



**Old Sturbridge Academy Charter Public School  
Minutes of the Finance Committee**

**Draft – Not Yet Approved**

**Meeting Date:** Wednesday, February 16, 2022

**Time:** 4:00 – 5:00 p.m.

**Location:** Zoom Video Conference

**Members present:** Keith Blanchette, Pam Boisvert, Vivian Brooks, Louis Fazen, Richard McGrath

**Members absent:** None

**Staff present:** Lisa DeTora, Tina Krasnecky, Alex McConnon, Stephanie Toupin

**Order of Business:**

Public Access 1 on Docketed Items\*

1. Approval of minutes – January 19, 2022 meeting of the Finance Committee.....Keith Blanchette
  - **Motion: Approve the minutes of the January 19, 2022 meeting of the Finance Committee**
2. Review Financial Performance for January/YTD.....Tina Krasnecky
3. Fiscal Year 2023 Budget Planning.....Tina Krasnecky
4. Staff compensation.....Tina Krasnecky
5. New/other business.....Keith Blanchette

Public Access 2\*

Adjournment

**Documents and Exhibits:**

- January 19, 2022 Finance Committee draft minutes
- FY23 Budget Calendar
- MCPSA Compensation Survey 2020-2021
- OSA FY2022 January Financials
- OSA Benefit Summary
- OSA Compensation Review Feb 2022

Mr. McGrath filled in for Mr. Blanchette until he arrived and called the meeting to order at 4:02 p.m.

Mr. McGrath conducted a roll call of the Committee. Quorum was established.

*Public Access 1 on Docketed Items*

Mr. McGrath asked if there were any comments from members of the public. There were none.

1. *Approval of minutes – January 19, 2022 meeting of the Finance Committee*

- **Motion:** Approve the minutes of the January 19, 2022 meeting of the Finance Committee.

**Motion: Ms. Boisvert** moved to approve the minutes of the January 19, 2022 meeting of the Finance Committee.

**Second: Ms. Brooks** seconded the motion.

Mr. McGrath conducted a roll call of the Committee.

**Vote:** All in favor.

**Motion passed.**

2. *Review Financial Performance for January/YTD*

Ms. Krasnecky introduced Ms. Toupin and Ms. DeTora to the committee.

*Mr. Blanchette and Dr. Fazzen joined the meeting at 4:04 p.m.*

Ms. Krasnecky said Old Sturbridge Academy (OSA) received about \$36K in January which was payoff from the ESSER III and explained how the grant works.

Mr. Blanchette asked if this was deferred revenue. Ms. Krasnecky said no, and that the management team is looking to purchase something in the budget that would benefit OSA next year. Ms. Krasnecky said other than that, everything in January came in more or less as planned and expects to be on plan for rest of the school year.

3. *Fiscal Year 2023 Budget Planning*

Ms. Krasnecky shared her screen with her budget calendar for the school year that starts July 1, 2022 and ends June 30, 2023. Ms. Krasnecky expects to bring a first pass budget to the committee for review on March 16, 2022, allowing for a final budget review on April 20, 2022. Following that will be a Board review and approval of the budget on April 27, 2022. The actual budget is not due to DESE until August 1, 2022 as part of the annual report.

Ms. Krasnecky said the amendment was not approved. The financials that went that amendment were a good budget for next year, so the management team is taking that document out and reworking it knowing that it has the population it did. DESE has released some tuition numbers so there is something to start the budget.

Mr. McGrath asked if there was any trending increase in tuitions that are being allocated to the communities OSA serves. Ms. Krasnecky said the first pass tuition numbers were based on 420 students which did not happen. One element of tuition is called a facilities number. OSA has been receiving \$938 per student for facilities and the number looks to go up to \$1,088 Ms. Krasnecky said the management team will have to make assumptions around the 360 students and with lottery held.

On March 16, 2022 the committee will review tuition being budgeted at a certain number which would include the analysis of that.

Ms. Boisvert asked if the \$1,083 per pupil is a flat rate. Ms. Krasnecky confirmed that it is a flat rate to any charter school student.

Ms. Brooks asked if tuition/enrollment were at the numbers it should be for seventh and eighth grade. Ms. DeTora said OSA is close and there are not currently any open seats, with wait lists in every grade level. Ms. DeTora will send the details to the committee. Ms. Krasnecky said OSA will open in the fall with 360 students.

#### 4. *Staff compensation*

Ms. Krasnecky provided a current compensation overview for OSA with five different types of employees: Instructional Staff, Instructional Support Staff, Non-Instructional Support Staff, School Leaders, and Administration and explained each type.

Ms. Krasnecky discussion compensation concerns and the ideas that the management team has. Per Ms. Krasnecky, the step matrix has not been updated in five years. Ms. Krasnecky explained the pattern of recruitment and retention.

