

APPROVED



Voices for International Business and Education

Minutes

Finance Committee Meeting

Date and Time

Thursday February 1, 2018 at 5:30 PM

Location

727 Carondelet St. New Orleans, LA 70130

Voices for International Business and Education http://public.boardontrack.com/VIBE_1

Committee Members Present

A. Kock, A. Tufail, M. Roney

Committee Members Absent

None

Guests Present

D. Deno, L. Lopez, S. Wilson

I. Opening Items**A. Record Attendance and Guests****B. Call the Meeting to Order**

M. Roney called a meeting of the Finance Committee of Voices for International Business and Education to order on Thursday Feb 1, 2018 at 5:35 PM.

C.

Approve Minutes

A. Tufail made a motion to approve minutes from the Finance Committee Meeting on 11-13-17 Finance Committee Meeting on 11-13-17.

M. Roney seconded the motion.

The committee **VOTED** unanimously to approve the motion.

M. Roney made a motion to approve minutes from the Finance Committee Meeting on 11-13-17 Finance Committee Meeting on 11-13-17.

A. Tufail seconded the motion.

The committee **VOTED** unanimously to approve the motion.

II. Finance

A. Key Performance Indicators

- The recommendation on months of cash.
- We have more information about what the deductibles are in terms of the reserves. The information needs to be entered in a format. We believe the number is 10% which equates to 52 weeks.
- This is not the percentage that we are trying to get to.
- The trigger is two months of cash. We would need to consider using our line of credit if we fall below this threshold.
- Payroll is the trigger to watch our expense every month.
- The next step is to adjust the levels presented in the financials with the green, yellow, red levels to be in line with our targets.
- A document will be prepared for the February meeting.
- We need to bridge the gap between the amount we want to keep in the reserve due to our operations and at the same time don't give the misunderstanding of keeping too much cash. As a public organization, we have to support our reasoning behind the percentage of the reserve.
- MR asked if the evaluation of the amount of the reserve took into consideration the type 2 charter lawsuit. SW stated that there is an assumption that there would be another action taken and we are also taking in to account the line of credit as a safety net.
- The lawsuit would impact all non-public funding organizations.
- Next meeting we will look at the documentation prepared by the administration to understand what the deductibles are.
- We want to ensure that our policy is clear and transparent as possible for anyone to understand.
- This item would fall under the long-term sustainability pillar on the Strategic Planning and the board policy manual.

B. Review November 2017 financial statements and KPIs

- We are about 100k overbudget due to some prepaid expenses. Legal expenses are part of this amount due to a Special Education Services lawsuit and collective bargaining.
- Our attorneys are currently working on closing the lawsuit as we complied with our part.

AT moved to go into executive session

MR seconded

M. Roney made a motion to To approve the financials as presented.

A. Tufail seconded the motion.

The committee **VOTED** unanimously to approve the motion.

A. Tufail made a motion to Go into executive session.

M. Roney seconded the motion.

The committee **VOTED** unanimously to approve the motion.

C. Motion to Suspend the Agenda

A. Tufail made a motion to Suspend the agenda and go into executive session.

M. Roney seconded the motion.

The committee **VOTED** unanimously to approve the motion.

D. Resume Agenda

A. Tufail made a motion to Resume the agenda.

M. Roney seconded the motion.

The committee **VOTED** unanimously to approve the motion.

E. Cont. Review of November 2017 Financial Statements and KPIs

- We want to make sure that we are forecasting with a tolerance with things fluctuating
- Admin. can establish a threshold and policy/procedure to report percentages or dollar figure in order to call our attention.
- AT stated that the board should only have to focus on things that are anomalies, not necessarily all of the intricate details and focus the board's attention on what is really needed in a one-pager.
- DD focuses on the expenses and revenues at the time of student count to make sure things are reported at a general scale.
- The information that is currently presented will still be communicated to the board noting the areas of concern.
- The administration will come up with the threshold that should be driving the committees' attention where support or input from the board is needed. - **We will include this as an action item for next month's agenda.**

F. Review December 2017 Financial Statements and KPIs

- PTO - Do we have a report that indicates the rate of PTO for each employee? We can only carry one year of PTO
- The PTO line reported in the December financials does not impact our monthly numbers, rather this is a figure to track annually.
- We gave employees a \$200 advanced through payroll in order to withhold taxes

M. Roney made a motion to To approve the financials as presented.

A. Tufail seconded the motion.

The committee **VOTED** unanimously to approve the motion.

G. Review Grant Pipeline Report

- The grant pipeline was presented
- We follow up with the awards that are not awarded in order to prepare better for next time

H. Update regarding Strategic Plan and Goals

- The edits and updates were circulated before the original meeting in January to all committee members
- We are looking at tracking the KPIs on BOT. We are hoping to have more information for next meeting
- We will edit Goal 1. Objective 1 - We should strike through "By October 2015" and substitute by "Maintain"

M. Roney made a motion to Accept the edits as presented in the packet with edits.

A. Tufail seconded the motion.

The committee **VOTED** unanimously to approve the motion.

I. Audit request for bid for 2017-2018 school year

- Updates to the draft were presented in yellow
- Most of the changes are in the appendix area
- We have requested information to cross-compare with some of their other charter clients
- The presented document is intended to guide the conversation and decision making better
- A rubric is included in the packet to make a decision driven by the score
- It was suggested that we should develop a policy or at least a statement/communication that goes along with the RFP stating the selection process, scoring and the committee makeup
- Attention was drawn to the scope of service that is very general stating just "perform the audit". We want to be very specific about requesting the audit and tax return

- Under proposed methodology, we should ask how will the audit and tax teams collaborate and the unity of the responsibility
- Pricing - how is "out of scope" is determined? we should ask for their rates and supplemental services to be negotiated on hourly rates. We should ask for a rate sheet.
- We should seek clarity about the payment terms and timelines and either make that call ourselves and communicate to them or ask them how to go about it.
- Wording on #15 should read IHSNO instead of "center" and the rest of the document should be proof to change "center" for IHSNO

III. Other Business

A. Review meeting agenda for February 2018

- months of cash
- Thresholds for the financial statements
- Jan. 2018 - financials
- Next meeting will happen on 2/19

IV. Closing Items

A. Next meeting February 12, 2018

Next meeting will happen on February 19, not 12

B. Public Comment

C. Adjourn Meeting

A. Tufail made a motion to adjourn the meeting.

M. Roney seconded the motion.

The committee **VOTED** unanimously to approve the motion.

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 7:17 PM.

Respectfully Submitted,

L. Lopez