

Franklin Phonetic School-

Board Meeting Agenda

Thursday September 3, 2020 @ 3:00

Call to Order

- Approval of prior board meetings from August 14, 2020
- Approval of Financial Reports

New Business:

- Consideration to reopen the school
- Resolution reversing the unintentional combination of Prescott and Sunnyslope board members Lead by Leo condos (school lawyer)

Old Business

- Sunnyslope Campus Update

Set Next Meeting

Meeting Adjourned

Franklin Phonetic School Sunnyslope Board Meeting Minutes

Friday, August 14, 2020

Meeting at 9317 North 2nd Street Phoenix, Arizona 85020

Call to Order 3:05 pm

Members Present Riccardo Osuna, Anna Young, Carrie Young, Audrey Wright, Neil Wright

Financial Reports Financial reports were reviewed and explained a motion to accept was made by Audrey Wright and seconded by Neil Wright motion passed unanimously.

Approval of Policies and Procedures for COVID 19 response. Cindy Franklin corporate board President explained the procedures and how they are based on recommendations from the Arizona Department of Healthcare with weekly update provided by the nurse consultant who gives medical support to the preschool. A motion to accept the procedures was made by Carey Young, seconded by Riccardo Osuna Jr. motion passed unanimously.

Consideration of Benchmark procedures EO 2020-51 released by the Arizona Department of health services.

Because the benchmarks for Maricopa County are in the red for all 3 levels of matrices it is strongly recommended that schools do not open until the risk level is at least in the moderate level for the three indicators. The decision of the Prescott Valley campus was shared with the board . Riccardo Osuna made a motion to delay the opening of school until the next board meeting in September in hopes that the COVID benchmarks would improve. The motion was seconded by Anna Young and passed unanimously.

Adoption of Mitigation Plan

The mitigation plan describing what distance, hybrid and onsite learning would look like during this time.

A motion to accept the plan was made by Carey Young, seconded by Anna Young with motion passing unanimously.

Policy for requiring face coverings

The plan also outlined the procedures for the children and staff wearing face coverings. All students, staff and visitors are required to wear a mask or face covering while on campus. Face coverings must be worn appropriately over the nose and mouth. Children 5 years and younger are not required to wear a mask unless they are attending the onsite learning center. A documented recommendation provided from medical or othe professional personnel is required if a person is not able to wear a mask. A motion to accept this policy was made by Audrey Wright and seconded by Riccardo Osuna, motion passed unanimously.

Onsite Learning Plan

A description of the onsite learning plan was provided to the board members. A letter that was sent to the parents is attached. So far 20 children have pre-registered and signed the waiver to attend. A motion to accept the plan was made by Riccardo Osuna and seconded by Carey Young motion passed unanimously .

Meeting Scheduled

A new meeting date September 3rd at 3:00 pm. Was set . The motion to adjourn was made by Riccardo Osuna and seconded by Audrey Wright. The meeting adjourned at 3:45 P.M.

Franklin Phonetic Primary School, Inc.
Income Statement
For the Three Months Ending September 30, 2020

	Current Month
Revenues	
Extended After Care - SS	\$ 0.00
Miscellaneous Revenue	0.00
State Equalization Assistance	241,073.61
State Equalization Assistance	60,886.57
Prop 301 - 1011	0.00
Prop 301 - 1012	0.00
Prop 301 - 1013	0.00
Prop 202-Inst Improvement	0.00
Title III	0.00
IDEA-Pre School	0.00
Paid Lunches	0.00
Extracurricular Activities Fee	0.00
Total Revenues	<u>301,960.18</u>
Cost of Sales	
Total Cost of Sales	<u>0.00</u>
Gross Profit	<u>301,960.18</u>
Expenses	
Teachers - Certified	0.00
Teachers - Certified	0.00
Employee Insurance	0.00
Social Security	0.00
Retirement Plan	0.00
Long-Term Disability	0.00
Miscellaneous Purchased Servic	0.00
Telephone & Postage	0.00
Internet Services	0.00
Continuing Education	0.00
Continuing Education	100.00

Franklin Phonetic Primary School, Inc.
Income Statement
For the Three Months Ending September 30, 2020

