## 2025 - 2026 Finance Committee

4:30pm, 3rd Tuesday of the month

Room 303

Contacts: Treasurer: Whitney Runia (wrunia@harborcityschool.org)

Accounting Firm: Creative Planning

# Purpose of committee (from II.M Board Committee Structures)

The finance committee is responsible for working with the charter school administrator to develop and monitor the budget, ensure accurate tracking/monitoring of funds; ensure adequate financial controls; and review major grants and associated terms.

To fulfill our role, members of the finance committee will prepare for meetings by reviewing the monthly financial documents ahead of time so we may ask questions out of curiosity and fiscal responsibility at the monthly committee meeting.

#### **Useful Finance terms:**

- FY25 = Past fiscal year, July 1st 2024 June 30th 2025
- FY26 = Current fiscal year, July 1st 2025 June 30th 2026
- Federal fiscal year = October 1st September 30th

#### Monthly Finance Documents to be reviewed:

- 1. Bank Statement Bremer checking
- 2. Bank Statement Bremer savings
- 3. Check Register
- 4. Misc. Disbursements

- 5. Revenue vs Budget
- 6. Expense vs Budget
- 7. Treasurer's Report

Reports 3, 5, 6, and 7 are the minimum required by VOA. The Finance Committee requests reports 1, 2, and 4 to help us carry out our fiscal responsibilities.

## **Useful Links:**

- Role of the Treasurer
- HCIS Bylaws
- Finance Committee Folder
- Schedule of Finance Documents

## **18 November 2025**

# In Attendance: Whitney Runia, Tom Maloney, John Schulte, Krissa Boman, Aryn Bergsven, Jess Hulett from Creative Planning

## October Financials

- Questions:
  - The +\$15000 income under the supplementals looks like it is from concurrent students but this is from the cyber security grant Lucas secured
  - Old national bank fee for \$206.78- service fee that we do not recognize
     CP is doing research as to what it is and why
  - <u>Bill.com</u> is our new service for bill pay what does that monthly fee look like is it a flat fee or a % of what we use it for.
  - Was the Bremer fee for the Audit work- CP will investigate
  - More teaching on the detailed journal was given- very informative, we discussed needing to do this so we are more informed of current and past issues.

## Audit Update?

- Last month said it should be done by the end of November.
  - No other update- waiting for drafts to be received
  - We have sent all the data that they need to complete
  - We are currently on time for our submission to MDE and MEGS

What can we as a the finance committee do to help work on the budget deficit to both bring in money and eliminate money

- What is our role
  - Look at student data
    - Why are students here
    - Why are students leaving
    - Looking at those who are enrolling mid-semester often are not finding success where there are at.
- What would that timeline look like?
  - 16 students on the 8th grade waiting list that are interested in starting in Jan.
  - Boman proposal for 8th grade enrollment cap increase
- How else can we generate revenue?
  - Corporate donors-
    - Create a letter
    - Don Ness
      - CEO of ordean Foundation and former alumni parent

- Low Effort, High impactt fundraising
  - PTA
  - FUN Run'esq group
  - Music/Art show as a fundraiser
    - Tom and Whitney may help get this started
- Reducing costs
  - o Boman shortening school year

#### Travel Club account

- What do other schools do?
- How do we make this accessible to the club to use, but separate from the school?
  - CP can put in a completely separate fund that is not in the general fund- CP will send a follow up email that could lay out steps on how this could look.

#### 21 October 2025:

In attendance: Krissa Boman, Whitney Runia, Aryn Bergsven, Tom Maloney, Jess Hulitt

Request from paraprofessional for consideration: GoGuardian- ask Lucas to investigate / ask for quote?-

GoGuardian quote request.

From what I could find online it seemed like it may be around \$14/student per year. Curious if they can offer a more reliable figure for what it would cost here.

https://www.goguardian.com/

#### June Documents:

- \$32,000 in unearned revenue will be investigated.
  - This amount was reversed for the new fiscal year of 2025- much of this looked like donations and student trip money, and Amazon smile.

#### **September Documents:**

- Repairs and maintenance prices up-building the middle school wall and the unplanned expense of the new dishwasher.
- Salaries and wages budget need to be addressed due to new staff and lower student enrollment- a difference of about \$80,000.

#### Oct. 27th beginning of Audit

Should be submitted to MDE by end of November.

Audit report to the board around December

Finance training for the Board on 10/23

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## **16 September 2025**:

In attendance: Krissa Boman, Whitney Runia, John Schulte, Aryn Bergsven, Tom Maloney, Jenny Abbs, Jess Hulitt

#### June Documents:

#### July Documents:

#### **August Documents**

- June budget vs actual missing. CP will prepare financial documents for June in time for audit.
- July and August were looked at together.
  - \$32,000 in unearned revenue will be investigated.
  - o On current trajectory, Fund Balance will grow to 15.6% of annual budget
- Motion to approve financial report will be different than in the past
- Krissa will submit lease aide application on 09/17/2025

Oct. 27th is the first day of starting out audit

This was pushed back due to CP start date

What will the finance training for the board of directors in Oct. look like? How much time will you need for that?

## 19 August 2025:

In attendance: Jess Hulitt (Creative Planning), Jenny Abbs (Creative Planning), Aryn Bergsven, Tom Maloney, Whitney Runia, John Schulte

The purpose of this meeting is to discuss May and June finances and improve them for the board meeting on Thursday.

## **May Finance Documents**

- Commonly seen was the continued decrease in funding due to
- Number of checks that needed to be voided and re-cut which caused a lot of extra work to get caught up
  - Vendors- with Indian grant- amounts that had to be fixed with voiding the payment
  - Projects submitted and payed but then added some extra rush fee checks
  - ACO got an extra check for the same invoice
  - Jostens billed for year books first 1548 and then 1584- confusing with back and forth to set the correct amount
    - Jostens check is out of sequence: 21958

- Lee is trying to correct the number that should be 21883 instead of 21958
- Truman-Rice- Sub-payment via check instead of thru salary to go thru payroll.
  - Note says it was a replacement check
    - Lee will look into this further to see why this was not done thru payroll.
- CC Purchase routine needs to be refined to help the barrier of not having the documents (receipts) needed in a timely manner
  - Because of this Lee has an account running to put those purchases in until receipts are found to tie to the expenses.
  - Aryn notes that this is a HCIS cultural problem that should be addressed

## **June Finance Documents**

- Line of Credit- more information is needed to prove that the middle school will be bringing in money
  - Lee and Aryn met to create a 5 year projection for this and will be sending to banker tomorrow.

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# 12 August 2025: https://meet.google.com/fae-krdv-few

In attendance: Jess Hulitt (Creative Planning), Jenny Abbs (Creative Planning), Aryn Bergsven, Tom Maloney, Krissa Boman , Whitney Runia, John Schulte

## EOY 2025 ADM Report

## **May Finance Documents**

- Missing check register, Treasurer's report, budget vs revenue
  - Looking for Friday delivery for review on Tuesday August 19th

# June Finance Documents

- Incomplete financials, Accountant will deliver by Friday August 15th for review, committee will convene on Tuesday August 19th via Google Meet
- The audit team will do work Sept 22-26- Lee will have most items for this ready for them by the end of August.
- Any other outstanding Lee items that will need to happen before his departure at the end of August:
  - Will work on finishing up all of the summer financials before handing everything off to CP

## Line of credit...

- Board approved opening a line of credit in special meeting on 7/29 {\$150,000}
- Application complete via Old National, approval will likely take 3 weeks from application (earliest would be the week of August 18th)
- Continued cashflow woes, but it seems as though necessary payments will clear.
  - Things should stop being as tight around August 31st (first 40% of SY25 holdback received, 30% last day of Sept, final 30% last day of Oct)
  - Some SpEd funds in limbo, Heidi working on getting those funds straightened out (August 20th deadline)

## **Creative planning update\_ First month report:**

- Finance reports are behind what are our options thru creative planning to help with that if needed after Lee leaves:
  - They are able to help with that if that need arises.
  - CP may do the July documents for September meeting
- Future finance committee meetings- Third Tuesday of each month at 4:30pm (trying to give Creative Planning ample time to prepare financials)
- Team of 4 to work with HCIS-
  - Payroll
  - Accounts payable/recievable
  - o Grant manager-
  - o Controller- monthly financials, cash flow, adm updates, lease aid
- Will close the books at the 10th of every month and will have the reports for the 15th of the month- will send reports before the meeting and will then walk thru it all during the meeting.
  - Clear visuals for the committee meeting
  - Next month when they go through their process and visuals, this will count towards the yearly training that the finance committee is required to do.
- CP will not typically do any reporting at a board meeting, though can be there at a request.
  - Will be there for yearly budget
    - Long range budget format
  - Audit reporting information
- Ideally would like to start working on budget for the next Feb, and contract info in April

## **Increase of Middle school numbers projections (how it relates to the budget):**

21 students for each: + \$18,00022 students for each: + \$36,000

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In attendance: Tom Maloney, John B. Schulte, Beth Burnett, Whitney Runia, Lee Matson, Brian Scott

We will not meet in July, next meeting will be Tuesday, August 7.

## **April Finance Documents**

- More lease aid coming this summer, cash balance will dip to nearly \$73K, but will improve quickly
- Beth suggested moving to biweekly payroll rather than semimonthly

#### FY 2026 Budget

- Low enrollment in incoming 9th grade. We looked at ADM numbers and the resulting fund balance. Group agreement that we'd like to improve from 11% to at least 15% fund balance.
- The committee discussed what the budget would look like with less high schoolers and more middle schoolers to have an idea of what "worse case scenarios could look like.
  - o 46 middle schoolers and 175 high schoolers
  - o 40 middle schoolers and 175 high schoolers
  - 40 middle schoolers and 185 high schoolers
- The committee looked at how the different prices for Insurance BCBS vs ICHRA would affect the budget.
  - Committee recommends moving to ICHRA but providing budgeting for a high level amount for each employee
  - The committee also recommends continuing with the \$6000 a year payout for those employees that do not enroll in the school insurance.

