



REPORT OF THE FINANCE COMMITTEE

The Finance Committee met on Thursday, August 20, 2020, at 1:30 PM via the Blue Jeans Video Conferencing Tool.

The public viewed the meeting via Video Conference.

ATTENDEES

Finance Committee Members

Chairperson Eve Bolton, Melanie Bates, Ben Lindy

Administrators

Laura Mitchell, Superintendent; Jennifer Wagner, Treasurer/CFO; Kevin Ashley, Director of Financial Reporting; Vera Brooks, Director of Early Childhood; Dan Hoying, General Counsel; Loren Johnson, Director of Transportation; Sarah Trimble-Oliver, Chief Strategy Officer; Lauren Roberts, Director of Internal Audit; Nathan Tyahur, Accounts Receivable Supervisor

Cincinnati Preschool Promise

Chara Jackson, Executive Director
Hector Polanco, Finance Director

CPS Government Liaisons

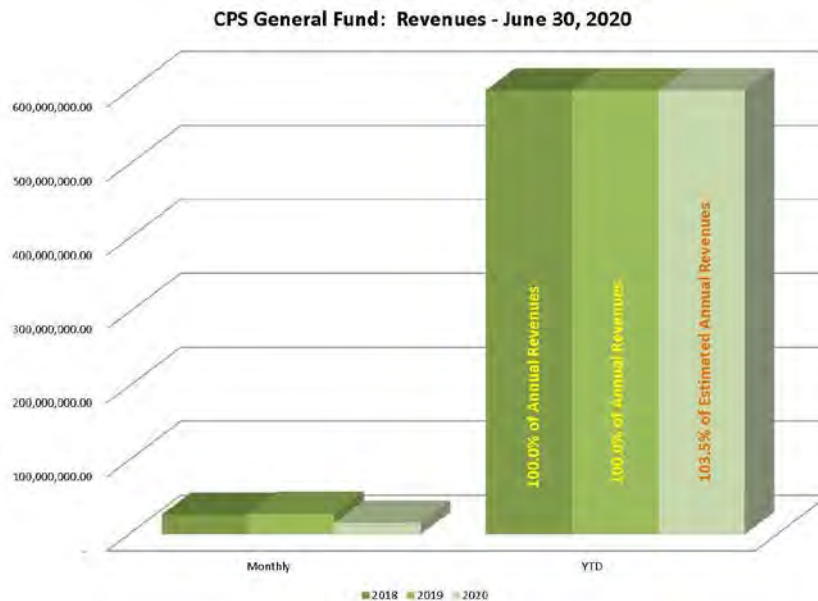
Eric Kearney, CEO, Kearney and Kearney
George Glover, Co-Managing Director, Focused Capital Solutions

Ohio State Board of Education, District 4

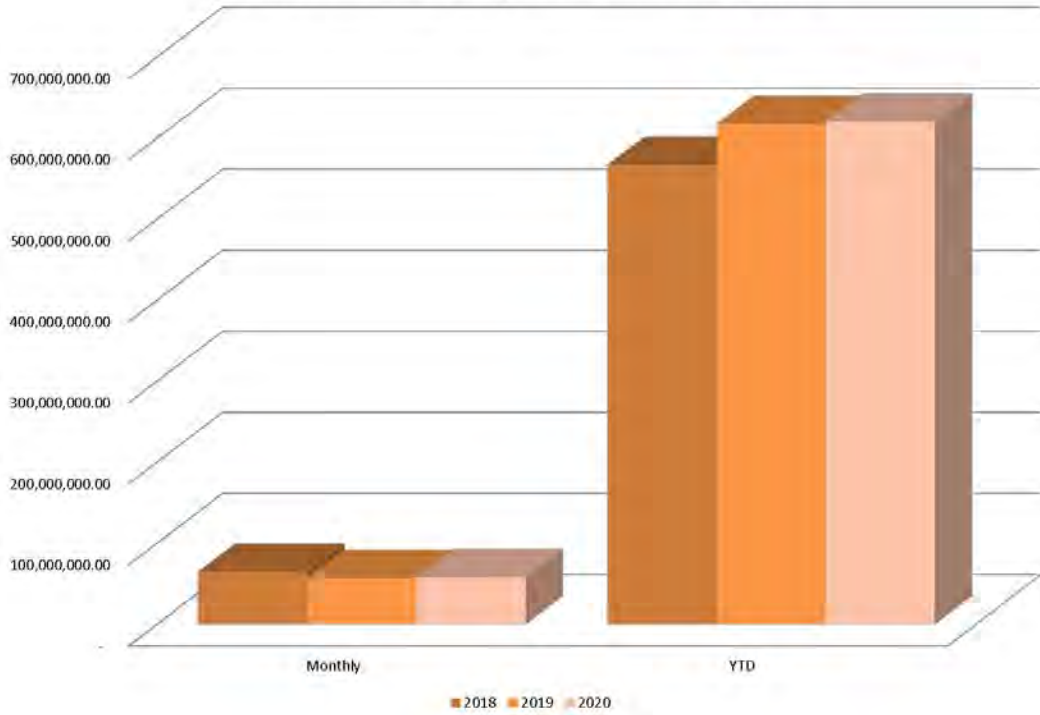
Jenny Shafer Kilgore,

Treasurer Financial Update

Kevin Ashley, Director of Financial Reporting, updated the Committee on the following financials.

