APPROVED

# Pharos Academy Charter School

# Minutes

## Pharos Academy Charter School Finance Commitee Meeting

**Date and Time**
Tuesday August 18, 2020 at 4:30 PM

**Location**
813.967.8308 passcode 74216

**Committee Members Present**
M. Rousseau (remote), R. Granado (remote), T. Brown (remote), T. Wethington

**Committee Members Absent**
J. Reyes

**Guests Present**
B. Elliott (remote), C. Russell (remote), M. Dorsey (remote)

### I. Opening Items

#### A. Record Attendance

#### B. Call the Meeting to Order

R. Granado called a meeting of the Finance Committee of Pharos Academy Charter School to order on Tuesday Aug 18, 2020 at 4:35 PM.

#### C. Approve Minutes

R. Granado made a motion to approve the minutes from Pharos Academy Charter School Finance Commitee Meeting on 07-08-20.
T. Wethington seconded the motion.
The committee **VOTED** to approve the motion.

**Roll Call**

| | |
|---|---|
| R. Granado | Aye |
| T. Wethington | Absent |
| J. Reyes | Absent |

## II. Finance

### A. Finance

SBAS would like any feedback on this month's financials so they can tailor the reports moving forward.

In the month of July, the ratio is very high at 4.63. Cash on hand was just under 6.3 million. Expenses per day are down 20,000 because of payroll going to the previous year (FY20). The debt service coverage ratio is 8.27 due to net income being high for one month. The rent is only $53,000 so it is eight times more than what is needed to cover the rent.

Budgeted enrollment was at 670, district billing was at 670. 960K in revenues. Right now the surplus is at 340K where the budgeted surplus was at about 137K.

Robb inquired about scholar enrollment for FY21, both in terms of new scholars joining the school and then those returning to the school for the upcoming year. Courtney described the current status and perspective on next steps.

Mary Beth shared more on a collapsed version of the budget versus actuals. Robb inquired about adding a layer of line item deviation from the budget and whether this could be incorporated.

## III. Investment Accounts

### A. Investment Accounts

The team briefly discussed the investment report, no questions or concerns were expressed.

## IV. Other Business

### A. August Board Meeting Preparation

Brent shared that SBAS is looking at the Title grants to ensure they are maximizing these funds.

Additionally there is an opportunity to claim some of the PPP loan for revenue. SBAS will prepare the application and get a better sense of the likelihood of funds being forgiven.

If approved, this would address the deficit that currently is a possibility.

Robb would like tor us to explore this route and prepare the application. Robb also inquired about the perception of having a deficit. Brent shared that this was discussed and the aim is to not have a deficit for FY20.

Robb stated he would like to understand from the auditors what, in the event of PPP forgiveness, this would mean for the school in terms of what month this would be seen. Robb asked Brent to kick off an email to the auditors and include him and Courtney on that email. He would like more detail about how this will work. Additionally, Robb would like to see a plan B in the event that this would not be forgiven and what our alternative would be. Robb inquired about the possibility of a call with the auditor and Brent stated he would follow up to schedule this.

Brent shared that due to exceeding the limit of federal funds being spent, a single audit would need to be added to this year's audit process. This amount is $750,000. In order to conduct this audit, there will be an additional $5,000 fee.

The team briefly discussed the Financial Policies document up for approval by the Board in August. Robb asked for Courtney to send an email to the Executive Committee highlighting the $50,000 minimum (not $25,000 as previously utilized) outlined in the bylaws that is also included in the Financial Policies.

## 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 5:14 PM.

Respectfully Submitted,
R. Granado