#### **Information Items:**

- 1. Fringe Benefits renewals for FY 2025-2026:
  - a. Met Life is keeping rates unchanged from FY 2024-2025. 0.00% increase for the following coverages:
    - i. Basic Term Life Insurance (100% of premium paid by HCIS)
    - ii. Basic Accidental Death & Dismemberment Insurance (100% of premium paid by HCIS)
    - iii. Supplemental Term Life Insurance (100% of premium paid by Employee)
    - iv. Supplemental AD&D (100% of premium paid by Employee)
    - v. Short-Term Disability (100% of premium paid by HCIS)
    - vi. Long-Term Disability (100% of premium paid by HCIS)
    - vii. Vision (Premium paid with a mix of HCIS and Employee dollars depending on coverage)

The committee decided that since the price would not be changing for this we would opt to keep doing what we are doing since we are already discussing changing up health insurance for all of the employees.

## 28 May 2025

In attendance - Whitney Runia, Tom Maloney, Aryn Bergsven, Beth Burnett

- Recommend board move from in-house finance service to Creative Planning
  - a) After inserting data from interviews, proposals and references into this <u>evaluation matrix</u>, the decision was made to move forward with Creative Planning.

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## 21 May 2025

In attendance - Whitney Runia, Tom Maloney, Aryn Bergsven, Beth Burnett, John Schulte

- 2) Recommend board move from in-house finance service to one of the out-of-house consultants (CP or CLA)
- 3) Before the board meeting next week, Aryn, Beth and Tom will check each company's references and a follow-up call to each company. We will complete a matrix comparing companies and make a recommendation to the board.

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# 8 May 2025:

In attendance – Whitney Runia, Tom Maloney, Lee Matson, Krissa Boman, Aryn Bergsven, John Schulte, Lucas Crawford-Nichols, Brian Scott

#### Information Items

- 2. March Finance Documents
- 3. Budget 2025-26 discussion; board will view on May 15th and vote on June 17th
- 4. Plan for next year
  - -RFP; two companies
  - -3 systems possible: entirely internal, entirely external, or hybrid of both Lee- not a fan of changing structure while opening up 7th and 8th grade; suggests hiring someone from a third party to do payroll; says benefit to having him here to help Aryn; suggests hiring someone local even if it's not him; Lee says he puts out fires every day

John- will it be clunky to do a hybrid? Pros and cons to either other system -How much of Lee's time is taken up by payroll? Lee's reply: 20-25 hours a month

Aryn- What is an example of a fire that Lee has put out?

Lee- Heidi came to him with something that needs to be done the next day

John- Would another model have caught this to prevent a fire put out?

Whitney- Would it be beneficial to have a team/more eyes to be on deadlines?

Lee- How much service would we get during tax season? It's all hands on deck. I will respect any decisions made but wants us to have all the facts.

Whitney: Are there systems in place to prevent fires next year?

Lee: One example is working with Krissa for lease aid.

Lucas: Part of bid may be the response that the company commits to; what support can you expect and is it in writing? The same day?

Aryn: Timeline is tight; a special session needs to be called in late May for a few reasons, including when benefits info is available.

Whitney: We need more info on 3 systems so board can weigh in on.

John: Will look at RFPs and ask questions.

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## 10 April 2025:

In attendance – Whitney R., John S., Finance Director Lee Mattson, E.D. Aryn Bergsven **Information Items** 

- 5. February Finance Documents
  - a. As of Wednesday, April 9th, reports #5 and #6 are missing. Ideally, all financial documents are prepared on the Monday prior to the finance committee meeting.
- 6. Review January Misc. Disbursements
  - a. January Miscellaneous Disbursements were not reviewed at the March finance committee meeting. I see that document has now been prepared. Although the board approved January documents through a consent agenda, the Finance Committee should take a moment to review them.
- 7. X FY25 BUDGET REVISION DRAFT.xlsx
- 8. Is the checking account balance normal for this time of year? Are lease aid payments being received?

## 13 March 2025:

In attendance - Tom, Mark, Brian, John, Ted, Aryn, Lee

- **1.** Resignation of Bethany Carroll from board; appoint new treasurer
  - a. Appoint a current acting board member (John or Whitney), Tom Maloney will serve as finance committee chair
- 2. January Finance Documents 01January Finance Documents
  - a. Low January revenue: ADM payment adjustment from MDE; results in low cash balance
  - b. Move to update YTD balances, completing February financial documents by early next week.
- 3. Budget Revisions: 
  ☐ FY25 BUDGET REVISION DRAFT.xlsx (must be logged into HCIS account to view)
- **4.** Add 5 year projection budget
- 5. ADSIS application ADSIS SFY26 Budget Excel Spreadsheet.xlsx
- 6. American Indian Education Aid ☑ AIEA Budget Workbook SY2024-25 Final.xlsx

## 13 February 2025, 4:30 p.m.

In attendance: John S. Lee M., Aryn B.

#### Information Items

- 7. <u>December Finance Documents</u>
- 8. Regarding check number error on October Finance Documents
  - a. Jan. 21st: Rochelle replied to Bethany and said "The note on the November Treasure Report from Lee will suffice."
    - i. No further action is needed.
- **9.** Review FY24 overspent line items (\$14,000 Misc Odds and Ends)
  - a. <u>Link to docs</u> (Note there are 3 Files: salaries and wages, fringe/taxes, and non-labor)
  - b. NOTES FROM MEETING:
    - i. Aryn left comments in document, there were no glaring questions of huge concern but many small items, please add your comments and questions too.
    - ii. Committee will draft and propose a school spending freeze for all non essential non-labor items until a budget revision can be created and reviewed for March meeting, Aryn will draft and share here.
    - iii. Committee needs to review/add to budget revisions ASAP, for or at the next committee meeting, see shared document to play with cuts for the remainder of the year.
- 10. New Vendors Report

Note from Lee: Following up on some good points made by Aryn regarding internal control. Of all the fraud committed at small to medium businesses, 80% of it is via the creation of fictitious entities submitting fictitious invoices but being paid in real cash. So, I have added a new line of defense: a new report that lists any new vendors that the school does business with. For example, United Truck Body fixed one of our vehicles after a recent break-in. So, I entered United Truck Body in the new vendor list, along with address, the purpose of using the new vendor and amounts paid to date. I hope that this can be useful as we put the financial process on more solid ground! Any suggestions are welcome!

- As a further measure of internal control, it is not a bad idea to have the Finance Committee and the BOD approve all new vendors (if any) each month. Just a thought
- **11.** Monthly rate increase of 3% at Duluth Area YMCA beginning in January 2025. From \$1,085.00/month to \$1,118.00/month.
- **12.** A statutory change in the aid calculation will result in a sizable increase in Compensatory Education state aid beginning in FY 2025-2026.

Compensatory Education, FY 2024-2025 (current year) = \$137,923

Compensatory Education, FY 2025-2026 (next year) = \$199,198

Net increase in aid = \$61,275

 Also, please note that this increase in compensatory education aid is unrelated to the middle school.

#### **13.** ACT Update from Bethany:

- a. 30 of of 45 juniors chose to take the ACT.
  - i. Of those 30, 20 paid \$68, and we will receive state reimbursement for 10 students (the cost of their tests)
- b. 15 juniors not taking the ACT is a higher number than usual.

- i. Of those 15, 11 chose to opt out, 4 never responded.
- c. Overall, the process went very smoothly. Bethany and Krissa coordinated so that families received an email from Krissa letting them know how much their ACT test would cost (based on qualifying for educational benefits) the same day Bethany sent the ACT letter home.
- d. No students or families reached out with concerns about the cost.
- e. Due to a family donation, HCIS will have ZERO costs for the ACT!!

# 8th January 2025, 4:30 p.m. — **WEDNESDAY**

In attendance: Bethany, Mark, John, Aryn, Lee

## **Information Items**

- 1. Finance Google Drive Folder, check-in
- 2. November Finance Documents
  - **a.** Appears we need to amend the Dec. financial statement board vote due to error in check numbers for October Treasurer's Report
  - **b.** Has the Oct. Treasurer's report in the google drive been replaced with the corrected report?
    - i. Bethany emailed Rochelle about a motion and amended report, 01/10
- 3. Detailed review of overspent line items in FY 2024 (Lee request)
  - a. Requested detail for next meeting of \$14,000 over spent in Misc. Odds & Ends
    - i. Detail provided and linked to be reviewed in February Meeting
  - **b.** Asked for clarity on Music Teacher 1.0 VS .8 FTE
    - i. Follow up note from Lee: The Music line was overspent, but not for the reasons that I stated. The overage was actually due to part of Tom Maloney's salary being charged to Music. All of Tom's time was in the Math budget, when part of it should have been in the Music budget. Because of this, the Math budget was underspent, offsetting the overspent budget in Music.
- **4.** Change in HSA vendors from Lively to Compensation Consultants

# 12th December 2024, 4:30 p.m.

In attendance: Bethany, Mark, Lee

- 1. January 8th, next Finance meeting
- 2. Call from Tony regarding marketing
  - a. Plan to be patched in on December 19th board meeting
- 3. October Finance Documents
- 4. Audit to be reviewed at Board meeting
- 5. ACT Letter check in with Krissa
- 6. What needs to be done so the FY26 Budget can be ready for timely reviews?
- 7. 2024 Income Statement

## 14 November 2024, 4:30 p.m.

In attendance: Tom Maloney, Aryn Bergsven, Lee Matson, Mark Johnston, John Schulte

#### Information Items

- 1. September Finance Documents
- 2. Statement of Collateral
  - a. <u>Note from Lee</u>: Pledged collateral exceeds 110% of the sum of total deposit balances less \$250,000 FDIC coverage by \$444,887. I recommend making no changes to the pledged collateral at this time.