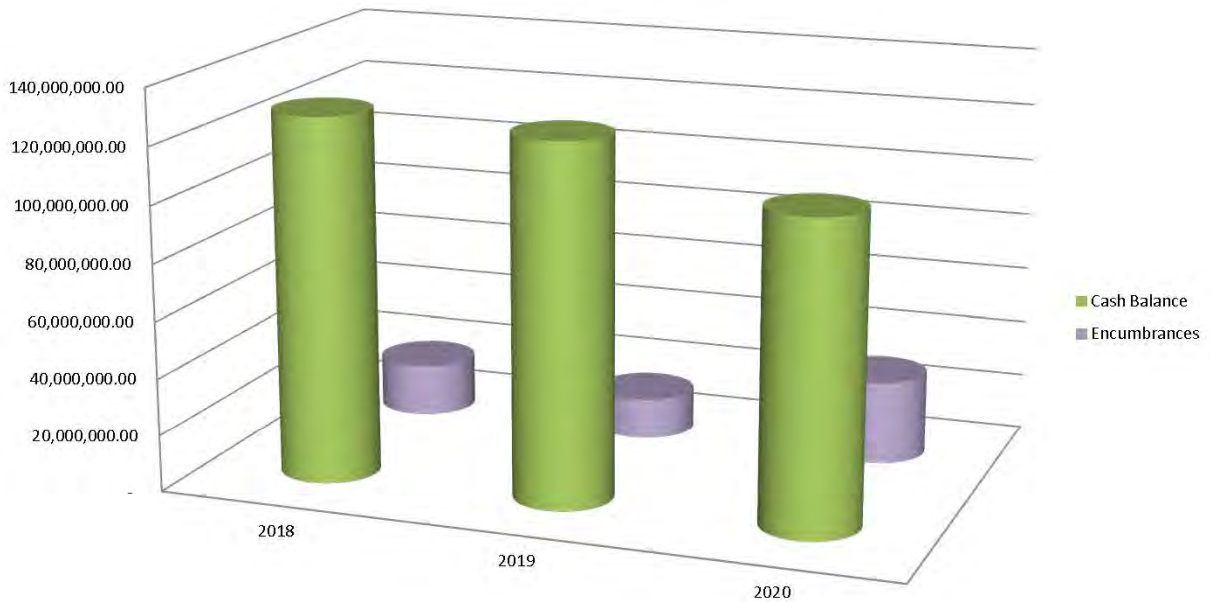


CPS General Fund: Expenditures - June 30, 2020



Mr. Ashley reported that the below cash fund balance was \$108 million. Mrs. Wagner reported that the chart is in line with what was forecasted and at the beginning of a levy cycle, the dollars are “cash rich.” This is what was anticipated. Unanticipated was the size of the carryover encumbrances, which is unusual. This is directly related to COVID-19 closure and the ability to get invoices approved for payment.

CPS General Fund - Cash & Encumbrances - June 30, 2020



State & Federal Grants

June 2020

	State	Federal	Combined	June 2019
Beg Cash	\$1,672,558	\$5,753,426	\$7,425,984	\$9,749,721
Receipts	23,422,250	55,777,948	79,200,198	60,516,123
Expenditures	13,932,444	47,139,929	61,072,373	62,838,082
Encumbrances	1,289,880	4,667,947	5,957,827	1,982,519
Ending Cash	\$9,872,484	\$9,723,498	\$19,595,982	\$5,445,243

CPS Tuition Assistance Summary

	Income	FT	HT	Total	Days	Tuition Assist \$
MAY	<200 %	736	53	789	11,833	\$512,849.41
	200-250	41	6	47	705	\$27,478.54
s/t		777	59	836	12,538	\$540,327.95
YTD				836	135,752	\$5,819,156
LY				697	109,460	\$4,178,662

No Changes for June 2020.

Note: The data in the chart above represents only the CPS preschool students who participate in the Preschool Expansion Tuition Assistance program. CPS currently has enrolled 1,911 preschool students.

CPS Preschool Expansion

	Budget FY20	JUNE YTD FY20	JUNE YTD FY19
Revenues:	\$ 14,800,000	\$ 15,767,475	\$15,260,528
Expenses:			
CPS Tuition Assistance	4,376,878	5,819,156	4,178,630
Payments to United Way	8,887,251	6,036,536	5,901,750
Workforce Development	183,015	22,484	45,768
Special Education Support	751,439	672,513	560,841
Administrative Support	200,000	145,966	9,399
PS Classroom Expansion	131,900	108,956	0
Professional Development	60,000	700	0
Meeting Expense	400	0	0
Buildings-Capital Outlay	0	1,257,313	0
Total	\$14,590,883	\$14,063,624	\$10,696,388
Net Income	\$209,117	\$1,703,851	\$4,564,140

Mr. Ashley reported that the below COPS must be expended by September 2021. He also reported that \$3.1 million is encumbered but not spent and that most of the dollars relate to Carthage and Leap Academy.

The leftover cash balance is \$20 thousand and \$18 thousand of those relate to CANS (Clifton Area Neighborhood School).

**2018 Certificates of Participation (COPS) Debt Issuance
Spend Down of Proceeds - Status**

Spend Down Deadline = 09/27/21

As of July 31, 2020			Through July 31, 2020	As of July 31, 2020	Total Expenditures Plus O/S Enc	Unencumbered/Remaining Balance
Fund-SCC	Building Improvement Project	Object Description	All Years Total Expenditures	Current Outstanding Encumbrances		
003-1321C	Mercy	Other Prof Tech Services	\$352,449.78	\$0.00	\$352,449.78	\$2,465.50
		Buildings	10,955,432.49	123,886.34	10,956,178.11	(745.62)
		Equipment	1,156,154.65	0.00	1,156,154.65	0.00
			<u>12,338,430.70</u>	<u>123,886.34</u>	<u>12,462,317.04</u>	<u>1,719.88</u>
003-1322C	CANS	Other Prof Tech Services	172,578.49	12,022.88	170,834.95	1,743.54
		Buildings	4,504,631.68	42,574.93	4,500,268.52	4,363.16
		Improvements (Non Bldg)	108,687.47	0.00	96,404.10	12,283.37
		Equipment	32,258.36	0.00	32,258.36	0.00
			<u>4,745,168.12</u>	<u>54,597.81</u>	<u>4,799,765.93</u>	<u>18,390.07</u>
003-1323C	Carthage	Other Prof Tech Services	34,250.00	4,189.42	34,250.00	0.00
		Buildings	1,985,750.00	1,823,591.00 *	1,985,750.00	0.00
			<u>2,020,000.00</u>	<u>1,827,780.42</u>	<u>2,020,000.00</u>	<u>0.00</u>
003-1324C	North Fairmount	Other Prof Tech Services	34,250.00	4,189.46	34,250.00	0.00
		Buildings	1,985,750.00	1,177,965.18 *	1,985,750.00	0.00
			<u>2,020,000.00</u>	<u>837,845.36</u>	<u>2,020,000.00</u>	<u>0.00</u>
	Totals		<u>\$21,322,192.92</u>	<u>\$3,188,419.21</u>	<u>\$21,302,082.97</u>	<u>\$20,109.95</u>

Footnote:

* - Contracts related to these Improvement projects exceed available COPS Proceed Funds and the remaining contract expenses are encumbered in the General Fund.

