

APPROVED



Research Triangle High School

Minutes

Finance Committee

Date and Time

Monday October 8, 2018 at 2:00 PM

Location

Usually call in or Zoom

The RTHS Board of Directors meets monthly on the Third Wednesday of each month, except for December and July. Meetings are held onsite at 5:30pm until 7pm, upstairs in the FBC Conference Room.

Committee Members Present

C. Mugge (remote), N. Lightner, P. Blizzard

Committee Members Absent

A. Quigley

I. Opening Items

A. Record Attendance and Guests

We need to move this meeting to the prior week (which would be too early for Nicole to have data ready) or Wed-Friday of 2nd week of month, in order for Alex to attend. Meeting the Monday of the 2nd week overlaps with his CSAB meetings.

B. Call the Meeting to Order

P. Blizzard called a meeting of the Finance Committee of Research Triangle High School to order on Monday Oct 8, 2018 at 2:00 PM.

C. Approve Minutes

We did not do this.

II. Finance

A. Audit review

Amanda Habich of TJ&T presented the draft of the Audited Financial Statements for committee review. Notes

1. The biggest change to the audit this year is requirement to file under our governing non-profit name, CSC, rather than the school name.
2. **The opinion on pp.1-2 is Unmodified, the highest level.**
3. Note that the Governmental Standards the auditors are required to audit to are a higher standard than GAAP.
4. The restricted cash reflects the amount that was sitting in our bond payable fund the evening of 6/30, which was then paid out to bondholders the next day of 7/1 ~ \$800K. The \$185K is what is due this year.
5. Our net position of \$629K is considered very strong!
6. From the Footnotes - beginning on p. 18 - note our Uninsured deposits of \$2.3M. This includes the \$800K at US Bank, our bond trustee; but it is recommended that we move the rest of our funds into CDARs which sweep out each evening into a suite of FDIC insured banks, and then back into our account. ACTION: FINANCE COMMITTEE
7. p. 21 note our positive DSCR and DCOH ACTION: PB SEND FINAL VERSION TO BOND TRUSTEE
8. p. 26 - Our Internal Control and Compliance tests found zero problems
9. **p. 28 State Public School Fund testing - also an Unmodified opinion.**

B. Budget Update

Notes:

We have re-budgeted for the year based on final headcount of 557. We have placed all faculty on the right place on our salary scales (WCPSS 17-18), excepting those who have negotiated salaries or are above or below WCPSS. We have increased Instructional Materials to meet all STEM and ARTS course requests this year. We have a strong investment in software and EdTech, which the IT team is going to dive more deeply into this year, with an eye towards tying those expenses more closely to student outcomes.

Note that our DSCR is now quite high; this will give us the latitude to invest in some opportunities as they arise this year, with Robotics being an clear example. Program plans are being considered by the Leadership team for future expenditures.

We are also beginning to examine our P&L as being the groundwork from which we can plan for a potential 2010 Recession. The Finance Committee will see 5 year projections in November.

C. Retreat slides

Carmen and Pamela will update the past years' slides for the Retreat, to show cumulate school revenue and expense data. Partially updated versions are attached here; NOT FINAL!

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 3:10 PM.

Respectfully Submitted,
P. Blizzard