## 10 October 2024, 4:30 p.m.

In attendance: Bethany, Mark, Aryn, Lee

- 1. July Finance Documents
- 2. August Finance Documents
- **3.** Lee send to Bethany by Oct. 22nd: motion language for theater fund, activities fund, and Minnesota School District Liquid Asset Fund's (MSDLAF) (from September meeting)
- 4. Credit Card changes Lee
  - a. Updates to come on who has credit card access, Sam's Club, Menards, etc.
- **5.** June notes from Lee:
  - a. Lee send to Bethany by Oct. 22nd: Food service.
    - i. The transaction approval numbers are unchanged with the exception of the negative cash balance in Food Service. I will assemble the motion language for this and have ready prior to the meeting.
  - b. There are several closing entries that still need to be made. As such, the YTD vs. Budget numbers will most certainly change, meaning that both the Committee and the Board won't be able to approve those particular documents until the audit presentation in December. But, VOA recognizes and has provided slack for this reality. Otherwise, the Committee is free to approve the motions as listed in the June Treasurer's Report.
- **6.** Statement of Collateral
- 7. Clarification on June Soft close and delayed finance documents
  - a. This is an issue that occurs every year.
  - b. The board always passes the June docs before the final close can be performed.
    - The June final docs that might change are Expense V Budget and Revenue V Budget
    - ii. Why has the board not voted on the updated June Finance Docs in the past?
      - 1. We do it is the audit.
  - c. June updated docs (Exp and Rev V Budget) are available after Audit
  - d. July docs = are not any more dependent on the June soft close than other months and can be ready at the regular scheduled time of the September Finance Committee meeting.

- **8.** Per Aryn's request to support Lee as he has moved from .5FTE to 1.0FTE, the finance documents will be reduced from 9 to 7 reports going forward.
  - a. Required finance reports as per the VOA-MN Financial Standard Six:
    - i. Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets Monthly financials include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register (The school is responsible for including a description for each item on the check register and an explanation for any check sequence gaps.), and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.
  - b. The following reports that HCIS has supplied will fulfill this requirement on a monthly basis:
    - i. Treasurer's Report
    - ii. Revenue vs Budget
    - iii. Expense vs Budget
    - iv. Check Register Detail
    - v. ADM Report (Krissa creates this report)
  - c. In addition, the Finance Committee requests the following reports:
    - i. Bank Statement Bremer checking (This is just a pdf of a report created by Bremer)
    - ii. Bank Statement Bremer savings (This is just a pdf of a report created by Bremer)
    - iii. Misc. Disbursements

9.			

# 11 September 2024, 4:30 p.m.

In attendance: Bethany, Aryn, Krissa, Lee, Mark, John

- 1. June Finance Documents
  - a. **Not ready**: Soft closes at the end of the fiscal year, an application we have been using for 20 years, additional issues/miscommunication.
  - Miscommunication: evidently they were mostly ready, but this was not communicated until Tuesday, so Finance Committee members have not reviewed June Documents.
- 2. July Finance Documents
  - a. Not provided at the time of the Finance Committee meeting. No July Financials have been reviewed by the committee.
- 3. Schedule of Finance Documents
- 4. Budget revision:
  - a. Due to a concerningly low ADM this early in the year, Lee will be presenting a budget revision in October reflecting our low ADM.
- 5. Field trips: Bethany is specifically wondering about college and career readiness trips onward!
- 6. **Theater Program funds**: \$5,000 sitting in a generic investment account with RBC. The original plan was to make an electronic transfer from the RBC account directly into our

Bremer checking account. However, Chani wants to avoid co-mingling the theater donations with the general checking funds. So, the RBC broker ("Scott Wick") suggested that HCIS open an investment account with RBC as a place for Chani to park her theater donations until needed. If this is what makes her comfortable, it makes no difference to me if the funds are parked in RBC vs. Bremer. But, like all bank and investment accounts, board approval is required. In addition, funds are required to be investment per the parameters set by statute. I have not made up my mind regarding this, but a discussion at Finance would be a good starting point.

- a. Money will be in a money market at Bremer so we keep all our money in one place.
- 7. AP (Krissa) and ACT (Bethany) fees
  - a. Krissa- fee information has been shared with AP teachers. (copied below)
    - i. Each AP exam that a student says YES! I want to take this! is \$99. Students can pay cash or check made out to Harbor City International School, with a memo that this is for the AP exam. If the student qualifies for Educational Benefits (I can let you know if a student does), the cost per exam is \$62.
    - ii. If a student decides they do want to take the AP exam after November 14th but before March 13th, the price per exam is \$139 (\$99 exam price + \$40 late fee).
    - iii. After March 13th we cannot refund them, even if they do not want to take the exam anymore.
    - After November 14th, if they have not paid for their exams, their exam will not be ordered
      - 1. APES, 4 have registered so far
      - 2. APUSH- no registrations so far
      - 3. AP Lit no registrations so far, no AP classroom set up
  - b. Don't have a timeline on how to communicate this with parents/guardians. I instructed AP teachers to communicate prices, but will follow up with individuals as we progress.
  - c. ACT 2024-2025 Pricing: The ACT with writing is \$70.25. There is also a discount of \$2.25 for each exam administered online (\$68) rather than on paper.
    - i. ACT is scheduled for Tuesday April 22 (electronic, late spring testing window 1)
    - ii. Registration/Contract Deadline: February 19, 2025
    - iii. For our free and reduced students, we can receive partial refunds via GRR. It has to be their first time taking the ACT (for 2023/24 we will be refunded \$66.50 for each qualifying student (14 students total for 23/24) (technically this isn't finalized yet)).
- 8. Lee update on other bank options for our fund balance are we going with MNSDAF?
  - a. Bremer does offer a liquid investment account that is currently yielding 5.05%. This is in the ballpark of the Minnesota School District Liquid Asset Fund's

(MSDLAF) yield of 5.13%. We decided that the convenience of having all of our accounts at the same bank was worth the sacrifice of 8 basis points. Nothing has been signed yet and is worth a discussion at Finance.

- i. Bremer all the way
- 9. Clubs Lee research, Bethany conversations
  - a. <u>Club fee structure: Krissa did some playing around with an idea of one, needs</u> more info on what clubs would fall into what categories
  - b. CP club options, internal fundraising, fundraising goals
  - c. There is a need for a parent lead fundraising group
  - d. Aryn is holding meeting with staff on Friday.
- 10. Lee motion language for theater and fund balance accounts
- 11. Potential budget for the 7-8 Grade Expansion; ideas on how to secure funding.
  - a. Phase 1 maximizing our space, no unused classrooms ever
    - i. How do we pay for our basic up front expenses, like putting up walls?
      - 1. Talk to Bremer, local grants
  - b. Phase 2 Building out 1st floor
    - i. Apply for start up funding, grants through MDE, bonding
    - ii. Would be apart of our lease negotiation
    - iii. Leveraging with our land lord
    - iv. Fair market value for negotiation
- 12. FY24 Actual Budget Doc?
- 13. FY25 Projects: Adopt a salary scale, write clubs policy, assist in process development for AP and ACT testing costs, chromebook and instrument rental fees, and possible other student fees. Related policy

## 07 August 2024, 4:30 p.m.

In attendance: Bethany, Mark, Lee, Krissa, Aryn

- 1. May Finance Documents
- 2. June Finance Documents unavailable
  - a. Void check list. No void checks; no report necessary.
  - b. Still need 7. Misc. Disbursements.
  - c. Check in on remaining finance codes next week Tuesday.
- 3. Auditors: coming end of September/beginning of October.
- 4. Lee update on other bank options for our fund balance
  - a. MN School District Liquid Asset Fund...MNSDAF?
    - i. Pools multiple school funds and invests in grade A paper and other safe things.
    - ii. 5.2% vs current Bremer 1% fund
    - iii. Risks: State requires it all be collateralized...safe investments, statue requirements keep us safe.
- 5. Chani hourly
- 6. AP & ACT testing fees
  - a. Krissa = AP test cost communication...circle back when not the crazy of starting school year

- b. Bethany = ACT...in January
- 7. Discussion: club fees and their budget expense
  - a. Lee is investigating laws around this/extracurricular type things, compiling historical expenses.
  - b. How do other schools manage this?
  - c. Can we have a fund for extracurricular that is not a part of our general fund, and if yes, who is responsible for it?
  - d. Krissa working on fee structure that can be ready by 2nd or 3rd week of school.
  - e. Parent fundraising group
  - f. Bethany: talk to Beth and Northstar about Legacy Fund
- 8. FY24 Actual Budget doc
  - a. Ask Lee what this is called and when it would be realistic for us to receive a copy.
- 9. What is this doc, and is it meant to be viewable by all? Lee added in July.
- 10. FY25 Projects: Adopt a salary scale, write clubs policy, assist in process development for AP and ACT testing costs, chromebook and instrument rental fees, and possible other student fees. <u>Related policy</u>

## 13 June 2024, 5:30 pm

In attendance: Bethany, Krissa, Lee, Aryn, John

## Information Items

Lee to address: from Aryn's report = MOE not met, \$20,000 negative impact, Lee may be able to address this more.

- 1. Do we need to help check in on SpED funding? Maintenance of Effort stuff
  - a. Does not need to actively stay on our radar
  - b. What it is: SpED needs to be fully spent, should not decrease drastically, add more notes
- 2. Current bank for fund balance, should we continue looking into other bank options?
  - a. Lee shall investigate! Update to be provided at August meeting, Lee
- **3.** VOA renewal, fund balance decrease?
  - a. Unplanned spend down due to unexpected enrollment decrease + unplanned spending from TeleSpED fiasco
  - b. Just being aware of and having a plan before it drops - so it does not look poorly on us.
- **4.** <u>Update on Grant Writing</u>: For FY24, Lee was moved from a contracted rate to a .5FTE employee with benefits and a raise to take on grant writing in addition to accountant services.
  - a. Lee write some grants for FY24, but we did not receive any grants
  - b. Lee anticipates being full-time and immersed in the school will generate grant results for FY25.
  - c. Lee to develop process for consistent collaboration with staff

#### Budget things —

- 5. Communication with staff about FY25 budget by...August??
  - a. We will have an unofficial July check in on communicating this with staff
- 6. Version 3 2025 HCIS Operating Budget plus Version 4
  - a. Freshman seminar: Not currently in the budget, I recommend adding \$2000 for materials to start our 9th graders strong
    - i. Could be worked into Title IV Grant Aryn 😀

- b. Theater unaware, not listed on Approved 2023-2024 Budget Tracker
- 7. April Finance Documents
- **8.** ERC \$134,980 to continue discussing use
- 9. Middle School funding: We need to have real numbers and information to understand and expand our grades. I believe we will need to invest money upfront to get this understanding. I request the board consider setting our fund balance goal at 20.5-21% and allocating any extra projected fund balance to middle school development. Specifically:
  - a. hiring an architect to develop a building redevelopment plan: how to use our current space more effectively to house a small expansion soon and a building renovation on floor 1 later.
  - b. hiring a program developer to work on the curriculum, scheduling, highschool/middle school overlap, culture, etc.. of the MS
  - c. Marketing and starting a capital campaign.
  - d. If we can identify the budget for this work, I can begin to price out the work.

