections. No corrections voiced.

MOTION: Motion was made by Charles Honore and seconded by Nicole Simien to approve the August 2019 Board Meeting Minutes as presented. The motion passed unanimously.

II. FINANCIAL REPORT

Approval of the 2019-2020 Amended Budget

- Mark Gamble reviewed the 2019-2020 Amended Budget with the board

MOTION: Motion was made by Clyde Mitchell and seconded by Charles Honore to accept the 2019-2020 Amended Budget as presented. The motion passed unanimously.

III. CSUSA REPORTSBeginning of School Year Report

- Kim Lewis reported to the board to include:
 - Enrollment: 710, to include 20 Pre-K students
 - Back to school dance and Grandparents' Day events
 - Mentoring programs to start this month
 - Open House 4-6 PM
 - Focus on culture and accountability.
 - Fundraising events

IV. EXECUTIVE SECRETARY'S REPORT

- Henry Mancuso delivered a verbal report to the board.

V. NEW BUSINESS

- Consideration of Implementing an ESL Program at SWLCA
 - Board Chairman Thibodeaux and Sylvia Stelly led the discussion of ESL program and accommodations at SWLA.
 - Application process proves difficult for families who don't speak English.
- Request for Contribution to the Impact Agency
 - Board President Thibodeaux reviewed the request with the board.
 - Additional conversations with School Leaders will follow to determine participation at SWLA and if the in-house program Ms. Lewis has covers the same topics as the Impact Agency.

MOTION: Motion was made by Charles Honore and seconded by Clyde Mitchell to approve the request for contribution. The motion passed unanimously.

VI. OLD BUSINESS

- There was no new business

VII. PUBLIC COMMENTS

- Dr. Luce introduced Greg Theriot to the group.

VIII. TRUSTEE COMMENTS

- There were no additional trustee comments.

IX. RECESS

- The board called a recess at 1:15 PM CST.

Lake Charles College Prep meeting was called to order at 1:19 p.m.

School Report – given by L.J. Thierry

Comments:

- Enrollment 502
- Review of Leap 360 scores
- Review of ACT Tru scores
- 14 students in Dual Enrollment Classes at McNeese
- 10 students participating in Speech and Debate

Comments by Ms. Shanice Williams

Announcement of OPEN HOUSE September 30th at 6pm

Board Approval and Ratification

On a motion by C. Mitchell, seconded by C. Honore, it was approved that the LCCP contribute to the employee 403(b) retirement plan as developed with funds allocated in the 2019-2020 Budget.

On a motion by C. Honore, seconded by S. Stelly, the contract dated August 30, 2019 for architectural services by Moss Architects for the construction of a new LCCP facility was ratified.

On a motion by C. Honore, seconded by R. Richard, approval was given to accept the bid of \$16,484,800 submitted by Trahan Construction for the building of a new LCCP facility.

On a motion by R. Richard, seconded by S. Stelly, authority was given to the President, and in the President's absence to the Vice-President, to execute any and all documents related to the construction of a new LCCP facility at 2801 Power Centre Parkway.

On a motion by R. Richard, seconded by C. Honore, authorization was given to the President and in the President's absence to the Vice-President, to sign any and all documents related to the issuance of tax-exempt bonds for the construction of a new LCCP facility at 2801 Power Centre Parkway.

CONSTRUCTION FINANCING

H. Mancuso provided an update on providing financing for a new LCCP facility. Work continues on the sale of bonds, conventional bank financing, and negotiations with Facility Investment Fund (FIF = Bank of America, Civic Builders, and Walton Foundation).