	Current Month
Supplies	0.00
Curriculum Supplies	0.00
Supplies-FF & E < \$5000	0.00
Books, Periodicals, & Inst. Ai	0.00
Miscellaneous Expense	0.00
Miscellaneous Purchased Servic	0.00
Miscellaneous Purchased Servic	0.00
Continuing Education	0.00
Supplies	111.95
Other - Non-Certified	0.00
Other - Non-Certified	0.00
Employee Insurance	0.00
Workers Compensation Insurance	0.00
Miscellaneous Purchased Servic	0.00
Miscellaneous Purchased Servic	0.00
Repair and Maintenance - Equip	0.00
Furniture & Equipment Rental	0.00
Furniture & Equipment Rental	0.00
Telephone & Postage	0.00
Telephone & Postage	0.00
Internet Services	0.00
Internet Services	0.00
Advertising	0.00
Supplies	0.00
Supplies	0.00
Dues & Fees	0.00
Miscellaneous Expense	0.00
Legal Services	0.00
Other - Non-Certified	0.00
Miscellaneous Purchased Servic	0.00
Water/Sewer	0.00
Water/Sewer	0.00
Cleaning & Disposal Services	0.00
Cleaning & Disposal Services	0.00
Lawn Care	0.00

Franklin Phonetic Primary School, Inc.
Income Statement
For the Three Months Ending September 30, 2020

	Current Month
Security Services	0.00
Repair and Maintenance - Build	0.00
Repair and Maintenance - Equip	0.00
Land and Building Rental	0.00
P/C Insurance	0.00
Supplies	0.00
Supplies-FF&E <\$5,000>	0.00
Natural Gas/Propane	0.00
Natural Gas/Propane	0.00
Electricity	0.00
Electricity	0.00
Miscellaneous Purchased Servic	0.00
Repair and Maintenance - Equip	0.00
Gasoline	0.00
Gasoline	0.00
Teachers - Certified	0.00
Unemployment Insurance	0.00
Teachers - Certified	0.00
Teacher Aides	0.00
Teacher Aides	0.00
Teachers - Certified	0.00
Teachers - Certified	0.00
Teachers - Non-Certified	0.00
Teachers - Non-Certified	0.00
Contracted Counselor/Therapist	0.00
Contracted Counselor/Therapist	0.00
Miscellaneous Purchased Servic	0.00
Miscellaneous Purchased Servic	0.00
Continuing Education	0.00
Continuing Education	0.00
Miscellaneous Purch Service	0.00
Other Food	0.00
Other Food	0.00
Dues & Fees	0.00
Dues & Fees	0.00
Dues & Fees	110.76

Franklin Phonetic Primary School, Inc.
Income Statement
For the Three Months Ending September 30, 2020

	Current Month
Dues & Fees	0.00
Field Trips	0.00
Total Expenses	322.71
Net Income	\$ 301,637.47

FRANKLIN PHONETIC PRIMARY SCHOOL INC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
UNAUDITED
JUNE 30, 2020

	LIABILITIES AND CAPITAL	
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	89031	
Bofa Credit Card	1292	
ACCURED INTEREST PAYABLE	386240	
PAYROLL TAXES PAYABLE	127404	
CURRENT MATURITY OF LT DEBT	<u>225840</u>	
TOTAL CURRENT LIABILITIES		829,807
LONG TERM DEBT		
CARES ACT PPP FUND	534309	
MORTGAGE PAYABLE US BANK	6715000	
LESS: UNAMRT BOND ISSUE COST	-469171	
UNAMRT BOND DISCOUNT	-203858	
UNAMRT COST OF ISSUANCE	-24384	
CURRENT MATURITY	<u>-225840</u>	
LT DEBT LESS CURRENT MATURITY		6,326,056
TOTAL LIABILITIES		7,155,863
NET ASSETS		
NET ASSETS AT BEGINNING OF YR	464285	
DECREASE IN NET ASSETS	<u>26466</u>	
TOTAL NET ASSETS		490,751
TOTAL LIABILITIES AND NET ASSETS		7,646,614

FRANKLIN PHONETIC PRIMARY SCHOOL INC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

UNAUDITED
JUNE 30, 2020

	ASSETS
CURRENT ASSETS	
CASH AND EQUIVALENTS	643,309
ACCOUNTS RECEIVABLE	322,454
DUE FROM LLC	112,135
PREPAID EXPENSES	3,667
EMPLOYEE ADVANCES	<u>820</u>
TOTAL CURRENT ASSETS	1,082,385
PROPERTY AND EQUIPMENT	
LAND & LAND IMPROVEMENTS	2,840,229
BUILDING IMPROVEMENTS	3,238,183
EQUIPMENT & FIXTURES	568,463
TRANSPORTATION EQUIP	270,359
CONSTRUCTION IN PROGRESS	224,061
LESS: ACCUM DEPRECIATION	<u>-1,910,456</u>
TOTAL PROP & EQUIPMENT	5,230,839
OTHER ASSETS	
LAND CLOSING COSTS, NET OF AMORT	12,960
BOND RESERVE FUND	<u>1,320,430</u>
TOTAL OTHER ASSETS	<u>1,333,390</u>
TOTAL ASSETS	<u>7,646,614</u>