Ultimately, we discussed that we are back to not being able to invest in expansion at this time due to Fund Balance BUT!! we are hopeful that our new approach, being our additional admin, are going to make lasting, replicable changes to our ADM and marketing 8 0 0

- **10.** FY25 Projects: Adopt a salary scale, write clubs policy, assist in process development for AP and ACT testing costs, chromebook and instrument rental fees, and possible other student fees.
  - a. To be heavily referenced

## 30 May 2024, 4:30 pm, Room 416, special budget review meeting

In attendance: Bethany, Krissa, Lee, Aryn, John

#### Agenda

- 1. Non-Labor: YTD Activity, 12May2024
  - a. Attached is a useful tool for formulating next year's operating budget. Basically, the report lists all of the non-labor (no salaries or fringe) expenses that have been posted to the general ledger through last week.
- 2. FY25 Budget Review
  - a. Labor tab: ensure that all of the new hires are IN and the terminated/not returning staff are OUT of the 2025 budget.
  - b. Non-Labor: lists all of the line items that do not consider wages, payroll taxes or fringe benefits.
    - i. As you can see, the tab has quite a bit of detail. This is the result of loading the wants/needs data provided by the staff. The cells highlighted in yellow are input cells.
    - ii. Moving down the sheet, the items are segregated by "recurring expenses" (utilities, etc.), "discretionary" (included in the budget on the basis of wants and/or needs), "grants", "lease" and "contingency".Starting with the first row under "recurring expenses", we find "MACS Dues". The 2024 adopted and revised budgets have been entered by me.

The 2025 projected budget, covering the right side of the sheet, is where your help is needed. For the MACS dues, we note a yellow cell that can be entered as a "need" or a "want". Moving across, we see the next set of data is "based on 2024 actual"; the amount entered by me is, as you can assume, based on 2024 actual expenses. Moving further right is a yellow cell called "slack". If I want a line item to have a small amount of wiggle room, I can enter a dollar amount of "slack"; this will be added to the original amount to create a new budgeted amount for 2025.

- iii. Some of the items are calculated based on recurring charges to a single vendor. Example: our main copier lease is with Great American. Monthly charges are about \$189 per month; \$189\* 12 = \$2,268. HOWEVER, we occasionally create more copies in excess of the amount allowed under the contract. So, to cover for this in the budget, I enter \$232 in the "slack" cell to create a new total budget of \$2,500.
- iv. If this seems overwhelming, it may be best to simply review each of the line items in the "Non-Labor" tab for accuracy and completeness, i.e., don't worry about the cells and the calculations. You can then find a spot in the tab to jot down notes and/or questions for discussion at the budget meeting(s) between now and the June board meeting.

## 09 May 2024, 4:30 pm

In attendance: Bethany, John, Krissa (part-time), Liz, Lee

- 1. Discuss first round of FY25 DRAFT Budget
  - a. Liz shared her letter
- 2. March Finance Documents
- **3.** When should staff start emailing Lee instead of Michelle? When will this be communicated?
  - a. Keep on agenda. Aryn to let staff know when the change will happen.
- 4. Craft statement for community on 'why all the fees' we are not going bankrupt
  - a. Krissa is drafting
- ----- We made it this far. Additional items for future meetings.
  - 5. Further investigation into inequity in how we pay benefits
  - 6. AP letter
  - **7.** Letter needed prior to start of year encouraging families to complete the Application for student benefits because, if they qualify, we can pay for or reduce the cost of:
    - a. AP tests
    - b. ACT
    - c. Field trips
    - d. Symposium
      - i. Would need to be noted differently as we cannot charge fees for required courses
    - e. Clubs/Activities
    - f. 7.3.4 Student Fee Requirements and Prohibitions for reference

- **8.** Aryn's email regarding Super One/Cub adds
  - a. I am forwarding this marketing opportunity for the upcoming school year. I met with the rep today and feel it is a real opportunity we should consider. Their marketing team creates a 15 second moving ad running every 2 minutes in a local grocery store. If we begin now, we will be expanding our local views, creating familiarity and respreving our "spot" to prepare for 6-8th grade enrollment ads beginning in December.

Cost: 1 location (Cub or SuperOne Kenwood) \$300/Month for **12 months** (**\$3,600**)

2 locations (Cub and Superone Kenwood) \$550/month for 12 months (\$6,600)

Currently, we spend \$8000/ year for our MPR ads

Please discuss and consider adding to our budget (or supporting using our current budget to pay.) This would require a board vote since it is more than \$5000. We need to sign the agreement by May 20 to be ready to run ads starting July 1.

 Discussed we think it would be a good idea to share the MPR advertisement funds

## 11 April 2024, 4:30 pm

In attendance: Bethany, Michelle, Tom, Aryn, Lee

- 1. February Finance Documents
- 2. Would changing the schedule affect the financial threshold?
  - a. No not at this time
- 3. Budget and costs for Spring symposium
  - a. Staff have listed \$5,770 for symposium supplies
  - b. Aryn has created form, to be reviewed at Friday staff day
    - Distribute to all students, varying costs per class, option to donate to cover another student's cost
- 4. FY25 Draft Budget
  - a. Lee will have it ready for our next meeting
  - b. Lee encourages staff to come with salary and compensation suggestions that we could run through the model
    - i. Bethany send email about next finance meeting
- 5. FY25 Department budgets
  - a. Made spreadsheet to share with staff
  - b. Numbers to Lee by May 1st
- **6.** Free/Reduced population decreased is that hurting our bottom line?
  - a. Our population changed before the free lunch for all
  - b. Has the number of Applications for student benefits completed been decreasing?
    - i. Likely
- 7. AP letter will go out after break
  - a. Next year, students will pay for their AP tests at the start of the year when they sign up for AP tests.

**8.** In regards to salaries, how do we want to prioritize 3 elements of years of experience total VS years of experience at HCIS VS higher education

## 04 April 2024, 4:30 pm

In attendance: Bethany, John, Aryn

- 1. <u>Update on Salary Review</u>: Discussed Aryn and Lee's AWEsome compiling of data
  - a. John asked: Historically, has it been more of an issue with retention or recruitment of staff.
- 2. Talked a little about the idea for the nest egg for middle school.
- 3. Aryn met with the mayor!
- 4. Talked about chromebooks as deposit

## 14 March 2024, 3:30 pm

In attendance: Bethany, Michelle, John, Aryn, Lee

- 1. January Finance Documents
  - a. Expense V Budget discussions areas over spent
    - i. Copier Lease Lee's discovery
      - 1. The original budget was too small
      - 2. We have to make a move on our next 5 year lease soon
    - ii. Supplies H&Fitness AND Social work
      - 1. Expenses for health and fitness and the zen den were being paid for with ESSER money, which has now ended.
    - iii. Music contests, supplies, & instrument repair
      - 1. Bought a lot of new instruments
      - 2. Another area where we pay for costs that all other area schools ask their students to pay for.
    - iv. Food service supplies
      - 1. We have been buying more food as we are serving more lunch
    - v. Nurse salary
      - To be investigated and clarified for next year. Over spending is a combination of there being more work to do, Linden is more thorough than past nurses, more legal duties than expected, and the need to clarify job description and amount of hours she can work.
      - Discussed that if Linden is required to be here more for specific students, there should be an option to bill the student's individual insurance.
  - b. Catch up payment for Lease aid will show up in February's report
- 2. Where can staff go to express frustration with pay equity?
  - **a.** Clear path and understanding on where staff can go if communication issues with pay, especially in Michelle's absence.
- 3. Prom Fund follow up

- **a.** \$354 surplus from fundraising. HCIS "gave" \$1,000 but there was not clarity that it needed to be repaid. Aryn will communicate with Kellie that StuFo can have \$354 for prom IF they need it.
- 4. Department budget spreadsheet issue with formulas when more line items are needed
  - **a.** Lee is fine tuning spreadsheet
- **5.** Hourly VS Salary conversation
  - **a.** Crunch the numbers...
    - i. Get laid off, but we pay your health insurance...no unemployment
    - ii. Get laid off, no health insurance but qualify for unemployment
  - **b.** Questions:
    - i. How does Aryn know who she can afford?
    - ii. What happens at winter break, summer break?
    - iii. Over-time has to be pre-approved
- Knowledge Bowl team requests financial support for upcoming State Tournament funded!
  - a. Harbor City Team 2 has gualified for the MN State Knowledge Bowl Tournament
  - **b.** Harbor City hasn't had a team qualify for State since 2016.
  - c. The cost to attend the MN State Knowledge Bowl Tournament totals \$960.39
    - i. Coach's Room: \$203.91
    - ii. Student Group A Room: \$439.92 (3 students at \$146.64 each)
    - iii. Student Group B Room: \$316.56 (2 students at \$158.28 each)
    - iv. Total: \$960.39 [covers room, registration, and food]
  - **d.** Krissa Boman (Knowledge Bowl coach) is asking the school to either fully or partially cover the cost of attending the tournament.
    - i. "Supporting the Knowledge Bowl team's journey to the State tournament is a natural extension of Harbor City International School's core values. By financing this endeavor, the school reinforces its dedication to creating a supportive and inclusive environment where students feel a strong sense of community through their involvement in extracurricular activities. This commitment goes beyond achieving academic excellence, it encompasses the overall growth and development of every student.