FY21 - Temporary Appropriations Compared to Total Expenditures and Encumbrances
As of July 31, 2020

Fund #	Fund Description	FY 21 Total	FY 21 Total	Difference
		Appropriations +PY Carryover Enc	Expenditures + Encumbrances	
		(Rounded)	(Rounded)	(Rounded)
001	GENERAL FUND	\$185,829,689	\$93,445,734	\$92,383,954
SPECIAL REVENUE FUNDS				
018	Public School Support Fund	102,206	13,548	88,658
019	Other Grant Fund	1,372,961	316,163	1,056,798
034	Classroom Fac Maintenance Fund	2,146,891	2,020,316	126,575
300	District Managed Stud Act Fund	1,590,852	641,028	949,824
401	Auxiliary Services (NPSS) Fund	11,328,641	1,997,093	9,331,548
439	Public School Preschool Fund	539,000	443	538,557
461	Voc Ed Enhancement Fund	16,656	5,163	11,493
467	Student Wellness and Success Fund	3,179,000	2,200,407	978,593
499	Misc. State Grants Fund	78,719	108,379	(29,659) *
501	Adult Basic Education	319,565	130,511	189,053
507	ESSER Elem & Secondary Emergency	9,797,000	1,148,502	8,648,498
516	IDEA, Part B Spec Ed of H.C Fd	5,981,539	2,389,891	3,591,648
524	Voc Ed: Carl D Perkins 1984 Fd	726,731	582,242	144,490
525	Project Head-Start	1,200,504	225,526	974,978
536	Title 1 Sch Improve Stimulus A	312,471	255,970	56,501
551	Title III - LEP	215,639	108,102	107,537
572	Title I Disadv Children Fund	13,755,043	2,195,906	11,559,137
587	IDEA Presch Grant Handicap Fd	44,837	9,438	35,399
590	Improving Teacher Quality Fund	1,433,607	388,796	1,044,811
598	Schoolwide Building Program	64,439,438	15,098,854	49,340,584
599	Misc, Federal Grant Fund	1,241,353	349,208	892,146
TOTAL SPECIAL REVENUE FUNDS		119,822,651	30,185,486	89,637,165
002	BOND RETIREMENT	15,250,000	0	15,250,000
CAPITAL PROJECTS				
003	Permanent Improvement Fund	6,006,176	5,705,363	300,813
TOTAL CAPITAL PROJECTS		6,006,176	5,705,363	300,813
ENTERPRISE				
006	Food Services Fund	14,203,770	8,811,406	5,392,364
009	Uniform School Supplies Fund	263,580	13,540	250,040
011	Rotary Special Services Fund	453,519	152,399	301,120
012	Adult Education Fund	7,824	824	7,000
TOTAL ENTERPRISE FUNDS		14,928,693	8,978,169	5,950,524
INTERNAL SERVICE				
014	Internal Services Rotary Fund	814,567	993,318	(178,750) *
021	Intra District Services Fund	15,400,195	10,524,418	4,875,777
024	Emp Ben Self Insurance Fund	17,258,596	7,777,420	9,481,176
TOTAL INTERNAL SERVICE FUNDS		33,473,359	19,295,156	14,178,203
007	Special Trust Fund	116,591	5,696	110,895
008	Endowment Fund	125,000	0	125,000
TOTAL FIDUCIARY FUNDS		241,591	5,696	235,895
200	Student Managed Activity Fund	109,761	41,313	68,448
TOTAL AGENCY FUNDS		109,761	41,313	68,448
TOTAL ALL FUNDS		\$375,661,920	\$157,656,917	\$218,005,003

Footnote:

* - For negative variances, these are being reviewed by staff and we expect closing or adjustment to carryover and/or current outstanding encumbrances.

Community Reinvestment Act (CRA)

Nathan Tyahur, Accounts Receivable Supervisor, informed the Committee about the following 19 Agreements related to the Community Reinvestment Act. These 19 Agreements are still under the 1999 Master Agreement.

Mr. Tyahur reported that at least 22 additional Agreements will be coming to the District under the 1999 Agreement that was approved by the City in 2019.

He informed the Committee that there may be one or two Agreements coming from City Council under the new agreement in September 2020.

• New Agreements For Approval (19) – Under the 1999 Master Agreement

Agreement	Years of Agreement	Estimated Annual Revenue	Estimated Total Agreement Revenue
<p>(A.) <u>313 West 5th, LLC</u> 12-years \$11,475.15 \$137,701.84</p> <p><i>Description:</i> the improvements made to the real property located at 313 West Fifth Street and 310 Perry Street in the Central Business District of Cincinnati, in connection with the remodeling of two existing buildings into 17 residential units and approximately 1,000 square feet of commercial space - Ordinance #474-2019, Contract #05x2020-277.</p>			
<p>(B.) <u>1725 Elm Street, LLC</u> 12-years \$10,419.64 \$125,035.63</p> <p><i>Description:</i> the improvements made to the real property located at 1725 Elm Street in the Over-The-Rhine neighborhood of Cincinnati, in connection with the remodeling of an existing building into 12 residential units and approximately 700 square feet of commercial space - Ordinance #468-2019, Contract #05x2020-278.</p>			
<p>(C.) <u>6558 Gracely, LLC</u> 12-years \$1,938.58 \$23,802.96</p> <p><i>Description:</i> the improvements made to the real property located at 6558 Gracely Drive in the Saylor Park neighborhood of Cincinnati, in connection with the remodeling of a building into a 5,452 square-foot commercial event center - Ordinance #429-2019, Contract #05x2020-276.</p>			
<p>(D.) <u>Campus Management, LTD</u> 15-years \$191,659.13 \$2,874,886.89</p> <p><i>Description:</i> the improvements made to the real property located at 2520 Park Avenue in the Walnut Hills neighborhood of Cincinnati, in connection with the construction of approximately 93,480 square feet of residential space, consisting of approximately 176 apartment units, and approximately 6,000 square feet of commercial space on the property, which construction shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards - Ordinance #487-2019, Contract #05x2020-317.</p>			
<p>(E.) <u>E.M.A. Freeman, LLC</u> 12-years \$5,064.46 \$60,773.51</p> <p><i>Description:</i> the improvements made to the real property located at 2022-2024 Freeman Avenue in the West End neighborhood of Cincinnati, in connection with the remodeling of approximately 8,500 square feet of residential rental space, consisting of 13 apartment units, and approximately 1,350 square feet of commercial space, which remodeling shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards - Ordinance #524-2019, Contract #05x2020-279.</p>			
<p>(F.) <u>Este Investors, LTD</u> 15-years \$33,763.06 \$506,445.95</p> <p><i>Description:</i> the improvements made to the real property located at 124 E. 7th Street in the Central Business District of Cincinnati, in connection with the remodeling of the existing building into approximately 35 apartments and ground-floor commercial space, which remodeling shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards - Ordinance #543-2019, Contract #05x2020-306.</p>			