On a motion by N. Simien, seconded by S. Stelly, the meeting adjourned at 2:02 pm

Clyde Mitchell, Secretary/Treasurer

Date: _____

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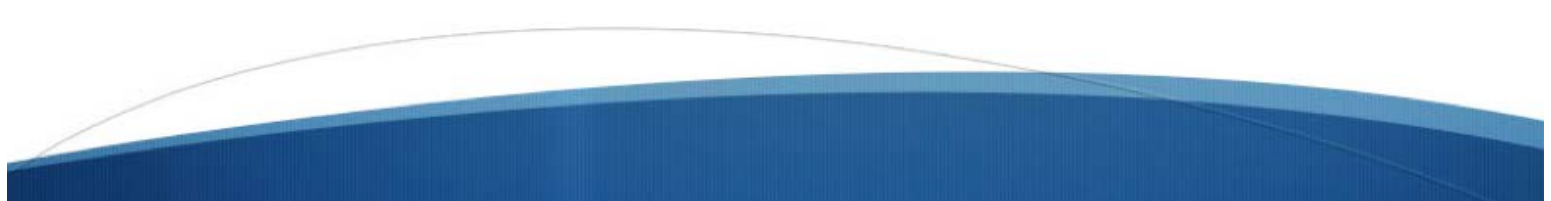


FINANCIALS

- Informational
- For Discussion
- For Action

Notes:

Approval of Financial Report



Southwest Louisiana Charter Academy
Statement of Revenues & Expenses vs. Budget (Unaudited)
For the Period Ended, August 31, 2019

	YTD Actual	Annual Forecast	Annual Budget	Variance \$	Variance %	
Student Enrollment	712	712	690	22	3%	
Total Earned Capitation Revenue	1,230,692	7,943,784	7,698,330	245,454	3%	Note A
Grant Revenue	97,104	876,207	815,345	60,862	7%	Note B
Other Revenue	9,075	278,595	269,708	8,887	3%	Note C
Total Revenue	1,336,871	9,098,586	8,783,383	315,203	4%	
Cost of Compensation	423,592	4,349,888	4,232,346	(117,542)	-3%	Note D
Professional Services	220,059	1,332,746	1,282,149	(50,597)	-4%	Note E
Vendor Services	30,788	793,754	787,503	(6,251)	-1%	
Administrative Expenses	997	140,640	123,133	(17,507)	-14%	
Instruction Expenses	80,216	263,815	152,523	(111,292)	-73%	Note F
Other Operating	52,006	350,022	360,592	10,570	3%	
Fixed Expense	20,353	94,007	94,007	-	0%	
Capex and Long Term Debt	17,846	1,684,943	1,684,943	-	0%	
Total Expenses	845,857	9,009,815	8,717,196	(292,619)	-4%	
Change in Fund Balance	491,014	88,771	66,191	22,580	34%	

Projected Debt Service Coverage Ratio: 1.11
Required Debt Service Coverage Ratio: 1.25
Projected Excess/(Shortfall) (228,006)

- Note A:** Higher revenues due to higher enrollment
- Note B:** Updated grant budgets
- Note C:** Food service aligned with enrollment increase
- Note D:** Instructional staff increased in line with enrollment
- Note E:** Increased Support Center Cost Reimbursements to contractual levels
- Note F:** Instructional expenses increased with updated grant budgets



1) Fund Balance Analysis:

	YTD as of <u>8/31/2019</u>	Forecasted <u>6/30/2020</u>	Budgeted <u>6/30/2020</u>
Change in Fund Balance	\$ 491,014	\$ 88,771	\$ 66,191
	YTD as of <u>8/31/2019</u>	Forecasted <u>6/30/2020</u>	
Fund Balance	\$ 2,376,274	\$ 1,974,033	
Restricted Fund Balance	(1,908,159)	(1,908,159)	
Unrestricted Fund Balance	\$ 468,115	\$ 65,874	

2) Cash Analysis:

Cash Balance in Current Month:	\$ 761,956
Total Cash Needed by 6/30/19:	\$ 1,449,540

3) Bond Information:

Bond payment due 12/15/2019: (includes \$110k in principal)	\$ 793,911
Total Principal Payments	
Made to Date:	\$600,000
Additional Payments in FY 20:	\$225,000