Funding the tournament plays a crucial role in fulfilling the school's mission of nurturing globally minded individuals who are passionate about learning. Participating in competitions such as this broadens students' educational experiences, encouraging them to apply what they've learned in varied settings and interact with a diverse group of peers (participating in Knowledge Bowl has allowed many of our students to interact with students from other schools, challenging and often changing their pre-existing misconceptions and negative perceptions of other schools (and this goes both ways, with outside students having misconceptions about our school cleared)).

Moreover, sponsoring our Knowledge Bowl team's state-level participation offers an opportunity to highlight our school's achievements and mission to a broader audience. As one of the forty-eight teams advancing to the State comp in Minnesota, and having outshone 101 teams in our region, this is a moment of pride and a platform to showcase what makes Harbor City International School unique and exemplary. This is more than just a

chance for our students to shine- it's an occasion for the wider community to discover and appreciate the values and educational standards we uphold." - Krissa Boman

Coach Boman + HCIS Team 1 and 2 after enjoying a celebratory meal at China King after qualifying for Regionals



HCIS Team 2 + Coach Boman after securing 3rd place at Regionals and our invitation to State.



# 8 February 2024, 4:30 pm

In attendance: Bethany, Terrance, Michelle, Tom, Aryn, Lee

- 1. December Finance Documents
  - a. Lease aid is in order! Starting in mid-March, we will see a bump in our state aid/cash flow, but it is really just catch up payments from July.
  - b. Some losses in SpED cash flow due to troubled state changes, reporting the same data in 2 or 3 different places...over 30 schools have lost money due to this unfavorable reporting change.
    - Connected more intimately with our lack of a consistent special education director who would be reporting the numbers to Michelle and Lee.
- 2. ERC Credit report from Wipfli, Lee

- a. Michelle called Wipfli...she is feeling pretty good.
- b. The IRS is stepping up audit procedures, and is focusing on businesses that have not yet received the refund
- c. We are feeling 99% sure that we can use the money...but we are going to leave it in fund balance and use for FY25.
  - i. Bank role into costs of beginning the expansion.
  - ii. Smaller needs for tech that is already spent.
- 3. Salaried staff .5 and above...health insurance
  - a. If we change salaried staff to hourly, we would need to amend our policies around benefits.
  - b. What roles would move to hourly?
  - c. Layoffs...or unemployment for these employees
- **4**. ADM
  - a. Expected student departures = Adam reports only 1 student has transferred out and he does not predict other seniors will leave before the end of the year.
    - i. Aryn reports there might be 4 more students who transfer out due to medical concerns.
  - In total, ADM might decrease by 2.5, which still leaves our final ADM ABOVE budget :
- **5.** Working Meetings...
  - a. Next is Thursday, March 7th
- **6.** Prom fund...the students have confusion, clarity is needed with StuFo
  - a. Policy issues for clubs:
    - i. How is money carried over?
    - ii. How are advisors paid?
- 7. "What needs to be done to secure funding for Title and Federal Special Education"?
  - a. Doc from Lee
  - b. False alarm!

# 01 February 2024, 4:30 pm

In attendance: Bethany, Terrance

Working Meeting: Link to projects folder

# 11 January 2024, 4:30 pm

In attendance: Bethany, John, Lee, Aryn

- 1. Thursday February 1st from 5-8 at Hoops will be our staff celebration! We will order pizza from Pizza Luce' and mingle. Please email <u>Leah Biezuns</u> if you are able to come and how many your group will be.
- 2. End of term cost analysis for the meal program from Michael to look at for our next meeting and also to consider a FTE increase proposal for the board. -From Aryn
  - a. Michael is looking into extra certifications for the bag lunch program.

b. Michael submitted an hours sheet for extra 25-30 hours worked over the last 2 months. Extra paperwork due to the new lunch system.

## 3. November Finance Documents

- a. Over budget line items:
  - Copier lease why is this over budget it is just a copier lease. -Lee investigating
  - ii. Hardware line item had to buy new chromebooks for which we had not budgeted.
- b. Holding off on budget revision due to our higher than expected ADM. Wondering where we will be in a month.
  - Bethany, check in with Adam on expected senior ALC departures for spring.
- c. ERC Credit still waiting to hear from Wipfli on their official thoughts, Lee is looking into. Waiting until July to use the money continues to be the best option.
- d. Department budgets being revised for simplification, Lee working on.
- e. Lease-aid application being finished up
- 4. The 3rd way should the Finance Committee continue bringing this up? It is finished!
- **5.** Here is a topic to open for a longer future discussion: Payscale, equalizing/documenting, predicting.
  - a. I am gathering some ideas that Bran could engage in if she decided to take on a few projects to make up for her reduced .2. Given her research and charting skills, maybe looking into our current payscale reality, cross referencing other schools, and creating any proposals to ensure we at least have a record of how we determine pay would be helpful?
  - b. Another long project: to complete a variety of accounting scenarios for a middle school expansion (# students, #staff, increased cost and income projections) that can inform and educate our community.
- **6.** Last year, we sent out a survey to collect information on level of education completed and years of teaching. The survey is being refined and will be resent (hopefully this month). Once data has been collected, Lee <u>will</u> be working with this data to create a pay variance comparison amongst our staff, and in comparison with ISD 709 and Trek North. This data will be used by the director to update/create our pay scales, and to inform raises for next year.

# 14 December 2023, 4:30 pm

In attendance: Bethany, Terrance, Michael, John, Lee, Aryn

- 1. Set project meeting time 1st Thursday of the month at 4:30? (SPC meets at 3:30)
  - a. All in favor Aye! Bethany, send invites. Done
- 2. Tuition reimbursement: There is no funding this year and I have 3 requests, Brian has received a LARGE amount over the years and has another submission plus is requesting plane ticket reimbursement (see note) as was done previously. Should there be a funding cap? How can I move forward with the current requests for funding (Krissa, Brian, and Kellie).
  - a. Ask how much we have budgeted Bethany, email Lee. Done...and none

- 3. Setting up a fundraising account for Italy 2025 trip holding money raised/collected for group expenses (bus, daily tips), distributing money to families if we receive one big group check like volunteering at the Air Show.
  - **a.** All is well!
- **4.** "RESOLUTION: To increase the ACH limit for Semi-Monthly Payroll at Bremer Bank from \$55,000 to \$60,000, due to cumulative staff pay increases. Effective beginning with the November 30, 2023, payroll."
  - a. I think the language that needs to go on the Board agenda is: Motion to approve new ACH limit at Bremer Bank to be \$65,000 for payroll. Bethany to add to agenda Done
- **5.** ADM = 194.4 This includes 5 of the students starting second semester. Dawn says that there are a few more possible (4). That would generate about 2 more ADM.
  - a. We budgeted for 190
- **6.** Budget revision, Wipfli audit, ERC credit
  - a. HCIS Financial Statement Draft
    - Review for typos of our names and Board listing stuff, page 3 Bethany let Lee know by Friday. Done
- **7.** Looking into contracting HR work.
- 8. Aryn attend the MACS Policy Forum
  - **a.** Presentation from Aryn to be shared do watch it as active lobbying is a part of our role as board members.
  - **b.** Inequities for Charter Schools specific to fund fees/scales in comparison to public schools.
- 9. October Finance Documents

#### Lee Notes on Finance Docs:

 OCT OUTSTANDING DISBURSEMENTS [AGENDA ITEM: Old checks included on the list. Should these be voided and new checks issued?]

## Question for Michelle - resolved

- OCT VOIDED CHECK LISTING [AGENDA ITEM: Note that an "old" check payable to Liz Holte was voided. Was a replacement check issued to Liz?]
  - Question for Michelle resolved
- OCT MISC DISBURSEMENTS [CAVEAT: Small font!]
- OCT REVENUE YTD VS. ANNUAL BUDGET [AGENDA ITEMS: Still waiting for Wipfli's response to inquiry about ERC credit; FYI: September lunch/breakfast claims were made at the end of October. All claims through November have been made and collected by early December]
  - We are now caught up with 'Clicks'...we were behind with making claims for meals.
- OCT TREASURER'S REPORT [AGENDA ITEM: FYI: Cash balance decreased by \$100,000 during October. This is due to a downward adjustment in our ADM which, in turn, prompted MDE to make a cumulative adjustment to our state aid payments]
  - Result of the 3rd way troubles...we knew last month that this would happen. Michelle has fixed the 3rd way for the rest of this year.
    - Still unclear on who should have this on their radar for future years...it would make sense that our MARSS coordinator is responsible for this as they are responsible for the ADM.

Could Michelle send us links or directions to the 3rd and 2nd way? Continue investigation for next meeting

## 09 November 2023, 4:30 pm

In attendance: Bethany, Terrance, John, Lee

#### Information Items

- 1. September Finance Documents
  - a. <u>Holdback Payments</u>: Overpayment clarity needed on who is responsible for reporting on the 3rd way...
    - i. Aryn to delegate the 3rd way...ADM needs to be reported in a portal when it drops
  - b. Lunch Doc
    - i. Looking for trends in meals served. Are more kids having meals? Are they serving filet mignon?
    - ii. General fund contributes \$30,000 a year to keep food service afloat how is free lunch affecting things? Can we purchase new equipment etc.?
- 2. Budget revision, Wipfli audit, ERC credit the work continues
- 3. Affordable Mental Health options for staff
  - a. Hannah from Wheeler sending an email to staff on Nov. 10th

## **Projects**

## 1. CLUBS

**GOAL:** Create policies that establish equitable and available funding of clubs and their advisor's time.

- **a.** Establish hourly rate for advisors AND base amount for each club to start the year.
  - i. Tom DRAFT Club Stipend
  - ii. Clubs spending
  - iii. Activities Fee

#### Questions:

- What Clubs need more money?
  - o NHS charter fees
  - o Knowledge Bowl competitions and MSHSL
- Do all clubs have to be treated equally?

## 2. AP Fees

a. Draft Letter

# 3. Salary review

a. Terrance, Insurance Review

## 4. Chromebooks

**GOAL:** Create an equitable policy that allows students to take Chromebooks home while fiscally protecting our assets.

## a. Research

- i. How much does a chromebook cost?
- ii. How much does a case cost?