<u>(G.) Liberty Modern, LLC</u>	12-years	\$3,798.34	\$45,580.14
<i>Description:</i> the improvements made to the real property located at 1432-1434 Main Street in the Over-The-Rhine neighborhood of Cincinnati, in connection with the remodeling of buildings into approximately 7,238 square feet of commercial space - Ordinance #525-2019, Contract #05x2020-295.			
<u>(H.) Linwood Real Estate Holdings, LLC</u>	8-years	\$8,088.36	\$64,706.91
<i>Description:</i> the improvements made to the real property located at 3152 Linwood Avenue in the Mt. Lookout neighborhood of Cincinnati, in connection with the remodeling of approximately 19,167 square feet of residential rental space, approximately 1,337 square feet of office space, and approximately 1,762 square feet of commercial space - Ordinance #527-2019, Contract #05x2020-289.			
<u>(I.) Madison and Stewart, LLC</u>	12-years	\$130,831.87	\$1,569,982.44
<i>Description:</i> the improvements made to the real property located at 5522-5540 Madison Road and 5015-5119 Stewart Avenue in the Madisonville neighborhood of Cincinnati, in connection with the construction of approximately 82,312 square feet of residential space, consisting 151 residential rental units across 37 buildings, as well as the remodeling of a building - Ordinance #530-2019, Contract #05x2020-285.			
<u>(J.) Northcrown Property, LLC</u>	15-years	\$11,310.63	\$169,659.39
<i>Description:</i> the improvements made to the real property located at 1614 Walnut Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of the existing building on the property into approximately 5 apartments above a ground-floor commercial space, which remodeling shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards - Ordinance #456-2019, Contract #05x2020-309.			
<u>(K.) OTR Holdings, Inc.</u>	15-years	\$45,619.81	\$684,297.10
<i>Description:</i> the improvements made to the real property located at 1221-1233 Main street in Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of five existing buildings into approximately 17,706 square feet of residential space, consisting of 22 residential rental units, and approximately 8,308 square feet of commercial space, which remodeling shall be completed in compliance with LEED Silver, Gold or Platinum standards or LBC standards - Ordinance #541-2019, Contract #05x2020-292.			
<u>(L.) Paramount Square, LLC</u>	15-years	\$42,927.50	\$643,912.47
<i>Description:</i> the improvements made to the real property located at 900 E. McMillan Street in the Walnut Hills neighborhood of Cincinnati, in connection with the remodeling of the building thereon into residential and commercial space, which remodeling shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards - Ordinance #299-2017, Contract #85x2018-198.			
<u>(M.) Pendleton Development I, LLC</u>	15-years	\$12,598.81	\$188,982.08
<i>Description:</i> the improvements made to the real property located at 526 E. 12th Street in the Pendleton neighborhood of Cincinnati, in connection with the remodeling of an existing vacant residential structure to create 8 residential units - Ordinance #242-2019, Contract #05x2020-189.			
<u>(N.) Perseverance Commercial, LLC</u>	15-years	\$16,267.57	\$244,013.51
<i>Description:</i> the improvements made to the real property located at 1505-1517 Vine Street, Cincinnati, Ohio 45202 in the Over-the-Rhine neighborhood of Cincinnati, in connection with the construction of approximately 7,827 square feet of commercial space - Ordinance #439-2019, Contract #05x2020-288.			

(O.) Perseverance Residential, LLC 15-years \$37,403.54 \$561,053.10

Description: the improvements made to the real property located at 1505-1517 Vine Street, Cincinnati, Ohio 45202 in the Over-the-Rhine neighborhood of Cincinnati, in connection with the construction of 32 residential units - Ordinance #440-2019, Contract #05x2020-290.

(P.) Ranger Community Group, LLC 12-years \$5,072.90 \$60,874.80

Description: the improvements made to the real property located at 1035 Dayton Street and 1918-1920 Colerain Avenue in the West End neighborhood of Cincinnati, in connection with the remodeling of an existing building into approximately 1,110 square feet of commercial space and 4,550 square feet of residential space - Ordinance #146-2018, Contract #85x2018-315.

(Q.) Sycamore Diner, LLC 15-years \$10,017.87 \$150,268.01

Description: the improvements made to the real property located at 1203 Sycamore Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of an existing single-story building into approximately 5,000 square feet of commercial space, which remodeling shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards - Ordinance #469-2019, Contract #05x2020-267.

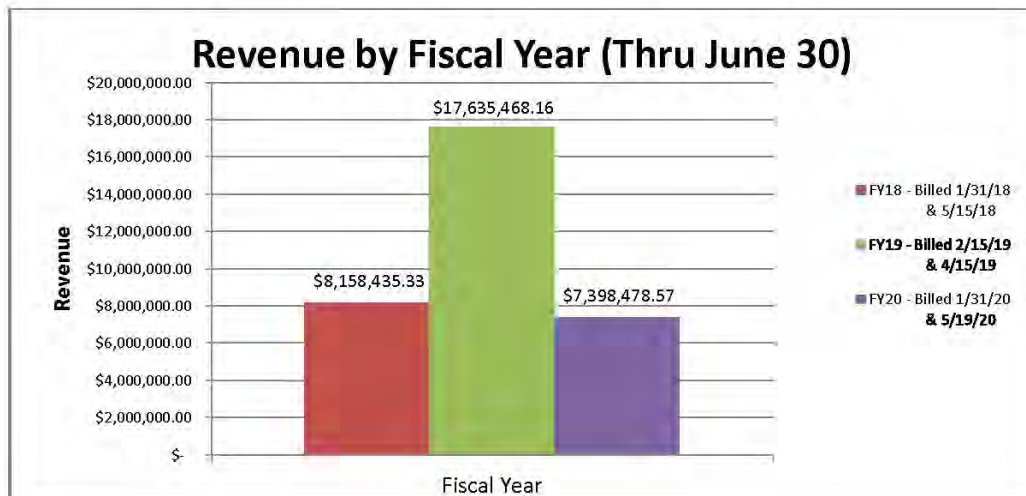
(R.) 421 Hoge Street, LLC 11-years \$103,990.23 \$1,143,892.58

Description: the improvements made to the real property located at 421-509 Hoge Street in the Columbia Tusculum neighborhood of Cincinnati, in connection with the construction of an approximately 62-unit apartment building, which construction shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards - Ordinance #264-2019, Contract #15x2021-176.