Ms. Krasnecky said that OSA requires teachers to work 7.5 hours where other local elementary schools require 6 hours and 45 minutes. Ms. DeTora reported that the employees express that they are looking for less hours in their exit interviews. Per Ms. DeTora, although OSA cannot change the length of the day, she wants to look at compensation to make it fair. Ms. Krasnecky said the management team is reviewing a salary survey and looking at local district data with some focus on Southbridge and Sturbridge.

Ms. Krasnecky said the current OSA entry point (BA-00) is \$44,000. Ms. Krasnecky indicated that per benchmark data, OSA may be considering a 5-7% increase.

Mr. McGrath asked if the 7% increase takes the longer school day into consideration. Ms. Krasnecky confirmed.

Dr. Fazen asked if union salaries are being reviewed. Ms. Krasnecky said the team is looking at district data, town reports, staffing, and Southbridge and Sturbridge contracts. Dr. Fazen emphasized the importance in recognizing the longer day and year. Ms. Boisvert said the team should take into consideration that there are no other charter schools in the area.

Ms. Brooks asked what the entry point is for Sturbridge, Burgess Elementary, and Southbridge. Ms. Krasnecky said Sturbridge is set for next year at \$48,161 and Southbridge's novice is \$49,000. Ms. Krasnecky said the management team feels the minimum to start might be closer to \$47,000 and needs to balance it with an individual with a Master's degree. Sturbridge is paying about \$3,000 for someone with a Master's degree and the charter school survey lists \$2,000 to \$3,000 for Master's degree. Ms. Brooks asked what the increase was that Burgess states. Ms. Krasnecky said 2% a year, heading into this year.

Mr. McGrath asked if compensation would have to be increased more to prepare for the 7.5 hour day. Ms. Krasnecky said the management team has to continue to look at other fringe benefits

before they commit to higher. Ms. DeTora said there will still be middle school staffing vacancies with the addition in eighth grade.

Ms. Krasnecky said one of the reasons the management team is picking up big increases is because they have not done this review in five years and COVID-19 put it on hold. This is a step option for OSA and the goal would be to have a matrix with a couple of years of longevity to it.

Ms. Krasnecky reviewed the cost of living with an increase of about 3% and an increase closer to 6% in 3 years for minimum wage. The increase in minimum wage has created compression and the management team is seeing difficulty in recruitment for some hourly type jobs and more competition for non-matrix positions. This might require some adjustments to retain staff.

Ms. Krasnecky discussed fringe benefits. OSA offers medical coverage at 60% employer paid (regardless if you are single, married, or with a family) and appears to be competitive on other areas like vision. The management team is also reviewing paid personal days. Currently, OSA offers three days which appears to be consistent with other charter schools. OSA offers five paid sick days but the charter school study suggests six to ten which might be another area to review. OSA also offers a 403b plan and not many other schools have matching contributions.

Dr. Fazen asked about negotiating with third party plans for a lower cost and addressing inflation. Ms. Krasnecky agreed and said the management team could make an acknowledgement that they decide to readdress the matrix sooner if some sort of inflation hits so employees do not feel like they are working for something without a backup.

Mr. McGrath asked if a compensation statement is provided to employees on an annual basis. Ms. Krasnecky said no but it is worth looking at.

Ms. Krasnecky said the management team is sorting out the data with holidays and vacation time and how summer months are covered.

Mr. McGrath asked about retention. Ms. DeTora said there has been good retention for years two and three and is starting to get into issues of performance or not a good fit. Per Ms. DeTora, there was above average retention. Most of the employees that left mid-year was because of the length of the day with family commitments. Ms. DeTora said the deans have been a positive addition and no one from the custodial staff left for a bad reason.

Ms. Krasnecky said as OSA gets closer to a permanent school building, the model would settle and the management team can look at less part-time and look towards recruiting and retaining the staff better.

Ms. Krasnecky said the budget is governed by tuition and the management team will focus on what they expect tuition could be in the next couple of weeks. The management team will also review the staffing plan from Ms. DeTora and they need to create a proposal on where to house the 40 new eighth graders. The management contract was reviewed by the Governance committee at their last meeting and the proposal that went to them was that that the fee would not change. The management contract has been sent to OSA Legal to review then will go back to the Governance committee. Ms. Krasnecky is hoping to have this for the next meeting for discussion.

5. *New/other business*

There was none.

*Public Access 2*

Mr. McGrath asked if there were any comments from members of the public. There were none.

**Motion: Ms. Brooks** moved to adjourn the meeting.

**Second: Ms. Boisvert** seconded the motion.

Mr. McGrath conducted a roll call of the Committee.

**Vote:** All in favor. (Mr. Blanchette left the meeting early and was absent)

**Motion passed.**

There being no further business, Mr. McGrath adjourned the meeting at 5:17 p.m.