Debt Service Coverage Ratio

Projected Income Available for Debt Service:	\$ 1,765,498
Maximum Annual Debt Service:	\$ 1,594,803
Projected Debt Service Coverage Ratio:	1.11

Required Debt Service Coverage Ratio:	1.25
Projected Excess/(Shortfall)	(228,006)

4) Financial Performance Framework

	Forecasted <u>6/30/2020</u>	Total <u>Points</u>
Fund Balance	24.67%	30
Audit Findings	Unqualified-no findings	30
Debt to Assets Ratio	0.83	20
Timely Reporting	All timely	20
		100

Rating	Score
Meets Expectations	80-100
Approaches Expectations	60-79
Fails to Meet Expectations	0-59

Financial Performance Score Indicators				
Indicators	Potential Points	Full Credit	Partial Credit	No Credit
Fund Balance	Full Credit – 30 points Partial Credit – 15 points No Credit – 0 points	Y1: >2%	Y1: 1-2%	Y1: <1%
		Y2: >3%	Y2: 1.5-3%	Y2: <1.5%
		Y3: >4%	Y3: 2-4%	Y3: <2
		Y4: >5%	Y4: 2.5-5%	Y4: <2.5%
		Y5: >6%	Y5: 3-6%	Y5: <3%
		+Y5: >7.5%	+Y5: 3.75-7.5%	+Y5: <3.75%
Audit Findings	Full Credit – 30 points Partial Credit – 15 points No Credit – 0 points	Unqualified audit with no findings	Unqualified audit with no recurring or material findings	Unqualified audit with recurring or material findings or qualified audit
Debt to Assets Ratio	Full Credit – 20 points No Credit – 0 points	<0.9	N/A	>0.9
Timely Reporting	Full Credit – 20 points Partial Credit – 15 points Partial Credit – 0 points	All quarterly reports, AFR, and audit submitted timely	1 late – 15 points 2 late – 10 points	3-5 late

Southwest Louisiana Charter Academy
Actual vs. Budget vs. Forecast Variance Analysis
For the Period Ended, August 31, 2019

	YTD Actual	YTD Budget	Variance	% Variance	Annual Forecast	Annual Budget	Variance	% Variance
ENROLLMENT (per school's record)	712	690	22	3%	712	690	22	3%
RATE PER STUDENT	\$ 11,157	\$ 11,157	\$ -	0%	\$ 11,157	\$ 11,157	\$ -	0%
REVENUES								
Earned Capitation								
State/Local Per Student Funding	\$ 1,230,692	\$ 1,256,873	\$ (26,181)	-2%	\$ 7,943,784	\$ 7,698,330	\$ 245,454	3%
State/Local Grants	-	10,598	(10,598)	-100%	360,150	343,872	16,278	5%
Title Grant Revenue	97,104	72,329	24,775	34%	516,057	471,473	44,584	9%
Total Earned Capitation	1,327,796	1,339,800	(12,004)	-1%	8,819,991	8,513,675	306,316	4%
Food Service Revenue	-	14,849	(14,849)	-100%	221,017	214,580	6,437	3%
Before and Aftercare Revenue	1,618	1,574	44	3%	21,570	20,969	601	3%
Interest Income	7,393	5,608	1,785	32%	35,944	34,159	1,785	5%
Miscellaneous Income	64	-	64	100%	64	-	64	100%
TOTAL REVENUES	1,336,871	1,361,831	(24,960)	-2%	9,098,586	8,783,383	315,203	4%
EXPENSES								
Cost of Compensation								
School Leadership	15,577	26,065	10,488	40%	93,510	217,245	123,735	57%
Administrative	29,612	30,884	1,272	4%	181,234	174,074	(7,160)	-4%
Teachers	156,445	171,024	14,579	9%	1,783,784	1,720,404	(63,380)	-4%
ESE/Special Education	24,110	14,929	(9,181)	-61%	269,318	141,239	(128,079)	-91%
Resource Teachers	23,649	25,303	1,654	7%	221,410	243,729	22,319	9%
Guidance	4,735	4,793	58	1%	50,764	46,451	(4,313)	-9%
Other Support	8,615	2,450	(6,165)	-252%	66,949	2,450	(64,499)	-2633%
IT Support	7,075	7,084	9	0%	41,821	41,613	(208)	0%
Substitute Teachers	51,834	61,317	9,483	15%	579,495	572,831	(6,664)	-1%
Aides - Instructional	5,305	5,429	124	2%	45,044	65,152	20,108	31%
Other Support/Aides	-	-	-	0%	-	5,504	5,504	100%
Aftercare	2,618	2,068	(550)	-27%	28,798	23,101	(5,697)	-25%
Nurse	4,243	4,295	52	1%	22,962	22,462	(500)	-2%
Plant Operations	2,958	3,119	161	5%	30,195	32,619	2,424	7%
Tutoring	-	-	-	0%	52,427	52,427	-	0%
Bonuses	-	5,498	5,498	100%	105,590	105,590	-	0%
Stipends	1,509	3,557	2,048	58%	72,937	72,937	-	0%
Contracted SPED - Instruction	5,390	8,907	3,517	39%	88,307	89,395	1,088	1%
Total Taxes & Benefits	79,917	67,112	(12,805)	-19%	615,343	603,123	(12,220)	-2%
Total Cost of Compensation	423,592	443,834	20,242	5%	4,349,888	4,232,346	(117,542)	-3%