(S.) 1814 Central, LLC 10-years \$18,873.55 \$188,735.52

Description: the improvements made to the real property located at 1814 Central Parkway in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of existing buildings into approximately 18,000 square feet of commercial space and approximately 5,000 square feet of industrial space - Ordinance #470-2019, Contract #05x2020-322.

- CRA Revenues Collected



*Note: FY18 revenues include the CRA audit performed that year where retro amounts were received. FY19 revenues include the \$9.3 million FCC PILOT payment.

- Billed But Not Collected (Aging)

Billed But Not Collected (Thru June 30)

	Year 0-30 Days Old	31-60 Days Old	61-90 Days Old	90+ Days Old	Total
FY18	\$ 86,369.22	\$ 393,165.45	\$ -	\$ 13,300.26	\$ 492,834.93
FY19	\$ 352,773.94	\$ 104,931.35	\$ 326,938.21	\$ 101,769.35	\$ 886,412.85
FY20	\$ 26,914.75	\$ 1,205,381.71	\$ -	\$ 57,484.38	\$ 1,289,780.84

*Note: FY data is YTD for comparative purposes.

*Note: As of 8/19/2020, total outstanding in FY21 is \$165,631.59.

Cincinnati Preschool Promise (CPP) / Cincinnati Public Schools (CPS) Preschool Finances

Mr. Hector Polanco, Director of Finance, provided a summary of the below Fiscal Year End Preschool Promise Report. He highlighted the Budget minus Actuals column which capture the under spends. He reported that the year ended with \$1.7 million of underspends. This was a result of forecasting higher than what was spent, and also as a result of the COVID-19 conditions.

Summary FY20 Actuals As of June 30, 2020	CPP (Community Provider ONLY)												FISCAL YEAR END REPORT			
	July	Aug	Sept	Oct ¹	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Actuals FY20 YTD	Budget FY20 YTD	Budget minus Actuals FY20 YTD	Budget FY20
Tuition Assistance	\$0	\$0	\$111,479	\$308,830	\$359,805	\$418,301	\$380,028	\$390,181	\$399,687	\$401,036	\$417,915	\$551,454	\$3,736,716	\$4,430,687	\$693,971	\$4,430,687
Quality Improvement	\$7,978	\$125,684	\$251,623	\$694,737	\$208,390	\$72,781	\$65,784	\$81,616	\$26,252	-\$5,683	\$109,138	\$89,635	\$1,721,600	\$1,439,350	-\$282,250	\$1,439,350
Cost of Quality (Wages)	\$850	\$7,667	\$10,500	\$9,000	\$8,834	\$9,534	\$9,534	\$10,467	\$5,520	\$7,167	\$0	\$18,187	\$103,519	\$569,400	\$465,881	\$569,400
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500	\$60,050	\$61,550	\$600,000	\$538,450	\$600,000
SUM OF PROGRAMS	\$8,778	\$133,351	\$379,604	\$1,012,668	\$677,028	\$500,598	\$457,646	\$486,294	\$433,439	\$403,423	\$519,652	\$706,308	\$5,613,387	\$6,839,637	\$1,226,250	\$6,839,637
Data & Enrollment Systems, Evaluation	\$0	\$31,322	\$16,575	\$63,303	\$31,080	\$31,080	\$31,080	\$210,485	\$16,692	\$41,947	\$46,692	\$73,656	\$676,699	\$675,000	-\$86,301	\$675,000
Communications & Outreach	\$573	\$21,185	\$20,669	\$16,456	\$16,401	\$622	\$4,280	\$14,267	\$25,005	\$22,640	\$1,402	\$16,741	\$162,189	\$214,873	-\$52,684	\$214,873
M&A - General	\$7,744	\$5,304	\$618	\$7,531	\$3,901	\$999	\$4,457	\$20,071	\$2,122	\$5,511	\$1,725	\$14,001	\$74,648	\$140,300	\$65,652	\$140,300
M&A - Staff Related	\$47,268	\$51,051	\$38,351	\$35,601	\$67,470	\$49,696	\$52,339	\$53,473	\$40,607	\$76,420	\$78,687	\$77,590	\$664,354	\$774,672	-\$109,318	\$774,672
M&A - Facilities	\$2,363	\$3,816	\$3,007	\$3,685	\$3,282	\$3,087	\$3,216	\$3,318	\$5,338	\$5,420	\$5,761	\$11,195	\$54,381	\$55,680	-\$1,299	\$55,680
UWGC Admin Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$0	\$100,000
SUM OF ADMINISTRATIVE	\$58,308	\$112,298	\$78,910	\$128,885	\$118,038	\$88,294	\$96,983	\$302,714	\$119,784	\$161,732	\$134,271	\$183,183	\$1,582,380	\$1,961,126	-\$378,746	\$1,961,126
TOTAL	\$67,086	\$245,649	\$458,514	\$1,141,753	\$695,066	\$588,892	\$554,629	\$788,008	\$553,203	\$565,155	\$664,123	\$889,491	\$7,195,768	\$8,900,762	\$1,704,994	\$8,900,762

YTD = Year To Date; FY = Fiscal Year
1- Monthly accrual for Q1 spending added as of Oct 2019