Below Standard:

Lease adjusted debt service coverage ratio is less than 1.0

- Data Source**
- Audited statement of activities (income statement)
 - Audited statement of cash flows (cash flow statement)
 - Notes to the audited financial statements

Rating Adjustments None

Definitions DEBT PRINCIPAL = Includes principal payments associated with bonds or loans for a charter that purchases its facilities, as well as other long-term loans obtained by a charter holder, and capital leases.

Calculation Considerations None

Average Daily Membership

Description Averages the annual percent change in the charter holder’s student count used for state funding for the three most recent completed school years. The measure considers the most recent four fiscal years of average daily membership (“ADM”) data available.

Dashboard Displays Stable or Increasing # of Students

Calculation

1. Calculate the annual growth rates
[NOTE: Year 1 would be the most recent year and Year 4 would be the “oldest” year.]
 Year 1 Growth Rate = (Year 1 – Year 2)/Year 2
 Year 2 Growth Rate = (Year 2 – Year 3)/Year 3
 Year 3 Growth Rate = (Year 3 – Year 4)/Year 4
2. Calculate three-year average
 (Year 1 Growth Rate + Year 2 Growth Rate + Year 3 Growth Rate)/3

Measure Ratings Meets Standard (in one of two ways):
 1. Charter holder has increase

OR

2. Charter holder has decrease of:
 - SMALL: 4.99% or less
 - MEDIUM: 4.99% or less
 - LARGE: 2.99% or less

Approaches Standard:

- Charter holder has decrease of:
- SMALL: 5% to 14.99%
 - MEDIUM: 5% to 14.99%
 - LARGE: 3% to 9.99%

Below Standard:

- Charter holder has decrease of:
- SMALL: 15% or more

FINANCIAL CALCULATIONS FOR FISCAL YEAR ENDED JUNE 30, 2020

UNRESTRICTED DAYS LIQUIDITY:

UNRESTRICTED CASH		643309
TOTAL EXPENSES	5192790	
LESS DEPRECIATION	-112060	
AMORTIZATION	-19242	
ADJUSTED EXPENSES	5061488	
DAILY CASH USING 365 DAYS		13867.09

DAYS OF CASH 643309/13867.09 46

ADJUSTED NET INCOME

NET INCOME	26466	
PLUS DEPRECIATION	112060	
AMORTIZATION	19242	
ADJUSTED NET INCOME	157768	

LEASE ADJUSTED DEBT SERVICE

ADJUSTED NET INCOME	157768	
INTEREST EXPENSE	386240	
LEASE EXPENSE	83090	
NUMERATOR		627098

CURRENT DEBT	225840	
INTEREST	386240	
LEASE EXPENSE	83090	
DENOMINATOR		695170

627098/695170 0.902079

FRANKLIN PHONETIC PRIMARY SCHOOL INC
CONSOLIDATED STATEMENT OF ACTIVITIES BY FUNCTION CODE
UNAUDITED
BUDGET TO ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Description	Fiscal Year <u>Ended June 30, 2020</u>	June 30, 2020 <u>BUDGET</u>	<u>BUDGET VARIANCE</u>
Local Revenues:			
Earnings on Investments	1,317	3,200	(1,883)
Extended After Care-SS	48,544	0	48,544
Contributions/Donations Private	27,170	39,000	(11,830)
Rental Income	13,250	33,000	(19,750)
Refund of Prior Year Expenses	170	0	170
Miscellaneous Revenue	25,641	0	25,641
Paid Lunches	31,687	45,400	(13,713)
Fund Raisers	18,325	18,500	(175)
Extracurricular Activities Fee	<u>8,452</u>	15,000	<u>(6,548)</u>
Total Local Revenue	174,556	154,100	20,456
State Revenue:			
State Equalization Assistance	3,968,831	3,982,254	(13,423)
Prop 301-1011	77,089	51,774	25,315
Prop 301-1012	101,123	103,550	(2,427)
Prop 301-1013	74,596	103,550	(28,954)
Prop 202 (Instructional Improvem	10,373	24,818	(14,445)
Prop 123	24,165	0	<u>24,165</u>
Bus Grant	<u>111,100</u>		
Total State Revenues	4,367,277	4,265,946	(9,769)
Federal Revenues:			
Title I	185,259	219,394	(34,135)
Title II	21,337	17,616	3,721
Title IV	10,001	20,000	(9,999)
Gifted Education	2,072	0	2,072
IDEA Basic	96,137	93,350	2,787
IDEA-Pre School	3,613	3,900	(287)
Pre School Development Grant	89,375	92,840	(3,465)
Structured English Immersion		6,000	(6,000)
CNP-National School Lunch Prog	<u>269,629</u>	245,000	24,629
Total Federal Revenues	677,423	698,100	(20,677)
Total Revenues	5,219,256	5,118,146	(9,990)