- iii. How much do extra chargers cost?
- iv. Edison what policy was and what it is now Terrance & Bethany
  - 1. What it is
  - 2. What it was
- v. How much money do we spend on Chromebook damage yearly?
  - 1. This has not been tracked

#### Info from Ted Buck:

"His plan was to buy 50 per year to keep updating the stock. That's about \$15000 per year. A better question for Michelle is how much we paid Promevo, that is the vendor that we used in the past. I would guess that Matt stayed with them. Here is the last billing I found from February 2022. We have to buy the chromebook 262.65 and also a management fee (\$38) from Google, so about \$300 each.

It looks like Matt bought:

- 50 in 2022 (\$15,000+)
- 125 in 2021 (\$37000)
- none in 2020 (backordered)
- 90 in 2019 (\$24100)

There are a large number of machines that are missing. They are far more likely to disappear or not return than they are to be damaged. In recent years students were able to go to the office and 'check out' a chromebook. There was no 'check in' process, and no expectations. Students are taking home (or at least out of the building) the machines on a regular basis despite the expectations that they stay in the building are clear. They are much more likely to be damaged outside of the school. "

- vi. Could the cost of the library system be built into the cost of a chromebook?
- vii. What is ISD709's policy John
  - 1. Link to ISD709 Innovation
- viii. Could a security deposit work?

## 12 October 2023, 4:30 pm

In attendance: Bethany, Tom M., Lee, John, Terrance, Aryn

- 1. August Finance Documents
  - a. Lee is creating a new reports
    - i. Weird Stuff...Executive Summary
    - ii. Doc that lists detailed budget adjustments
- 2. Square payments for climbing club
  - a. Confusion clarity on going
- 3. Concurrent enrollment aid update
  - a. Investigations continue. Several area schools did not receive aid for two years in row...20-21 and 22-23.
- 4. Budget revision, Wipfli audit, ERC credit updates:
  - a. Audit continues **November** is the hopeful when we will know about ERC
    - i. Maybe we double dipped in our 2020 labor funds for PPE and ERC
    - ii. Some east coast charter schools have been requested to refund ERC

- iii. Who knows when the IRS may come after us...Lee may most likely suggest we keep the ERC in a rainy day fund until the end of fiscal year...

  June :
- b. **December** when Wipfli usually presents to the board
- 5. Aryn and Terrance updates on benefit packages in other institutions
  - a. Terrance looked into UMD and CSS more details to come
- **6.** Asset Management
- 7. Equity in Department Budgets
- 8. 4.4.1: FMLA and 4.4.2: MN Parental Leave Act Bethany

## **Projects**

1. Clubs

**GOAL:** Policies that establish equitable and available funding of clubs and their advisor's time.

- **a.** Using left over funds from Chris A's salaries for seeding clubs and advisors for this year...as there was zero budget for it.
- **b.** Establish hourly rate for advisors AND base amount for each club to start the year.
- c. What Clubs **need** more money?
  - i. NHS charter fees
  - ii. Knowledge Bowl competitions and MSHSL
- d. Do all clubs have to be treated equally?
- 2. AP Fees
  - a. Letter Tom
- 3. Salary review
- 4. Chromebooks

**GOAL:** How can students take Chromebooks home and we are not losing out fiscally.

- a. Research
  - i. How much does a chromebook cost?
  - ii. How much does a case cost?
  - iii. How much do extra chargers cost?
  - iv. Edison what policy was and what it is now Terrance & Bethany
  - v. How much money do we spend on Chromebook damage yearly? Bethany reach out to Michelle
  - **vi.** Could the cost of the library system be built into the cost of a chromebook?
  - vii. What is ISD709's policy John
  - viii. Could a security deposit work?

## 14 September 2023, 4:30 pm

In attendance: Bethany, Krissa, Michelle, Michael, Aryn, Terrance, John, Lee

## Agenda & Notes

#### Information:

- 1. Club funding, rollover balances process
  - a. Doc from Lee
  - b. What is the FY24 Club/Activity Stipend?

- c. Need to gather information about club stipends (\$6,500), clubs and budgets, rollovers that exist asking clubs for information
- d. We need to continue working on a list of items to request fees for: activities, symposium, chromebook, clubs
- 2. Concurrent Enrollment Aid who is responsible for this?
  - a. Last time we received it was in FY21; nothing in FY22 Lee
- 3. Tracking of Chromebooks and Fitbits...missing fixed assets.
  - a. How are we tracking?
  - b. Possible .2?
- The Budget Tracker cell formulas are off Lee to fix ASAP
- 5. Budget Revision
  - a. Coming soon
  - b. Lee: Fund Balance Update: Salaries, supplies, with and without ERC credit
- 6. Wipfli audit
  - a. In the works
- 7. <u>July Finance Documents</u>
- **8.** Documents must be submitted EVERY month even when the board does not meet in July. Bethany check in with Sarah
- **9.** Credit card rewards
  - a. Note from Lee: Per discussion with Michelle, I am proposing the creation of a new set of revenue and expenditure codes for credit card rewards. The cash rewards should be posted to a revenue code with a unique finance code, 105. The full general ledger code is R-01-005-110-000-105-099. There may be further discussion regarding how these rewards should be used. Michelle has a number of ideas. Depositing the rewards in the unique finance code, 105, will ensure that the cash rewards will not get "lost" in the general ledger. It will make it easy to determine how much rewards have been banked to date and how much is available for the school's use.

## **10.** ERC

- a. Waiting to spend until we are 110% confident it will not be taken away should know by the November board meeting, perhaps the October meeting.
- b. Looking into textbooks and chromebooks what will be the replacement cost in the nearish future? Reach out to Ted B.

#### 11. AP Fees

a. A letter to families about how many tests their students are registered for, cost, payment options - someone needs to

## 12. Salary review

- a. Salary and Benefits package how do they work together?
  - i. Insurance/Benefits vary wildly from employee to employee
  - ii. Is there a way to investigate what works/what does not work in other organizations of our size? How would we go about this comparative work? Aryn to reach out to MACS, Terrance to reach out to UMD & St. Scholastica
- **13.** Equity in department budgets

# 01 August 2023, 4:30 pm

In attendance: Bethany, Chani, Michelle, Terrance, John, Aryn, Lee

## **Hey BOD**, are there specific areas you would like the Finance Committee to focus on this year?

- Salary review
  - Salary and Benefits package how do they work together?
    - Insurance/Benefits vary wildly from employee to employee
- Equity in department budgets
- Booster club investigations
- 1. May and June Finance Documents
- 2. Board Question: Why did our food service labor number increase so much? <u>Lee's</u> Research
- 3. Purchasing process & Dept. budget tracking
  - a. Budget tracker is in the works. Michelle will send dept. budget updates quarterly/semesterly.
  - b. Who will be the purchaser?
    - i. Ideally part of a full-time office staff position.
  - c. This is not really Finance Committee-type work it was just brought up here with the change in Director and all the work Finance has been doing in relation to financial literacy.
- 4. FY24 Budget
  - a. Access to an updated version?
    - Could be some training on SMARTer. The budget is more complex than a Google sheet. Many weeds.
  - b. Budget revision by January keep on agenda for next month
- **5.** Grant writing??
  - a. Michelle is no longer doing grant writing. Lee is attending a conference and will have more to say about what his role as a grant writer could look like.
- **6.** We have received the ERC credit! \$134,000
  - a. This was not in the budget woo who!
  - b. Board to discuss how will we spend this?
    - i. Safeguard, not spend right away.
  - c. Will this affect how VOA views us?
    - i. They will micromanage us less 😀
- 7. Student fee assessment Chromebooks and symposium
  - a. Chromebook costs are good this year BUT, why do we not charge fees similar to other schools? Why do we feel like we can't ask? Convenience VS requirements...
    - i. Bethany ask NS about their doings...
  - b. Staff asked for donations and spent far less on symposium than budgeted awesome!
    - i. Could we assess a semesterly fee? Not required but encouraged?
- **8.** PTO payout staff question why is staff PTO payout so much less than the daily cost of a sub? Furthermore, if you go over your sick/PTO days, the amount deducted per day from one's paycheck is significantly more than what one receives for not using all your days.
  - a. Shan't be changing anytime soon more questions? See Michelle for reasoning she did not make the policy, but she has a thorough understanding of why it might be a liability to change.

- b. Sick/PTO days are a benefit. It is also a benefit to be able to carry over unused PTO days or be paid for them. It would not have to be a benefit they could just go away. We are contracted for 182 days and receive 10 free days off.
- **9.** Prom Rev & Exp comparison
  - a. Clarification on Rev emailed
- **10.** Discussion on whether grants need to be included in expenditures **Lee** has emailed
- **11.** Capital Campaign
- **12.** Salary Review to be a main focus this school year.

## 22-23 Finance Committee

# 3:30pm, 2nd Thursday of the month Room 416

Useful Finance terms:

FY23 = Current fiscal year, July 1st 2022 - June 30th 2023 Supplant vs Supplement

Federal fiscal year — September

Finance Committee Folder

To add = discussion on whether grants need to be included in expenditures

- Email Rochelle

How did our food service labor number increase so much? Like almost \$20,000 over 2 years

## 20 June 2023, 4:30 pm

In attendance: Bethany, Michelle, Krissa, John, Lee, Tim

## Agenda & Notes

- 1. Review 2023 VOA Report for accuracy
  - a. Rochelle emailed correct report
- 2. April Finance Documents
- **3**. CDs?
  - a. We made \$600 in total, no further developments
- **4.** Service contract internal controls for VOA.
  - a. Michelle has been emailing invoice template.
- 5. Prom Rev & Exp when can we compare?
  - a. Bethany to send reminder, emailed
- 6. Meetings moved to 4:30 p.m. going forward
  - a. August meeting a week early = Thu Aug. 3rd at 4:30 p.m. (May AND June financials)

## **7.** Budget stuff

- a. Accessing fees this year for:
  - i. Chromebooks
  - ii. Symposium
- b. Process for communicating with staff about approved budgets needed. Ideal to communicate sooner rather than later so staff can pursue grants and Donor's Choose over the summer.