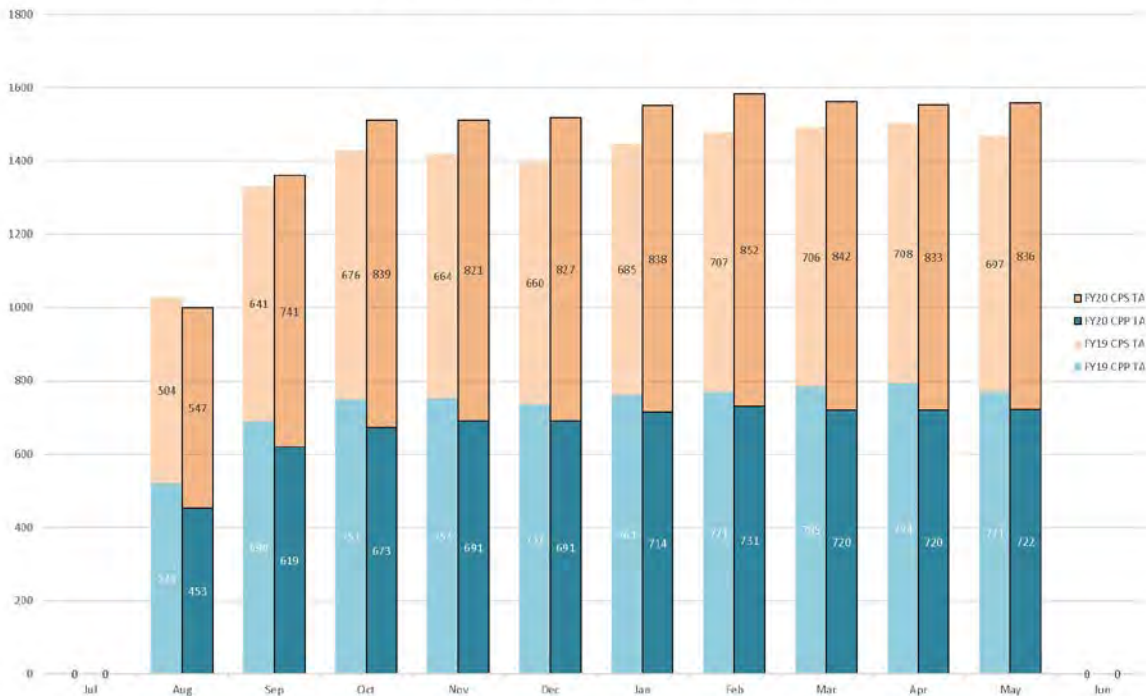
Key Differences in Budget minus Actuals FY20 YTD

- TA = enrollment averaged 200 students below budget (+\$950k), Extended Learning Session in June (-\$150k), 3 & 4 Star parity with 5 Star (-\$60k)
- QI = Learning environment (supplies, materials, equipment) above budget (-\$700k), Coaching (+\$185k) and Education Tools (+\$150k) below budget.
- COQ = Delay in roll-out of QI Supports (+\$265k), # of teachers enrolled in TPG lower than budgeted (+\$200k)
- Contingency = Used for COVID-19 PPE and Tax Preparation (+\$450k)
- Data & Enrollment Systems, Evaluation = System/Evaluation changes not needed (+\$25k), timing of Evaluation payments (+\$20k)
- Communications & Outreach = smaller P-team (+\$45k)
- M&A General = No fundraising grant writer (+\$25k), minimal use of misc/contingency (+\$30k)
- M&A Staff-Related = understaffing, less training, lower benefits costs
- UWGC Admin = waiver of annual fees by UWGC

Mr. Polanco updated the Committee on the below FY2019 and FY2020 Actual Number of Enrolled Tuition Assistant Students.

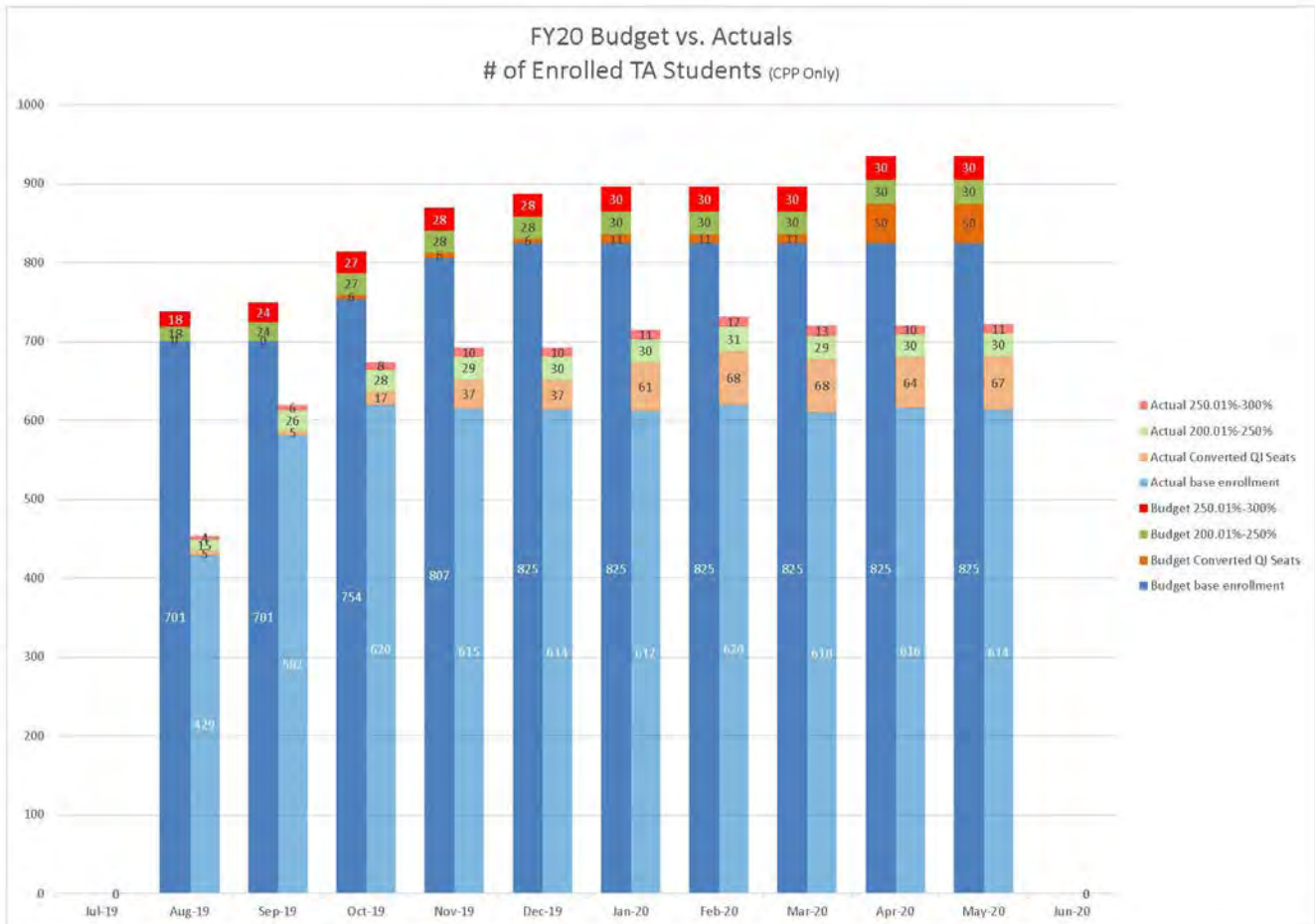
The Chart highlights the number of students that CPP has supported. He advised that every month but August, CPP and CPS jointly supported more students this year than last year.