EXPENSES**Instruction:**

Teachers-Certified	1,413,781	1,289,270	(124,511)
Substitute Teachers	35,111	22,000	(13,111)
Teachers-Non Certified	333,560	276,060	(57,500)
Teacher Aides	617,073	472,354	(144,719)
Employee Insurance	66,805	102,420	35,615
Social Security	149,755	125,988	(23,767)
Medicare	33,810	29,754	(4,056)
Retirement Plan	220,060	208,310	(11,750)
Long Term Disability	2,926	2,966	40
Unemployment Insurance	3,794	8,542	4,748
Workers Compensation Insurance	11,751	4,272	(7,479)
Misc Purchased Services	51,235	21,790	(29,445)
Continuing Education	25,898		(25,898)
Supplies	87,992	94,330	6,338
Curriculum Supplies	49,878	38,000	(11,878)
Supplies-FF & E <\$5000	3,483	500	(2,983)
Books, Periodicals and Inst. Aid.	19,884	38,500	18,616
Instruction Aids & Textbooks	405		(405)
Miscellaneous Expense	6,320	20,082	13,762
Contracted Counselor/Therapist	112,540	21,228	(91,312)
Dues & Fees	<u>47,751</u>		(47,751)
Total Instruction Costs	3,293,812	2,776,366	(517,446)

Student Support Services:

Teachers-Certified	177,862	105,362	(72,500)
Employee Insurance	450	1,516	1,066
Teachers-Non Certified	37,648		(37,648)
Social Security	13,362	6,532	(6,830)
Medicare	3,124	1,528	(1,596)
Retirement Plan	20,195	1,040	(19,155)
Long Term Disability	175	82	(93)
Unemployment Insurance	281	380	99
Workers Compensation Insurance	0	380	380
Contracted Counselor/Therapist	12,230	64,900	52,670
Misc Purchased Services	61,334	132,102	70,768
Continuing Education	2,554		(2,554)
Purchased Professional Services	10,389	18,602	8,213
Travel & Conferences	6,843	1,500	(5,343)
P/C Insurance	3,152		(3,152)
Supplies	13,990	26,164	12,174
Dues & Fees	<u>7,740</u>	8,132	<u>392</u>
Total Student Support Services	371,329	368,220	(3,109)

School Administration:			
Other-Non Certified	103,615	376,076	272,461
Employee Insurance	5,494	19,282	13,788
Social Security	6,424	23,318	16,894
Medicare	1,502	5,454	3,952
Retirement Plan	9,709	44,904	35,195
Long Term Disability	250	640	390
Unemployment Insurance	135	1,880	1,745
Workers Compensation Insurance		940	940
Misc Purchased Services	17,515	3,778	(13,737)
Repair & Maintenance-Equip	10,751		(10,751)
Furniture & Equip Rental	47,019	37,686	(9,333)
Telephone & Postage	33,441	39,042	5,601
Internet Services	7,609		(7,609)
Advertising	3,669	3,000	(669)
Supplies	63,745	39,328	(24,417)
Supplies -FF&E under \$5000		1,000	1,000
Dues & Fees	1,738	10,000	8,262
Non Deductible Penalties	3,285		(3,285)
Continuing Education			0
Travel & Conferences	700		(700)
Misc Expense	<u>35,722</u>	5,268	<u>(30,454)</u>
Total School Administration	352,323	611,596	259,273
Central/Business Services:			
Legal Services	19,833	28,000	8,167
Financial Services	13,219	40,000	26,781
Audit Services	17,000	17,000	0
Supplies-Business Office	5,408	17,778	12,370
Dues & Fees		4,270	<u>4,270</u>
Total Central/Business Services	55,460	107,048	51,588
Operation and Maintenance:			
Other-Non Certified	11,555	58,500	46,945
Employee Insurance			0
Social Security	716	3,628	2,912
Medicare	167	848	681
Retirement Plan			0
Long Term Disability			0
Unemployment Insurance		230	230
Workers Compensation Insurance	3,126	116	(3,010)
Misc Purchased Services	18,708	7,782	(10,926)
Water/Sewer	10,767	38,198	27,431
Cleaning & Disposal Services	7,334	8,500	1,166
Lawn Care	6,460		(6,460)
Security Services	5,803		(5,803)