- i. Need to loop in new Director
- c. Overstaffed in SpEd department
  - i. We tend to have quite a few students with very high need at the start of the year. A high percentage of those students leave.
  - ii. Students spread out in classes makes for greater para need.
- d. Symposium cuts to balance FY24 budget = \$6,500 to \$4,000.
  - Staff will need to ask families for difference of \$2,500 which comes out to \$13.16 per students (190 ADM).
- e. Lee to get summary for the board and updated spreadsheet for finance Bethany follow up
- f. Our Fund Balance is at 19.8% and that does **NOT** include all wants/needs on the budget requests collected from staff. But it turns out we were pretty close.

## Did not have time to discuss

- 8. How much does a Capital Campaign cost?
  - a. How do we currently spend our \$10,000 budgeted for marketing?
- 9. Restructuring Admin duties
- **10.** Staff request that if we are able to give more than a 2% raise, we first adjust the salaries of veteran staff. Currently, a brand new teacher with no experience will only be making \$8,000 less than some staff who have collectively taught for 17 years.
  - a. Salary review will continue in FY24.
- **11.** PTO payout staff question why is staff PTO payout so much less than the daily cost of a sub?
  - a. How do we budget for subs? Number of staff X 10 = y X Sub rate?
  - b. Furthermore, if you go over your sick/PTO days, the amount deducted per day from one's paycheck is significantly more than what one gets paid out for not using all your days. Further investigation/revision needed.

## 11 May 2023

In attendance: Bethany, Matt, Michelle, Tim, Krissa

## Agenda & Notes

- 1. March Finance Documents
- 2. Lee to present the draft budget as part of Finance training on May 18th.
- 3. Department discussions of FY24 budgets
- 4. Reimbursement contracts
  - a. Approval process
    - Tim needs to spend less time on these requests we could use a better, or better communicated, process
- **5.** Board member query:
  - **a.** Do we have fewer FTEs than in the past? Where is the money going if we have fewer FTEs than usual?
    - i. We lost \$40,000 to Teleteachers, which is equivalent to a full fte
    - ii. We hired a Chris A. as a full-time math teacher/para
    - iii. We hired Chani to direct theater
    - iv. We've lost multiple thousands on paying for subs throughout the year
      - 1. Can we use covid money to cover the subs for staff out with covid?

- v. We lost roughly \$160,000 through student attrition
- vi. We started the year 24 ADM below our capacity (\$240,000 loss)
- 6. CDs 😥
  - a. Some other school got in trouble once upon a time, hence, the plug was pulled on our CD investment — MerilLynch has a policy of NO schools. We did make \$640 for our 1-month duration.
  - **b.** Bremer might have an option...Michelle is looking around.
- **7.** Thoughts on:
  - **a.** Limiting tuition reimbursement for Masters's tuition...for the board to discuss...at some point...
  - **b.** Advertising...rebranding
  - c. Restructuring Admin duties
- 8. Prom will fully fund itself going forward.

## 06 April 2023

In attendance: Bethany, Krissa, Tim, Matt, Lee, Michelle

## Agenda & Notes

- 1. February Finance Documents
  - Travel account \$40,000 budget, but it just hasn't been adjusted don't be excited
- 2. IRS ERC update
  - a. Has been sent in. IRS is fairly far behind we might see the funds in 6-12 months.
- 3. Reimbursement contracts
  - a. Matt & Michelle's bonding continues.
- **4.** A reminder to staff about filing insurance claims for ANY staff or student injuries that occur on school property, during school activities Bethany will add a note to the next staff meeting agenda. Oops. Bethany forgot to do this.
  - a. Injury reporting process
- **5.** Is the info on this policy correct?
  - a. Jen Ryan Bethany to update the policy
- **6.** Budget reveries
  - a. 182 will get us to 20% fund balance by the skin of our teeth
- 7. Prom should the school fund it at all?
  - a. Would be ideal for Prom to work towards being self-sufficient
- **8.** Free lunch for all in 23-24
  - a. How will we encourage these forms to come back? CP advisors??
- 9. CDs & Savings
  - a. Lee, Apr. 20th update: We are in the process of moving \$300,000 into the new Merrill-Lynch investment account, earning 4.5% vs. the 1% offered by the Bremer Bank savings account. Sufficient cash will remain in checking to cover payroll and other expenses. The lease aid scheduled to be paid in mid-May will provide us with a further cushion of \$200,000.
- 10. Lease Aid
  - a. Lee, Apr 20th update: Every step has been completed on our end pertaining to the lease aid application. The completed application is in MDE's hands and approval will be forthcoming shortly. I estimate that the first metered aid payment

of lease aid will be made on May 15; the payment will be approximately \$200,000.

**11.** Next month we will look at FY24 budget. Concerns on how we will pay for Adam's and Linden's salaries.

#### a. Board member gueries:

i. Do we have fewer FTEs than in the past? Where is the money going if we have less FTEs than usual?

## 09 March 2023

In attendance: Matt, Krissa, Michelle, Bethany, Tim, Lee

## Agenda & Notes

- 1. January Finance Documents
  - **a.** Exp V Budget: if you see line items that are out of whack but NOT on the revised budget, do let Lee know.
- 2. CDs & Savings update
  - a. CD rates increase to 5% for 2 years, making over \$15,000 next year
  - **b.** Add Lee as a signer
- 3. IRS ERC update
  - **a.** Michelle to create a written agreement for the board to approve. Why do we qualify, audit; protect the school and Michelle. Explains the whys. Forthcoming.
- 4. Budget Revision
  - **a.** Labor budget not being used that we are able to charge to ESSER freed up \$77,000
  - **b.** Our drop in enrollment costing \$53,000
- **5.** Lease aid application
  - a. Fire marshall...7 months late
  - **b.** We still haven't received any lease aid payments this year...but all is well
- 6. Financial Literacy for Staff Understanding the HCIS Budget
  - **a.** You can thank rockstar M.Dexter for this presentation
  - **b.** Looks awesome! Discussed changes to make language the tightening and grants MUST and will happen for next year.
    - Clarify, you MUST ask AND get approval before spending
  - c. Lee will join next week's staff meeting
- 7. Reimbursement contracts
  - **a.** Matt & Michelle to look into improving policies for the next meeting
- **8.** How will we account for the FY24 expenses that are currently being covered by ESSER or COVID funds?
  - **a.** Total = A. Soderlind's salary, Nurse, Mobile hotspots, Air filters,
- 9. April meeting will be one week earlier to account for spring break April 6th
- **10.** A reminder to staff about filing insurance claims for ANY staff or student injuries that occur on school property, during school activities
- 11. Digital donations to field trips
  - a. Bethany & Matt to connect
- **12.** Campaign yet again! We need to work on helping people know who we are.
- **13.** Lee is starting work on FY24 budget

In attendance: Bethany, Michelle, Matt, Krissa, Tim, Lee

## Meeting Agenda/Notes

- 1. December Finance Documents
  - **a.** Addition to Treasurer's report: "Slight change to the format. At the bottom of the document is an analysis of net cash flows for the first six months of the past 3 fiscal years, with explanations of unusual amounts, if needed."

## 2. CDs & Savings - FDA approved - all money remains liquid

- **a.** By purchasing a CD of \$250,000, we will generate \$11,000 on a year of interest at 4.7%. Risk? None. If we needed that money, it could be immediately returned to us, and we just would not accrue interest.
- **b.** Also planning to move money to a savings account with Merell bank. The savings account pays 4% interest. Even with a yearly fee of \$300, we will generate money on the interest. Risk? None. Next day transfer from savings to checking.

## 3. Budget revision

- **a.** The budget revision to be tabled for next month as we are finalizing the amount to be received from the ERC credit.
- **b.** Over
- c. Under
- d. Revision
- **e.** IF a particular item/service has been promised, we can honor that. BUT, any NEW spending probably will not happen, AND if there are departments that do not need their balance, it would be great if they did NOT spend it.
- f. More money thoughts Capital Campaign But WHO will do that?
- **4.** We are still trying to determine if we qualify for the IRS ERC credit. Please read over the questions below in the attached document and let me know if you feel HCIS qualifies.

Question 10 - page 24

Question 15 - page 30

Question 16 - page33

Question 18 - page39

If we apply, we get it - period! BUT, there IS risk. IF, we get audited by the IRS, which is extremely rare, and we're found to be incorrect in our assumption of eligibility, we could be required to pay back the money WITH interest AND penalty fees.

- **5.** We need to tighten or develop policies around creating contracts BEFORE reimbursement is issued to protect from fraud. Examples: AIPAC MDE grant money, guests artists, etc. Does not have to be complicated. We have a fiduciary responsibility for any money that goes through our checking account.
- **6.** Prom
  - **a.** \$1,000
  - **b.** What does printing cost?
  - c. Email to families about donating?
- **7.** April Finance Committee meeting has to be moved (Spring break). One week early or the Tuesday of the board meeting week.
  - a. One week earlier

**8.** Board request for Middle School numbers/a model to demonstrate the finances in situations X, Y, Z - Not discussed

The work on the following items has been paused.

## Salary review

- a. ISD709 pay scales:
  - i. <u>Teachers</u>
  - ii. Paraprofessionals
  - iii. <u>Clerical</u>
  - iv. Administrators
- **b.** Trek North payscale
- c. Community of Peace pay scale

## Student fee discussion

d. FY22 Spending Docs

## 12 January 2023

In attendance: Bethany, Tim, Michelle, Matt, Lee

## **Meeting Agenda/Notes**

#### **Board Notes**

- Hypothetical: A request for Lee to put together a document that shows how the numbers would play out to help the board see clearly how we would have more revenue with a middle school based on 75 students, 100 students, 120 students, etc.

## 2. November Finance Documents

- 3. Regular Subs item line is over spent Michelle is looking into.
  - Full time subs, Sub to special education teacher, shifts and changes.
- **4.** Where are we with lease aid?
  - Annually, we have to get approved for and apply to lease aid. We are on track.
  - Same process for middle school.
    - Can lease aid be used for maintenance? Yes if it is baked into the lease.
- **5.** Board members still do not see how expanding into a middle school will result in significant pay raises.
- **6.** ADM is **very** concerning.
  - Based on 180 ADM, we will be below our required 20% fund balance at the end of FY23
  - We need to tighten our policies around purchasing
    - Budget, stick to it
    - Asking before purchasing
  - Lee is finishing up a spending document that shows what we spent on non-labor items over the past 3 years. Once reviewed, we will need to discuss what spending needs to be frozen for the rest of the year, and which expenses staff must write grants for next year in order to have funding.
  - If a middle school does not open next year, we will most certainly have to freeze salaries.