FY19 & FY20 Actuals
of Enrolled Tuition Assistance Students (CPP + CPS)



Mr. Polanco reported that there were fewer students than what was budgeted this year in the various categories.

FY20 Budget vs. Actuals
of Enrolled TA Students (CPP Only)



Ms. Chara Jackson, Executive Director for CPP, reiterated the \$1.7 million of underspends budgeted but not spent. She reported that in 2018 and 2019 there was a review of how the carryover dollars would be handled and that both CPP and CPS Finance committees discussed a policy on unspent carryover funds. She also stated that the policy was approved by the CPP Board.

Ms. Jackson advised that the CPP is asking for a formal *Joint Resolution: Regarding Unspent Funds Preschool Expansion Funds* to formalize language in the policy regarding unspent funds (Carryover Funds).

Committee Chair Bolton reported that the Board has not had an opportunity to review the document. Treasurer Wagner informed the group that she discussed the resolution at a CPP Finance Committee meeting and recommended revisions to the document. She also advised that she needs to discuss concerns with General Counsel Hoying and Mr. Polanco to determine what future years will look like.

ACTION: Committee Chair Bolton recommended having the resolution resolved prior to the levy. She also suggested that Superintendent Mitchell, Mrs. Wagner, and Mr. Hoying meet to vet the resolution and submitted it to Board for review.

ACTION: The Administration will provide the Finance Committee a draft of the resolution before the September 14, 2020, Regular Board meeting in order to review and possibly make a recommendation.

ACTION: The Committee and Administration will submit the revised new resolution for consideration.

Committee Chairperson Bolton asked who is checking to see what the market for preschool really is. Is it less or more? Is transportation a problem getting kids to preschool?

ACTION: Ms. Bolton recommended that a dialogue and assessment take place of what the preschool market is within the District.

Vera Brooks, Director of Early Childhood, updated the Committee on the following *Proposal Regarding Full Day Tuition Paying Families During Distance Learning*.

- During Distance Learning tuition families who have a full day preschool seat pay cost of a half-day preschool seat to include core instruction during morning session and afternoon session participate in required assessments for compliance with small group or individual students when scheduled by teacher.
- If district moves to blended or in-person learning parents would pay full day tuition cost. Full day seat would be reserved for families who choose this option. Refer to chart below for number of families at sites that pay full tuition (44 families).
- Same option would be available to families that pay full tuition at other sites. (Approximately 5 families)

Chart of Preschool Programs with numbers of tuition paying families.

School Name	Total Number of seats	# of 1/2 day tuition	# full day tuition
CANS	18	0	3
Dater Montessori	63	15	0
Fairview	50	6	6
Gamble Montessori	34	11	10
North Avondale Mont.	63	5	10
Parker Woods Mont.	45	8	6
Pleasant Ridge Mont	45	16	7
Sands Mont	72	29	2
total	390	90	44

Funding:

All payments begin September 1st.

Half-Day Tuition: \$3700.00 per year/\$400.00 a month

Full day Tuition: \$7000.00 per year/\$775.00 a month

Tuition Type	Total # of current families	Total Funds to be Collected per month	Proposal total # of families during Distance Learning	Total funds to be collected per month
Half-Day	90	\$36,000.00	134	\$53,600.00
Full Day	44	\$34,100.00	44 (Seat reserved)	
Total Collected		\$70,100.00		
Difference				\$70,100 – \$53,600 = \$16,500.00 per month

- Numbers based on current enrollment as of August 19, 2020.
- Numbers may fluctuate as we continue to register/enroll for SY2020-2021.

Annual Anticipated Loss of Revenue:

Projected Annual Revenue for 44 Full-day Tuition Paying Students	Projected Annual Revenue for 44 Full-day Tuition Paying Students that during distance learning would pay Half-Day	Annual Anticipated Loss of Revenue
\$308,000	\$162,800	\$145,200

ACTION: The Committee agreed to refer the proposal to the Superintendent to get a recommendation of the above request for the September 2, 2020, Regular Board meeting.

Oversight of Resolution of Necessity – COVID Financial Impact (Savings Expenditures)

Treasurer Wagner updated the Committee on her following report.

Oversight “Urgent necessity”

- Resolution Adopted –Aug 3
 - Waiver requirements for multiple quotes, RFPS due to urgent necessity of COVID related expenditures
- New “Requisition Code”
 - Applied by purchasing department only
 - Review of reasons for Urgent necessity
- Monthly Reporting to Finance Committee

	#	\$
Contracts (22%)	16	\$2,826,302
Requisitions (18%)	6	\$ 238,520
Total	22	\$3,064,821

Lessons Learned from the COVID Experience...Processes, Policies, and Organization

COVID Lessons learned - Finance

- Payroll
 - Time and leave reporting
 - Convert from “Batch reporting” to Individual employee reporting
 - *Aug 19: Systems are ready to go, communication to employees in draft*
- Vendor payments
 - Invoices & incomplete requisitions
 - Remote work environment – recentralize procurement and invoice processing
 - *Aug 19: Currently all spending decisions go through Treasurer (90 day Approp)*
 - *Urgent Necessity Resolution adopted*
 - *Team to be formed in September*
- Paper based forms
 - Delays in processing & approvals
 - Speed up conversion to online forms
 - Personnel Requisitions, Schedule E, Stipends, Application for professional development
 - *Aug 19:*
 - *Personnel Reqs: completely online (extended time only), updated based on user feedback*
 - *Schedule E: by Winter season*

Governmental Liaison Report on Particular and Immediate Legislative Topics

George Glover, Focused Capital Solutions; Eric Kearney, Kearney and Kearney

Mr. Kearney provided the Committee with the following information that is contained in his August 20 Legislative Report. A copy of the full report is available in the Board office and upon request.