Southwest Louisiana Charter Academy
Actual vs. Budget vs. Forecast Variance Analysis
For the Period Ended, August 31, 2019

	YTD Actual	YTD Budget	Variance	% Variance	Annual Forecast	Annual Budget	Variance	% Variance
Professional Services								
Legal Fees	1,250	625	(625)	-100%	10,800	10,800	-	0%
Accounting Services - Audit	-	-	-	0%	19,750	19,750	-	0%
Outside Staff Development	18,280	9,609	(8,671)	-90%	60,227	48,172	(12,055)	-25%
Personnel Management	36,618	36,619	1	0%	218,008	210,801	(7,207)	-3%
Finance & Accounting Services	24,412	24,412	-	0%	145,339	140,534	(4,805)	-3%
Educational Intellectual Property	48,825	48,825	-	0%	290,677	281,068	(9,609)	-3%
Procurement/Vendor Management	12,206	12,206	-	0%	72,669	70,267	(2,402)	-3%
Support Center General Overhead	61,031	58,556	(2,475)	-4%	363,346	351,335	(12,011)	-3%
Computer Service Fees	11,615	11,615	-	0%	71,542	69,690	(1,852)	-3%
Temporary Agency Fees	-	-	-	0%	225	225	-	0%
Fee to Authorizer	3,073	3,140	67	2%	21,238	20,582	(656)	-3%
Professional Fees - Other	362	373	11	3%	12,617	12,617	-	0%
Advertising/Marketing Exp	2,167	7,717	5,550	72%	45,000	45,000	-	0%
Moving Expense	-	-	-	0%	263	263	-	0%
Staff Recruitment	220	247	27	11%	1,045	1,045	-	0%
Total Professional Services	220,059	213,944	(6,115)	-3%	1,332,746	1,282,149	(50,597)	-4%
Vendor Services								
Contracted Pupil Transportation	-	-	-	0%	386,694	386,694	-	0%
Extra-Curricular Activity Events	-	722	722	100%	7,445	7,445	-	0%
Contracted Food Service	-	12,246	12,246	100%	214,598	208,347	(6,251)	-3%
Licenses & Permits	-	165	165	100%	804	804	-	0%
Bank Charges & Loan Fees	-	561	561	100%	5,138	5,138	-	0%
Contracted Custodial Services	28,788	26,714	(2,074)	-8%	160,289	160,289	-	0%
Contracted Security	2,000	1,300	(700)	-54%	18,786	18,786	-	0%
Total Vendor Services	30,788	41,708	10,920	26%	793,754	787,503	(6,251)	-1%
Administrative Expenses								
Travel / Auto / Meals / Lodging/Airfare	169	12,425	12,256	99%	97,523	84,188	(13,335)	-16%
Business Expense - Other	-	-	-	0%	125	125	-	0%
Dues & Subscriptions	-	-	-	0%	6,837	6,837	-	0%
Printing & Copying	413	-	(413)	-100%	8,795	8,795	-	0%
Office Supplies	355	1,585	1,230	78%	22,162	22,162	-	0%
Supplies - Aftercare	-	-	-	0%	4,563	391	(4,172)	-1067%
Medical Supplies	-	-	-	0%	205	205	-	0%
In-house Food Service	60	-	(60)	-100%	430	430	-	0%
Total Administrative Services	997	14,010	13,013	93%	140,640	123,133	(17,507)	-14%