Nothing new to report for the following items; the work continues.

#### 7. Salary review

- a. ISD709 pay scales:
  - i. Teachers
  - ii. Paraprofessionals
  - iii. Clerical
  - iv. Administrators
- **b.** <u>Trek North</u> payscale
- c. Community of Peace pay scale

#### 8. Student fee discussion

a. FY22 Spending Docs

#### **08 December 2022**

In attendance: Bethany, Matt, Michelle, Tim, Lee

## Meeting Agenda/Notes

## 9. October Finance Documents

- Over expenditures in Hardware and Software are due to new phone system and ESSER money movements all is well.
- Regular Subs item line is over spent Michelle is looking into.

#### 10. The ADM Dilema

- What is the solution to ADM? Marketing & Branding? Why do we maintain our "misfits" identity with so much of the community? Some people think that we are ALC. How do students with aspirations for Harvard find out about & choose us?
  - Capital Campaign: Letter to the city that both rebrands and asks for money; lays out our mission, all our clubs, symposium, etc.
- ADM based bonuses? ADM is the KEY
- Pertaining to raises and expansion: with a middle school, <u>WHEN we have</u> <u>shared overhead</u>, it would be a one-time bump to salaries, and then we would carry on with 2% yearly raises based on what the state provides. A salary review would then occur every 5 or 10 years. Giving staff <u>regular</u> raises in a way comparable to ISD709 will never be sustainably feasible.
  - We are locked into our lease through June 2027. We will not have shared overhead until the 2027-2028 school year.
- Financial Literacy: "To what extent are staff aware of how our finances work?" -Lee. Perhaps useful to have whole staff training on our finances. Why? To drive home how key ADM is, to generate ideas/more participation for improving ADM/branding, to show how we are always overspending line items and articulate the importance of grant writing, to illustrate that we are consistently running a deficit year after year and if ADM doesn't change, we are going to be in trouble.

#### 11. Grants

- If we look at what we would cut to give out raises- Stipends, Clubs, & Symposiums would be the first items to cut AND are also the easiest categories for which to write grants.
- Discussion about using grants to pay stipends and informing teachers who lead clubs that in order to get paid their stipend, they have to write a grant for club supplies and their stipend.
  - Perhaps students in the club could be involved in the grant writing! Ex: this year's yearbook crew is working on the narrative bit for the grant that will include yearbook supplies and teacher stipend.

## 12. Required Committees and Event Chaperoning

 Putting these into work contracts could open Pandora's box pertaining to overtime.

#### 13. The audit

- WIPFLI, Michelle Swaboda
- Lee to present at board meeting & provide more insight on the numbers

#### 14. Fraud

- Someone is using our name in their fraudulent business charges. We are not losing money, our name is just being used. Lawyers are working on it.

Nothing new to report for items 7 & 8; the work continues

## 15. Salary review

- a. ISD709 pay scales:
  - Teachers
  - ii. Paraprofessionals
  - iii. Clerical
  - iv. <u>Administrators</u>
- **b.** Trek North payscale
- c. Community of Peace pay scale

#### 16. Student fee discussion

a. FY22 Spending Docs

## **10 November 2022**

In attendance: Bethany, Matt, Tim, and Michelle

## **Meeting Agenda/Notes**

#### **17.** September Finance Documents

- a. Hold-back payments, coming through, they look great
- b. SpEd FY22 will be closed out by the state in Feb/Mar

#### **18.** Special Ed

a. We are generally overspending on SpEd due to variance, paperwork — we could be spending less money on SpEd if the paperwork was processed differently. When we overspend on SpEd it is absorbed by the general fund. This has been an ongoing issue for many years.

#### **19.** Salary review

- **a.** Bethany to reshare with Michelle who will add salary info
- **b.** Bethany will find ISD709 current pay scale and input info
- **c.** Trek North Matt to find payscale

#### **20.** Student fee discussion

- a. FY22 Spending Docs all to look at
- **b.** Discussed getting YMCA passes paid for by grants, perhaps offering YMCA memberships to staff. Write to Fitbit, Google look at what we are up to!
- **c.** I wonder if we could get a grant for parking stipends?
- **d.** Creating a list of line items for which we could use grant money

#### 21. Grants

- **a.** Michelle has been finding grants that could help pay for symposium, clubs, materials, professional development
  - i. Might lead to bonuses as raises may not be sustainable
  - **ii.** Discussed competitions for #of grants submitted translates into a bonus/gift card
  - iii. A google drive for grant examples to reference
- **b.** ERC Retention credit
  - i. If the governor shut you down, you might qualify
  - ii. \$200,000-\$300,000 from IRS
    - Money canNOT be used for raises, but could be used for bonuses, and into the general fund, could be used for middle school expansion
  - iii. We are waiting for approval

#### 22. The audit

a. Anticipate auditor presenting at the December meeting

## 13 October 2022

In attendance: Bethany, Krissa, Tim, Matt

## Meeting Agenda/Notes

- 1. In person meeting going forward in Room 416
- 2. Create Annual results
  - Annual results created! We added one result about working with the Director on Salary Review, otherwise, they stayed the same.

#### 3. August Finance Documents

- Discussed 'Cash in Lieu' monthly healthcare stipends for staff who do not take school provided health insurance
- Higher vehicle maintenance costs due to new vehicles
- **4.** At the September board meeting, the board asked a question about 'Region 1'...make sure the auditors have a good time.
  - What is Region 1? Bookkeeping software.

## 5. Food Service Document

• Yearly motion to be made to transfer the deficit.

• The food program lost "only" \$25,000 in FY22. That said, we also received some one-time COVID-related federal aid of approx. \$12,000. Without the one-time aid, the loss would have been \$37,000, which is close to what we had in the budget.

## The following were postponed as Lee and Michelle were not able to make the meeting.

- **6.** Michelle update on grant writer's conference
- 7. Fee discussion continued
- 8. Salary review continued

#### **Board Meeting:**

Good questions about food service deficit

## 08 September 2022

In attendance: Bethany, Krissa, Michelle, Tim, Matt, Lee, Sarah

## **Meeting Agenda:**

- 9. Michelle update on grant writer's conference???
- 10. Lee to propose budget revision goes on this board meeting?
- **11.** Approve survey to staff regarding years teaching and level of education
- **12.** Sub pay
- 13. Follow up on student activities coordinator position from last meeting
- **14.** Discuss how the finance committee can be involved in creation of student activities fees...and where we are spending money that we could be outsourcing.
- 15. July finance documents

## Notes:

- <u>Grant Writing</u>: Front Door—allows us to apply for simple grants; Michelle to apply for \$5,000 Walmart grant, Costco in the future
- <u>Sub Pay</u>: ISD709 has increased sub pay from \$135 to \$150, we would like to offer a
  higher sub pay of \$170 a day to entice subs to choose us over other area schools.
  Perhaps even more of an increase, \$175; what do our subs think??
- Survey to Staff: Bethany to follow up with Tim
- <u>Student Activities Coordinator</u>: Should be removed as a line item when Lee & Tim are reviewing the budget.
- Proposed budget revision, possibly next month
- Lee Things:
  - o Cash Flow: down for July, the natural flow of the year.
  - 2022 Budget Issue, incorrect link was linked. Lee is sending language for amendment.
  - Food Service: Money needs to be transferred. Lee is also sending language.
- Activities Fees & Such
  - o How many stipends did we give out?
  - Would stipends for clubs be an incentive for teachers?
  - How does it affect 'culture' to charge an activities fee that goes toward club stipends?
  - A list of clubs/activities and what they cost and any monies they recap
  - List of stipends

• Where are we spending money where we could be fundraising or grant writing?

## Region 1???

• Make sure the auditors have a good time.....

Annual results to be created at our next meeting

# 11 August 2022

In attendance: Bethany, Sarah, Matt, Tim, Lee, Michelle

## **Meeting Agenda:**

- 1. May finance documents
- 2. June finance documents
- 3. Compensation review
- **4.** ESL budget inquiry at June's meeting, it appeared we were over spent, but Tim and Lee thought maybe there should be more what was discovered?
- 5. Student meal price

#### Notes:

Finance Committee Folder

- Michelle attended a Grant Writer's Conference and has a TON of exciting things to report at our next meeting.
- Student meals have cost \$3.25, but the actual cost of meals is \$3.41
  - Serve 70 meals per day, 165 days per year
  - Typical \$30,000 \$40,000 loss a year
  - The state compensates for free and reduced (30 35 students)
  - What are other schools charging for lunch?
    - ISD 709, Lunch = \$2.95
    - DECS, Lunch = \$2.90
  - Lunch this year will be... \$3.95... exact amount to be determined
    - Risk of undercharging when audited
- Student Activities Coordinator- \$9,000 extra???
  - To be followed up on, as this is not a thing we are spending money on
- ESL line item- listed at \$3,000, but the Rev. is closer to \$14,000....actually slightly profitable!
- Salary Compensation Review
  - We need to be clear on levels of education and time teaching
    - Levels of Education: Masters yes or no
      - In years past, there was tension about whether staff had a masters in their field when considering a masters in relation to salary.
    - Time Teaching: How many years have you taught as a fully licensed teacher?
  - Also compare to comprable charter school in addition to ISD 709
    - Trek North most comparable, perhaps
  - Questions to Consider: Can we quantify quality of life for working at a charter school? What is the tolerance for our salaries? 10% - 15% less than ISD709? What does ISD709 offer for health insurance benefits? How do our benefits compare to other schools? What other compensation could we offer?-parking, bus passes?

- Bethany to follow up with Tim and Michelle later this month regarding spreadsheet and education/time teaching
- Lee will propose budget revision in September based on enrollment

Next meeting is Thursday September 8th at 3:15pm via Zoom