Focus of Work

- Execute against CPS 2020 Government Relations Strategy
- Meet with Superintendent Laura Mitchell regarding CPS priorities
- Create and cultivate strategic relationships
- Local Delegation Meeting Meeting with Superintendent Mitchell and Ohio Superintendent Paolo DeMaria

Ohio House Leadership Change

- House Speaker Bob Cupp. Cupp has the distinction of having served in all three branches of government at both the local and state levels: as an Allen County commissioner, a four-term state senator, an appeals court judge, and a justice of the Ohio Supreme Court.
- Speaker Pro Tempore: Jim Butler
- Majority Floor Leader: Bill Seitz
- Ass't Majority Floor Leader: Anthony DeVitis
- Majority Whip: Jay Edwards
- Ass't Majority Whip: Laura Lanese

Of Note

S.B. 4 (Rulli & Kunze) To amend Section 237.30 of H.B. 529 of the 132nd General Assembly and Section 237.10 of H.B. 529 of the 132 General Assembly, as subsequently amended, to make a capital appropriation for school facilities assistance. Increase from \$375M to \$475M, the amount of general obligation bonds that can be issued by the Ohio Public Facilities Commission for the purpose of paying the state share of the cost of constructing classroom facilities. Passed the Ohio Senate on March 27, 2019 (31-0). Passed House on June 11, 2020 (78-12). Senate concurred on June 24, 2020. Effective October 13, 2020.

Treasurer Wagner asked Mr. Kearney how the funding formula would be handled due to the loss of enrollment because of COVID-19 and when will something happen.

Mr. Kearney reported that he has a call into the Governor's office about the funding formula and waiting to hear back to get guidance. He will send the information to Ms. Wagner upon receipt of the information.

Ms. Bolton expressed concern to Mr. Kearney about when and how to take attendance during virtual learning.

Superintendent Mitchell advised that accurate attendance reporting will begin on August 31, 2020, and she will have Deputy Superintendent Amat determine how attendance reporting will be done.

Mrs. Mitchell will be doing an enrollment update as it relates to COVID-19 at the September 14, 2020, Regular Board meeting.

The Committee shared with Mr. Kearney that the state legislature and ODE will be determining issues of student attendance. Provision of transportation and extending waivers for specific instructional assessments and requirements in this COVID period and we will need to be kept apprised and try to influence their actions.

A referral came from the Board's Health and Safety Committee regarding joining our partners at Mindpeace in advocating for an extension of waivers that expand easier access to mental health services.

ACTION: Superintendent Mitchell, General Counsel and Mr. Kearney will meet to review financial items contained in the August 20 Legislative Report.

Board Assigned Items

Agenda items: *Initial Review of the Growth Plan* and *Property Purchase and Sale Rawson* will be discussed at the September 17, 2020, 1:30 pm, Finance Committee meeting.

Treasurer Items needing Action / Budget Presentation 2020-2021

Treasurer Wagner updated the Committee on her following report requiring items that need action.

FY21 Realities

- FY21 Temporary (90-day Appropriation) adopted June 2020
 - Committed to GF Budget of \$625M
- May 5-year Forecast
 - FY21 max GF Expenditures - \$625M in order to maintain positive cash flow through FY22
- Board of Education made a decision NOT to go ask taxpayers for new money during the current Five Year Forecast period (FY20 – FY24)

Challenges to meet \$625M target

- Adopted “Return to school model” Assumptions:
 - Blended 2/3 Week for first 6 weeks
 - 4 Day week for 36 weeks (estimated \$13.2M savings)
 - Extended Holiday (estimated \$5M savings)
 - Minimal Reductions if Force (204 positions reduced)
 - Alternate models required >700 positions reduced
 - Due to Community Statistics, Return to school model changed
 - Remote – 5 weeks
 - 47 weeks (Blended model)
- Unanticipated Costs related to remote learning & COVID safety
 - To-date an additional \$2.9M to the original \$29M estimate
 - Unidentified costs with frequent closings/openings
 - Unanticipated leave and absence rates (related costs)
- Changes to forecast revenues
 - State reductions beyond anticipated
 - Reductions due to lost enrollment
 - Charter/Ed Choice changes in funding
 - Increased delinquencies in property tax collections

Next Steps

- PLT & Department Budget Reviews
 - Aug 21 – Aug 25
- Board of Education – Sept 2
 - Public Presentation
- Board of Education- Sept 14
 - Public Presentation
 - Request for Adoption
- Filing deadline – October 1
 - Hamilton County Budget Commission

Ms. Bolton reported on behalf of Community member Carol Gibbs about information regarding childcare in Ohio offered to parents living 130 percent of poverty or below.

ACTION: Ms. Bolton will forward the information to Ms. Vera Brooks for her follow-up.

Transportation

Ms. Bolton reiterated that CPS has to offer transportation to Charter and Non-Charter School students. She also stated that the Finance Committee had concerns about the expansion of the equivalence rule as it relates to when CPS is not in session and how the District can continue to provide transportation for other schools.

Ms. Bolton referenced a letter that was provided by the Ohio Department of Education stating that regardless of what CPS is doing; service still has to be provided to Charter and Non-Charter schools even though CPS is not in session.

She reiterated that CPS is offering service to Charters and non-public schools even though CPS students are not receiving transportation, resulting in a break down of the equivalence rule. CPS was to make a case about providing service to charters and non-charters that are not our own.

Even though the Finance Committee and the Board have had discussions about wanting to find ways to challenge the required expansion of transportation services CPS is required to provide to non-CPS students, the Transportation Department determined that challenging was not an option and proceeded to provide the services prior to the Board being informed.

ACTION: The Committee and Board will continue to monitor transportation services and will follow up on a suggestion at an earlier Finance Committee meeting that the Administration provide a transportation report in the near future.

The meeting adjourned at 3:35 p.m.

Finance Committee

Eve Bolton, Chair
Melanie Bates
Ben Lindy

Staff Liaisons

Jennifer Wagner, CFO/Treasurer
Laura Mitchell, Superintendent