Southwest Louisiana Charter Academy
Actual vs. Budget vs. Forecast Variance Analysis
For the Period Ended, August 31, 2019

	YTD Actual	YTD Budget	Variance	% Variance	Annual Forecast	Annual Budget	Variance	% Variance
Instruction Expense								
Textbooks	-	833	833	100%	5,000	5,000	-	0%
Instructional Licenses	55,612	28,973	(26,639)	-92%	77,415	50,776	(26,639)	-52%
Consumable Instr. Supplies & Equip.-Students	8,978	511	(8,467)	-1657%	57,561	14,514	(43,047)	-297%
Consumable Instr. Supplies & Equip.-Teachers	15,626	9,311	(6,315)	-68%	111,592	69,986	(41,606)	-59%
Library & Reference Books	-	943	943	100%	5,655	5,655	-	0%
Testing Materials	-	-	-	0%	6,592	6,592	-	0%
Total Instruction Expense	80,216	40,571	(39,645)	-98%	263,815	152,523	(111,292)	-73%
Other Operating Expenses								
Telephone/Internet/Cable/Satellite	5,232	4,951	(281)	-6%	21,270	32,060	10,790	34%
Postage & Express Mail	60	120	60	50%	1,015	1,015	-	0%
Electricity & Natural Gas	18,613	19,226	613	3%	102,665	102,665	-	0%
Water & Sewer	763	616	(147)	-24%	4,981	4,981	-	0%
Waste Disposal	3,662	3,662	-	0%	21,973	21,973	-	0%
Pest Control	237	490	253	52%	4,466	4,466	-	0%
Maintenance & Cleaning Supplies	-	2,182	2,182	100%	26,185	26,185	-	0%
Building Repairs & Maintenance	23,219	19,753	(3,466)	-18%	163,498	163,498	-	0%
Equipment Repairs & Maintenance	-	-	-	0%	3,749	3,749	-	0%
Total Other Operating Expenses	52,006	51,000	(1,006)	-2%	350,022	360,592	10,570	3%
Fixed Expenses								
Office Equipment - Leasing Expense	3,772	3,703	(69)	-2%	25,798	25,798	-	0%
Property & Liability Insurance	16,581	6,686	(9,895)	-148%	68,209	68,209	-	0%
Total Fixed Expenses	20,353	10,389	(9,964)	-96%	94,007	94,007	-	0%
TOTAL EXPENSES	828,011	815,456	(12,555)	-2%	7,324,872	7,032,253	(292,619)	-4%
Operating Surplus/(Deficit)	508,860	546,375	(37,515)	-7%	1,773,714	1,751,130	22,584	1%
Non-Operating Expenses								
Capital Expenditures (NonCap)	8,216	7,931	(285)	-4%	8,216	7,931	(285)	-4%
Capital Expenditures (Capitalized)	9,630	15,129	5,499	36%	87,575	87,860	285	0%
Other Financing Activities - Uses								
Interest Expense	-	-	-	0%	1,364,152	1,364,152	-	0%
Repayment of Long-Term Debt	-	-	-	0%	225,000	225,000	-	0%
CHANGE IN FUND BALANCE	491,014	523,315	(32,301)	-6%	88,771	66,191	22,580	34%

