Leadership Public Schools
Meeting of the Executive Committee of the Board of Trustees
May 7th, 2015

Present: Marsha Dugan, Stu McLaughlin, Kevin Katari, Dr. Louise Waters
Absent: D’Lonra Ellis
Guests: Kate Levitt, Edie Hoffman, Lauren Klaffky, Alex Terman, Zenebu Bekele

The meeting was called to order at 3:50pm. The agenda was confirmed and roles were assigned.

The meeting was opened to public comment. No public comments were made so the meeting was closed for that purpose.

Consent Agenda
The group voted on Resolution 2015-02 to approve Revised Employee Handbooks.
Moved: Kevin Katari
Seconded: Louise Waters
Approved: All
Against: None

Budget Update
Zenebu Bekele gave a budget update, which projected over $500,000 surplus compared to the expected $377,000 deficit. The surplus is mainly due to shifts in salaries and benefits due to staff restructuring, as well as lower attrition and higher attendance. Other factors included the impact of SB740 on Hayward budget, an unanticipated revenue of $256,000 to offset the expenses of the new building. Benefits calculations also changed the budget significantly, particularly the fact that LPS had budgeted for 15% but only spent closer to 11%, and a significant number of staff opt out of benefits. Alex Terman pointed out that cashflow is improving because deferrals are going away.

The group moved on to look at the FY 2016 Budget, focusing on enrollment at Oakland and San Jose, ADA assumptions, and the sustainability of the 6 Period schedule. The FY 2016 budget will be $18.3M, an increase related to more students and therefore more staff, as well as an increase in salaries.

The discussion focused on a number of budget-related questions, including the details of the FY 2015 surplus and the anticipated deficit in FY 2016. Several inquired into the increase in LCFF funding in FY 2016, and asked to see more detail on each school’s LCAP plans to better understand how LCFF funds will be used.

Fundraising expects to raise an additional $1 million, and operational expenses will remain fairly consistent. In addition, reserves balances are strong and Prop 38 Energy Efficiency money is coming in.
Overall, LPS will be ending the year with a surplus and a strong cash reserve. Members of the Executive Committee asked for more detail on the budget for the June meeting in order to better advise LPS on how to use surplus funds.

San Jose Update
The committee discussed San Jose facilities and enrollment. They considered the climate of charter schools in the region and the school’s academic programs.

Consent Agenda
The group voted on and discussed Resolution 2015-03 to approve a Memorandum of Understanding Regarding Facilities Use by and between Leadership Public Schools – San Jose and East Side Union High School District. They made a small amendment to Section 1.
Moved: Stu McLaughlin
Seconded: Marsha Dugan
Approved: All
Opposed: None