DRAFT

Research Triangle High School

Minutes

Special-Called Finance Meeting

Annual Audit Presentation

Date and Time
Monday October 30, 2023 at 9:30 AM

Location
Topic: Special-Called Finance Committee Meeting
Time: 0930-1030 AM EDT
Join Zoom Meeting
https://rthighschool.zoom.us/j/93566460638
Meeting ID: 935 6646 0638

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Date and Time:
Monday October 30, 2023; 0930 AM EDT

Location:
RTHS Board of Directors is inviting you to a scheduled Zoom meeting.
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The RTHS Board of Directors Finance Committee meets monthly on the second Tuesday of each month, except for December and July. Meetings are held virtually.

Committee Members Present
C. Coia (remote), G. Rodgers (remote), M. Babb (remote)

Committee Members Absent
S. Rivers-Kobler

Guests Present
A. Griffin (remote), Amanda Habich (remote), B. Mitchell (remote), N. Lightner (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

M. Babb called a meeting of the Finance Committee of Research Triangle High School to order on Monday Oct 30, 2023 at 9:41 AM.

II. RTHS Annual Audit

A. Presentation of the RTHS Audit

-Amanda Habich is with our audit group and has formalized review with Brandon Mitchell
-Ms. Habich presented the audit
-Formal Opinion on financials presented: unmodified opinion (the financials are in accordance with GAAP and is the highest opinion you can receive)
-Findings as it relates to the 2022-2023 school year:
1. Joey Webb contract should have been formally amended once WTHS was separated to properly identify scope of work as he continued to work for RTHS. Auditors agree that costs relate to RTHS.
2. RTHS did not meet the mandatory 50% of certified teachers in the 2022-2023 school year, as stipulated by the statute. As of July 2023, the School is in compliance. The school is implementing internal controls to monitor this more closely.
3. Salary cap exceeded excess of state fund allowance and the auditors recommend a policy for funding identification moving forward. The school and its accountant will be sure that this is allocated appropriately moving forward.

4. EC consent forms - 3 out of 5 signed; recommended internal controls with RTHS new EC director. RTHS has already implemented a comprehensive procedure with a checklist to guarantee the acquisition of all necessary documents.
5. 1 EC teacher license was expired in the 2022-2023 school year. All are currently licensed and the school is implementing internal controls to monitor this more closely.

Balance Sheet: $2.3M in cash (could only be used for capital expenses at the moment otherwise it negatively impacts our debt coverage ratio) and 1.4M in restricted cash (bond holder requirement) for the bond. Debt 9.9M. Net positive position of 2.4M. Brandon shared additional context that all of these funds are not fully FDIC insured (RTHS is evaluating) and likely should be allocated to an account with higher interest rates and Staff is reviewing during this calendar year.

Net surplus of $147K in 2022-2023 school year increasing the school's position.

573 Students (school revenue) in the 2022-2023 school year. Minimum school year requirement of 490.

DSCR 1.31 for 2022-2023 school year.

Auditors provided board communication letter attached which includes journal entry modifications for salary fund allocation and FICA taxes not previously paid (IRS requires to reconcile the past 3 years).

G. Rodgers made a motion to Accept audited financials as presented.
M. Babb seconded the motion.
The committee **VOTED** to approve the motion.

Roll Call	
S. Rivers-Kobler	Absent
C. Coia	Aye
G. Rodgers	Aye
M. Babb	Aye

III. Other Business

A. Presentation to RTHS Board of Directors

Auditor will join November 15th board meeting at 5:45 for 15 minutes.

IV. 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 10:21 AM.

Respectfully Submitted,
M. Babb