Section Cover Page

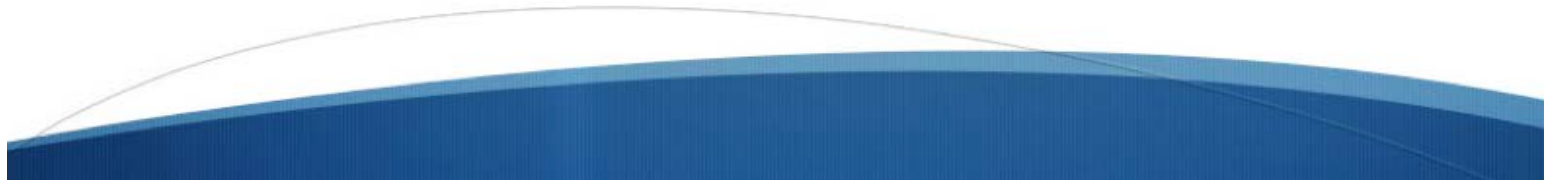


EXECUTIVE SECRETARY

- Informational
- For Discussion
- For Action

Notes:

Presented by Henry Mancuso



Executive Secretary's Report
October 15, 2019

1. OPEN HOUSE

I was able to attend Open House at both LCCA and at LCCP. The attendance was good at both events --- as is often the case, better at an elementary/junior high than a high school.

2. LCCP FUNDING AND CONSTRUCTION

As was the case last month, most of my time and energy has been focused on issues related to the construction of a new LCCP facility and the funding of construction.

- Current funding sources with whom we are working: State Bond Commission, HomeBank, and Bankcorps South. Facilities Investment Fund (Civic Builders + Bank of America + Walton Foundation) recently indicated they will no longer consider our request.
- Judge Thibodeaux and I have met with Secretary of the Treasury, John Shroeder, and with his staff. The meeting was very favorable and promises hope.

The State Bond Commission meeting is set for October 17th – Judge Thibodeaux, Dr. Kingham, Dr. Ogea, and I are scheduled to be present.

In preparation for the October 17th meeting, there have been weekly conference calls answering questions, seeking clarification, and providing volumes of information.

- It has been determined that in order to meet the requirements of the law, we must go through the public bid process. This means – we will have to advertise for construction bids and then publicly open and read all bids. Such a process requires that we accept the ***lowest responsible bidder***.
- It has become clear, that a new facility will not be ready until December 2020 or January 2021. Plans must be made to accommodate 575 students on our present campus.

3. LCCA CONSTRUCTION

The concrete slab was poured before recent, daily rains set in once again.

4. INTERNATIONAL STUDENTS

It will soon be time to meet with our International Students and to welcome them to our campus and our community. In the past, this was done closer to the beginning of the YEAR, but events in # 2 have delayed this effort.

HJM

7 October 19

Southwest Louisiana Charter Academy Foundation, Inc

Public Comments Form

Date of Meeting:

Thank you for attending the board meeting of the Lake Charles Charter Academy Foundation, Inc. We welcome you and appreciate your interest in our schools.

Public Comments Procedure:

State statute provides an opportunity for comments on items prior to a formal vote by the board. There is also a specific period on each agenda where members of the public may address the board on a specific topic. If you wish to address the board, please sign in below and provide the requested information.

During the public comment period, names will be called in the order listed below. Those with comments will be limited to **3 minutes** in order to keep meetings timely and there will be a timekeeper. The Board may extend the time of each presenter at their discretion by formal motion.

Please note that Board comment on the topic and resolution to any issues may be handled in a separate session of the Board and/or included as an agenda item at the next meeting as determined by the Board.

	First Name, Last Name (please print)	Contact Phone or Email (optional)	School Affiliation (Parent, Staff, etc.)	Topic
1				
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