

APPROVED



Pharos Academy Charter School

Minutes

Pharos Academy Charter School Finance Committee Meeting

Date and Time

Wednesday March 10, 2021 at 5:00 PM

Location

781.448.4130 Participant PIN 45108

Committee Members Present

K. Shah (remote), M. Rousseau (remote), R. Granado (remote), T. Brown (remote)

Committee Members Absent

T. Wethington

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 Wednesday Mar 10, 2021 at 5:00 PM.

C. Approve Minutes

R. Granado made a motion to approve the minutes from Pharos Academy Charter School Finance Committee Meeting on 02-10-21.

K. Shah seconded the motion.

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

II. Finance

A. Monthly Financials

Mary Beth Rousseau provided an update on the school's monthly financials. Specifically:

Current assets are at 8.5 million, total assets at 11.9 million.

Current liabilities are at 2.4 million, total liabilities at 3.9 million. Net assets are at 7.9 million.

The current ratio is 3.57 and debt to asset ratio 0.33.

The school has 7.5 million in cash on hand, with 31K expenses per day and 244 days cash on hand.

III. Investment Accounts

A. Investments

The school will need to update the Investment policy to reflect the school's new name, Pharos Academy Charter School.

Courtney shared that she spoke with JP Morgan and the Finance Committee may consider amending the policy to allow for the investment in corporate bonds. She will send a follow up email to the group so they can review although no formal action is needed at this time.

A conversation ensued around the Paycheck Protection Program (PPP) Loan Forgiveness. Specifically:

1. Request guidance from our auditors on the impact of not receiving a PPP forgiveness decision until FY 22
 1. If we don't get a decision in FY21, can we still proceed with accounting for the expected forgiveness as revenue in FY21?
 2. If we find out in FY22 that the loan will not be forgiven, do we need to restate FY20 and FY21 revenue to reflect?

2. Establish a plan for balancing FY21 budget given ~\$500K of projected surplus that is above and beyond the impact of the PPP forgiveness; discuss in April finance committee.
3. Establish a plan for balancing FY21 budget given potential \$1.2M of additional budget surplus (depending on PPP forgiveness); discuss in April finance committee.

IV. Other Business

A. March Board Meeting Preparation

The school is in the process of renewing its insurance policies with the broker Bolton. All is progressing as expected although Bolton shared they anticipate significant premium increases due to market trends. Courtney will email Bolton to get more specific figures for the Board.

The school submitted a CSP Grant application with the state. If approved the school anticipates an additional \$49,950 in revenue which includes technology hardware and PPE. These expenses were previously allocated to the CARES grant so additional expenditures would need to be tied to that grant which has a later end date than the CSP grant.

The school is nearly finished with its Financial Policies and Procedures. A draft will be to the Finance Committee and full Board in April 2021 for feedback and approval.

The school's PPP loan forgiveness application is still not available with Chase; Courtney will continue to follow up with the bank.

There are no expenses over 50K for consideration this month.

The school is working with SBAS on the FY22 budget. We hope to have a draft in April and a "final" version for approval at the May meeting.

V. FY22 Finance Contract

A. FY22 Finance Contract

Pharos Academy Charter School will issue an RFP for a financial vendor for the FY22 school year. A draft of the RFP will be sent to the school leaders and the Finance Committee before it is issued to vendors on Monday, March 15.

VI. 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 5:45 PM.

Respectfully Submitted,
C. Russell