Cirrus Education Group

Minutes

CEG - Finance Committee Meeting

Date and Time
Tuesday August 18, 2026 at 6:00 PM

Location
This meeting will be held via Zoom. Please use the link below to join the meeting. We look forward to seeing you there!

https://us02web.zoom.us/j/84334623252?pwd=dXaiJlgHg3HxIUbjiUKq2wqhIG6ge7.1

Committee Members Present
L. Golphin (remote), L. Taylor (remote), N. Lewis (remote), R. Finley (remote)

Committee Members Absent
None

Guests Present
Alison Bass (remote), Arleen Samuels (remote), B. Williams (remote), Brenda Edwards (remote), Diane Freeman (remote), N. Brinson (remote), Nyla Thornton (remote), Sonja Riley (remote), Wendy Brinson-Grimes (remote)

I. Opening Items

A. Call the Meeting to Order

N. Lewis called a meeting of the Finance Committee of Cirrus Education Group to order on Tuesday Aug 18, 2026 at 6:00 PM.

B. Record Attendance

C. Approve Agenda

L. Taylor made a motion to Approve Agenda.
L. Golphin seconded the motion.
Amendments to the agenda were reviewed: Added on Lifting $500 threshold, accounting contracts, Transportation Contract & FY27 Budget Amendment, and Crossing Dot Contract
The committee **VOTED** to approve the motion.

D. Approve Minutes from Finance Committee Meeting on May 19, 2026

L. Taylor made a motion to approve the minutes from CEG - Finance Committee Meeting on 07-21-26.
L. Golphin seconded the motion.
The committee subsequently corrected the agenda to reflect that the minutes under consideration were from the **July 21, 2026 Finance Committee meeting**, rather than May 19. A motion was made and seconded to approve the correction. The motion **carried**.
The committee **VOTED** to approve the motion.

II. Policy Review

A. Financial Policy Review

- The Committee reviewed the school's financial policies, with a focus on:
    - Purchasing authority and procurement procedures
    - Segregation of duties and financial controls
    - Roles and responsibilities of the CEO, CFO, Board Chair, and Treasurer
    - Purchasing thresholds and requirements for Board approval
- Legal counsel explained that proposed revisions were intended to clarify the CEO's operational purchasing authority within established policy limits and the CFO's role in providing financial and compliance oversight.
- The Committee discussed the need to ensure appropriate checks and balances between the CEO and CFO.
- Members discussed whether purchases and contracts are receiving required approvals **before financial obligations are incurred**, including the proper sequence for requisitions, purchase orders, invoices, and approvals.
- The Committee reviewed differences among existing versions of the financial policies, including references to "Head of School" versus "Superintendent/CEO."
- The Committee discussed the distinction between:
    - Board authorization of expenditures through the annual budget; and
    - Transaction-level procurement and approval requirements.

- Legal counsel clarified that inclusion of an expenditure in the approved budget does not eliminate applicable procurement or approval requirements.
- The Committee emphasized the need to:
    - Identify and reconcile the official Board-approved version of the financial policies;
    - Confirm that purchasing thresholds and approval requirements are accurately reflected; and
    - Ensure the version maintained in Epicenter matches the policies formally approved by the Board.
- The Committee agreed that the existing policy versions should be reconciled and the official Board-approved version confirmed before additional substantive revisions are made.

B. Lifting $500 Threshold for CEO

The committee considered increasing the CEO purchasing threshold from **$500 to $10,000**, consistent with the financial policies currently maintained in Epicenter.

Some committee members expressed support for increasing the threshold to allow the school to operate efficiently, while others expressed concern about acting before questions surrounding the official financial policies were resolved.

A motion was made to increase the threshold from $500 to $10,000. **The motion did not receive a second and therefore failed.**

The committee indicated that the financial policy questions should be addressed promptly, particularly in advance of upcoming compliance and audit-related activities.

C. Accounting Contracts

School Leadership presented the need for temporary accounting support due to staffing capacity, internal-control needs, QuickBooks support, accounts payable responsibilities, and preparation for the upcoming audit.

Two proposals were discussed:

- **Avalon Accounting** – approximately $24,000 for four months
- **21 Cobalt** – approximately $9,800 through November 30, with an option for month-to-month extensions

Management recommended **21 Cobalt** based on scope, immediate availability, organizational needs, and cost.
The proposed scope included:

- Accounts payable support;
- Reconciliations and coding;

- Bill.com support;
- QuickBooks support;
- Training and onboarding of accounting staff;
- Assistance with audit preparation; and
- Additional accounting support as needed.

The expenditure would be charged to an existing consulting line item with available budget capacity.

