

**MSA Finance Committee Meeting Minutes**

**September 2023 Finance Committee Meeting Minutes**

Monday, September 11th, 2023

4:15 PM

Building/Room: Building A Room 16 (Leonhardi's Classroom)

Finance Committee

**Committee Members:**

Isaac Leonhardi	Chair of Committee, BOD Treasurer	Present
Wendell Sletten	Board Member, Teacher	Absent
Randy Vetsch	Administration	Present
Kate Hinton	Administration	Absent
Justin Gehring	Staff/Parent	Absent
Jaidev Balchandani	Parent	Absent
Courtenay Dugas	Parent	Present
Jennifer Stieve	Parent	Present
Yohannes Ghebru	Parent	Present
Alicia Lerum	Parent	Present
Noah Langseth	Teacher	Present

**Agenda:**

**1. Introductions/Purpose of Committee (Leonhardi/ Vetsch)**

- Introductions of committee members given.
- Overview of the purpose of Finance Committee given:
  - i. Review monthly finance reports for discrepancies and concerns;
  - ii. Assist in preparing yearly budgets;
  - iii. Partner with AFC;
  - iv. Assist with annual audit needs.

**2. Finance Reports and Review Current Year Financials (Vetsch/ Reeves)**

- Very strong cash balance at month end of August.
  - i. Month end of August has 16.67% of the year completed.

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- No anticipated need for financing at this time. At this time we have a projected cash balance of 37% on hand fund balance (meeting bond requirements).
- Reeves plans to work with the bank this month to draw the funds on behalf of the MSA Building Company to reimburse the funds that are due for repairs/maintenance services that were paid for by the school.
- Prepaid expenditures line item- as each year progresses it will draw upon the multi year prepaid expenditures.
- Premiums deductions- variance of when deductions come out of the paychecks from staff versus when they come out of AP/AR.
- 590 ADM projected with the current working budget. When creating the reports Reeves did not have an ADM number to work off of. They did receive one today and will meet with Administration to update the budget model and numbers.
- A large check was received in the revenue category for the building hail damage. This does inflate our revenue percentage rate. This was due to an insurance claim.
- Some line items ahead of target- licensed software/textbooks. This is anticipated due to the needs at the beginning of the school year and will even out as the year continues.
- 9.8% of expenditures at the target amount of 13%. This will even out throughout the fiscal year and as salaries and wages catch up throughout the year.

### Supplemental Report-

- Verification of supplementals by Holt:
  - i. Negative in Prom, NHS, and Theatre due to prepaid expenditures.
- Credit Card receipts- Holt brought up a transaction that a member had questioned for approximately \$20k. This transaction was to secure chromebooks for students. The school has a high credit card limit based on our history. Reeves provided a verification of the credit card process and confirmed that the bill is auto paid monthly. All credit card purchases are pre approved by the Administration team.

### 3. Audit Plan (Vetsch/ Reeves)

- Abdo was hired as our external audit service.
  - i. Will begin in October.

### 4. Expansion (Vetsch)

- Vetsch provided an overview of history of expansion:
  - i. Working with a construction company that has a history of working with charter schools. Significantly lower cost than the previous construction company we had contracted with;
  - ii. Target enrollment would be around 1,300 students;
  - iii. Hopeful for a 2025-2026 launch year.
- Hopeful by October's finance meeting that there will be more details to share.

### 5. Technology Grants (Gehring)

- Gehring is not present tonight for an update. Holt provided an update with the information they had.

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- i. \$163,500 was the original requested amount from the Emergency Connectivity Fund in 2022. MSA did not hear anything from the grant for over 1 year. In late August we started to see movement on our application. Due to the changes in needs/prices Gehring did submit new information on the pricing/models that we received. Awaiting an update on our application at this time. No new information.

### **6. Fundraising/ AFC Committee (Vetsch/ Gehring)**

- Gehring not present, Vetsch provided an overview of the AFC (Alternative Funding Committee).
- AFC will establish a fundraising goal for this year for Give to the Max.

### **Additional Questions/Comments**

- Question concerning the “SPED funding gap.”
  - Confirmed that the school estimates that 93% of Special Education spending is budgeted as reimbursable from the funding.