APPROVED

Harding Charter Preparatory School District

Minutes

Finance Committte Meeting

Date and Time
Monday February 10, 2025 at 3:15 PM

Location
Virtual

Committee Members Present
Lisa Miller (remote), Pat McKinstry (remote), Rachel Durham (remote), Steven Stefanick (remote), Tyler Stroud (remote)

Committee Members Absent
None

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

Lisa Miller called a meeting of the Finance Committee Committee of Harding Charter Preparatory School District to order on Monday Feb 10, 2025 at 3:20 PM.

C. Approve Minutes

Rachel Durham made a motion to approve the minutes from Finance Committte Meeting on 12-30-24.
Tyler Stroud seconded the motion.

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

II. Finance Committee

A. Review the committee goals and give a high level overview

No Discussion

B. Review financial performance against the budget quarterly.

Reviewed the January financial statements overall and against the budget and discussed any questions and concerns:

- What are the Facebook charges on the credit card statments? Ads to generate enrollment. Has a max monthly so Facebook doesn't go above an allotted amount. ($500/month).
- What is the flight on the credit card? Steven's trip to Finland that was mentioned in the prior board meeting.
- Discussed the PO process and reviewed the PO spreadsheet, where the credit card statements show up on the PO log, the different buckets of PO's, how the PO changes we vote on each month impact that log.
- We reviewed the financials. Cash balances are $1.6 million and the budgeted carry over is $950k, which is healthy and in excess of the targeted 10% of state aid. We additionally noted that if the carry over exceeds 20% of state aid, that we could be penalized 5%, so we need to remain aware of this - which is a good problem to have.
- The state sent a catch up state aid payment of $1M in January. We anticipate that payment being around $650k/month the rest of the year to reach the budgeted $7.1M.
- We are still waiting to hear back from the OSDE regarding the decrease in Title funds from the prior year even though our free and reduced increased year over year.
- Non Payroll expenses have remained relatively flat year over year because we're in growth mode.
- We reviewed all the supplemental documents to the financials:
    - Fund summaries and discussed the nuances of each:
        - Fund 21 is the building fund. It is restricted for spending on specific building repairs, maintance and capital. The "Cash End Balance" on the Fund 21 Revenue/Expenditure Summary matches the Building Fund "Cash Fund Balance" on the Balance Sheet. It is funded primarily from the Redbud Fund (Marijuana taxes). We're expecting $600k in FY25 - $300k in February and June. The building fund is currently being used to cover portions of the elementary building improvements and building expenses. An ideal situation would be for

us to be able to build that up to pay off the elementary lease and build up funds for potential growth.

- Fund 81 is the gifts/donations fund. The fund is restricted by donor requests, but if no request is provided, there are few restrictions, particularly relative to other funds. The "Cash End Balance" on the Fund 81 Revenue/Expenditure Summary matches the Grant Fund "Cash Fund Balance" on the Balance Sheet. The line items represent the projects for specific donations. The unencumbered line is the interest from the sweep bank account.
- Fund 60 is the fund for school activity accounts. It doesn't show up on the balance sheet, although they are considered district funds. We reviewed to confirm no balances were negative and that no fund had an excessive savings balance.
- We reviewed each of the purchase order registers for the PO changes for the month of January as well the encumberance (payment) registers for each of the funds.

C. Superintendent Salary Comps

We began the process to review comparative salaries for the superintendent. We discussed where the salary information was found on the OSDE's website for both superintendents and certified staff combined. We noted that in the past years worth of history was available, but with current upgrades only the current year's information is available. With this change, to get access to independent prior year data independently and that would need to be sourced. Pat has resources at OPSRC to provide this info.

We reviewed the actually process, including an initial draft of instructions on where to find the salary information online and how to organize the data for analysis. We began the process to analyze, but the superintendent's salary report had limitiations based on how certain superintendent payments were coded. We are additionally trying to determine is there is a way to get a list of students by district so we can use that as a guide for comparisons.

With that, we tabled finishing this until the next meeting when we were prepared to review the superintendent salaries using the certified staff spreadsheet from the OSDE instead.

D. Introduce Financial Model

We went over the latest HCP financial model (the template from Bellweather). That was an introduction to the template as new board members had seen this previously. There was high level discussion regarding it's purpose and how it works.

III. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 4:45 PM.

Respectfully Submitted,
Lisa Miller