Following discussion, a motion was made to approve management's recommendation to engage **21 Cobalt**. The motion was seconded by Ms. Taylor.
The motion **passed with no opposition**.

III. Matters of Discussion

A. Monthly Financial Overview

- **Revenue:** Approximately $673,876
- **Expenses:** Approximately $454,880
- **Net Income:** Approximately $219,000
- **Cash on Hand:** Approximately 113.6 days
- Certain teacher and paraprofessional expenses were accrued to the prior fiscal year, resulting in lower expenses for July.
- The **debt-service coverage ratio** was unusually strong for July due to the lower expenses and is expected to normalize once regular payroll expenses are reflected in August.
- **Enrollment:** Approximately 475 students based on the most recent available count.
- **Current Funding Level:** Approximately 511 students.
- Management will finalize enrollment/count data and provide updated revenue projections at the upcoming Board meeting.
- **Special Education Enrollment:** Approximately 44 students were identified at the time of the meeting.

Debt Service

The committee reviewed the school's bond obligations. Key points included:

- **Budgeted Bond Payments:** Approximately $1.043 million for FY2027.
- **Updated Annual Obligation:** Approximately $854,582.
- **Projected Savings:** Approximately $188,000 compared with the original budget.
- The reduction was primarily attributed to a deposit/payment component required in the prior year that is **not required in FY2027**.
- The committee discussed the current structure of **principal and interest payments** on the bonds.

- The committee also discussed considering the outstanding bond obligations as part of **future financial and budget planning**.

B. Transportation Contract & FY2027 Budget Amendment

- The committee discussed the need to amend the FY2027 budget to properly account for transportation expenses and identify the specific budget lines from which funding would be transferred

- A motion was made to recommend a **FY2027 budget amendment that includes the Roscoe Transportation contract**. The motion was seconded.

- During discussion, the committee emphasized that any transfer of funds between line items must be formally reflected in the amended budget rather than simply freezing or holding expenditures in another category.

The motion **passed**.

C. Facilities Update

Ms. Grimes reported that there were **no additional facility matters with material budget, procurement, or contract implications** beyond the transportation matter already discussed.

D. Federal Funding Update

Ms. Freeman provided an update on federal grant funding and reported that the school was **current on its federal grant drawdowns**. Recent reimbursements received included approximately **$40,114**, **$12,000 for Title II**, **$26,090 for Title IV**, and **$13,803 for IDEA**. Ms. Freeman and Ms. Samuels were also preparing the final FY2026 July drawdowns for submission to the Georgia Department of Education.

Ms. Freeman reported the following FY2027 federal grant award amounts:

- **Title I-A:** $465,241
- **Title II:** $49,846
- **Title IV-A:** $35,021
- **IDEA:** $101,164
- **Preschool:** $2,198
- **Title I:** Funding was slightly higher than budgeted.
- **Title II:** Funding was lower than anticipated.
- **Title IV:** Funding was lower than anticipated.

- **IDEA:** Funding was below the amount included in the school's budget.

- **Overall Federal Funding:** Management estimated a shortfall of approximately **$63,000–$64,000**, which will require budget adjustments.
- **FY2026 IDEA Expenditures:** Expenditures exceeded the grant allocation by approximately **$3,024**.
- Management is seeking clarification from the program manager regarding whether the additional IDEA expenditures can be covered.
- If the additional amount cannot be covered through the grant, an adjustment will need to be addressed as part of the **FY2026 audit process**.

IV. Items for Approval

A. Financial Policy Revision to Board Meeting for Approval

The committee confirmed that consideration of the revised Financial Policies would be **tabled** pending further review. The committee agreed to convene a subcommittee to reconcile the various policy versions, identify proposed changes, clarify purchasing and approval thresholds, and consider third-party review for alignment with SCSC requirements.
Ms. Brinson was asked to coordinate Board member availability for the subcommittee meeting, with the goal of completing the review prior to September 1.

CEO Purchasing Threshold and Approval Process

- School Leadership asked whether the proposed **increase to the CEO purchasing threshold**, which did not advance earlier in the meeting, could be reconsidered at the upcoming Board meeting.
- The committee agreed that the purchasing threshold should first be reviewed by the **Financial Policy Subcommittee**, as it is connected to the tiered approval structure within the financial policies.
- Any recommendation resulting from the Financial Policy Subcommittee's review could then be presented to the **full Board for consideration**.
- The committee discussed the need for greater clarity regarding the **approval pathway for expenditures**.
- The Financial Policy review will address the respective approval roles of the:
  - Operations Committee
  - Finance Committee
  - Board Treasurer/Chair
  - Full Board

V. 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 9:17 PM.

Respectfully Submitted,
N. Brinson