Repair & Maintenance Building	17,245	37,572	20,327
Repair & Maintenance Equip	4,014	1,000	(3,014)
Land & Building Rental	83,090	127,356	44,266
P/C Insurance	64,743	58,000	(6,743)
Supplies	16,792	30,340	13,548
Natural Gas/Propane	10,039	10,000	(39)
Electricity	63,425	67,500	4,075
Property Taxes	39,095		
Dues & Fees	<u>1,218</u>	14,000	<u>12,782</u>
Total Operation and Maintenance	364,297	463,570	138,368
Student Transportation:			
Miscellaneous Purchased Services	5,910	43,996	38,086
Repair & Maintenance Equip	10,751	5,000	(5,751)
Student Transportation:	9,181		
Gasoline	<u>19,621</u>	35,000	<u>15,379</u>
Total Student Transportation	45,463	83,996	47,714
Food Service:			
Miscellaneous Purchased Services			
Other Food	185,800	165,000	(20,800)
Dues & Fees	1,207		(1,207)
Travel & Conferences	<u>827</u>		<u>(827)</u>
Total Food Service	187,834	165,000	(22,834)
Student Activities:			
Travel	2,072		(2,072)
Supplies	283		(283)
Uniforms	1,044		(1,044)
Dues & Fees	845		(845)
Field Trips	<u>6,960</u>		<u>(6,960)</u>
Total Student Activities	11,204		(11,204)
Debt Service:			
Interest Expense	379,766	380,282	516
Total Debt Service	379,766		
DEPRECIATION			
	112,060		
AMORTIZATION			
	19,242		
Total Expenses	5,192,790	4,956,078	236,712
Increase (Decrease) in Net Assets	26,466	162,068	-135,602

FRANKLIN PHONETIC SCHOOL - SUNNYSLOPE CAMPUS

**9317 NORTH 2nd STREET
PHOENIX, ARIZONA 85020**

**PHONE 602-870-6674
Email nilknarf@cablone.net**

=====

Dear Fellow Board Members of Sunnyslope School,

Tom and I may not be able to attend our meeting in person but we wanted to convey how proud we are of our staff during the operation of the onsite learning center these past two weeks. The campus looks safe, clean, and well organized. The children appear to be well supervised and the teachers seem to be trying their best to allow them to social distance but at the same time have fun while learning. It has been a joy to see the children slowly return to campus.

Looking at the virtual classrooms has also been exciting. We have had a small glimpse of this through our granddaughter's online learning program. She is being successful learning online and I am proud at how well the Franklin teachers are taking the time to present academics in an understandable manner. Everyone has worked very hard and I am confident that we are willing to transition into another service delivery model for our parents and students during this challenging school year.

The Arizona Department of Health metrics for Maricopa County show that only two out of the three benchmarks are green in the three areas that we were instructed to consider for safe reopening of school. The problem that I personally can see if we allow the school to open, as usual for all grades is that without proper precautions we could accidentally put students and staff at a higher risk for contracting COVID 19. We also have some families at this time who prefer online learning.

My suggestion would be to continue the onsite learning center for another period of at least 2 weeks after Labor Day with September 28th designated as a target date for starting up daycare and preschool. While that may seem like a long period of time, it is only a few weeks after Labor Day. This would allow us to have more areas available on campus for socially distancing the children in hopes that the COVID numbers continue to decrease. It would also allow us time for our protective equipment that is on backorder to arrive. From my glimpses of the virtual classrooms, they seem to be well organized and many children are doing quite well. Nevertheless we need to follow the governor's directive and provide onsite learning for all children who need it during the regular school day. Thank you for your patience during this difficult time.

Sincerely,

Cindy Franklin

Tom Franklin

