APPROVED

Next Generation Charter Schools

Minutes

MetLCS Board - Monthly Finance Call

Date and Time
Thursday October 15, 2020 at 4:05 PM

Location
813.967.8308 passcode 74216

Mission

We prepare our students for college through a rigorous arts-infused program.

Vision

All students will be taught by a highly effective teacher in a nurturing environment and will achieve at high levels. Each student will develop the knowledge, skills and values necessary for responsible citizenship and life-long learning. The impact of our collective efforts will fundamentally change public education.

Committee Members Present
A. Bothner (remote), E. Chen (remote), K. Brisseau (remote), S. Pressley (remote)

Committee Members Absent
K. Shabazz, T. Bryan

Guests Present
A. Ames (remote), B. Elliott (remote), K. McGuire (remote), K. Perez (remote), M. Alston (remote), M. Rousseau (remote), Michelle Cain (Auditor) (remote), T. Williams (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

S. Pressley called a meeting of the Finance Committee of Next Generation Charter Schools to order on Thursday Oct 15, 2020 at 4:07 PM.

C.

Approve September Minutes

S. Pressley made a motion to approve the minutes from the September Finance Committee Meeting MetLCS Board - Monthly Finance Call on 09-17-20.
A. Bothner seconded the motion.
The committee **VOTED** to approve the motion.

II. Finance Updates

A. Finance Updates

Mary Beth reviewed September financials

- Described current ratios as excellent

Mary Beth reviewed the income statement

- An additional line has been added called CARES Act as a reimbursable grant
- The revenue is recognized based on expenses incurred

S. Pressley asked about special funding that would average out to about $120k. Was that incorporated?

M. Rousseau said it was recognized under State funding sources

S. Pressley asked if we were going to back track to recognize spending

M. Rousseau confirmed this is recognized for all prior months

M. Rousseau reviewed expenses

- Largest savings in taxes, but the current number does not reflect the new staff that has just been onboarded

S. Pressley asked about additional art supplies along with additional leadership hiring. Have those been factored in?

M. Rousseau stated that current line items only show actual expenses. So if those things have not occurred yet, those have not been recognized.

B. Elliot asked if those items were included in the budget amendment

T. Williams confirmed.

B. Elliot confirmed that these were included in the current report.

B. Elliot reviewed the investment report

B. Draft Audit Review

M. Cain reviewed the draft audit report

A. Bothner asked with regards to the change mentioned about deferred lease liability, is there anything the school needs to be aware of.

M. Cain said that this would mainly affect debt covenants and it won't affect items now. But debt to equity covenants would be entirely blown because liabilities would go up considerably.

A. Bothner asked where would that hit the asset side of the balance sheet?

M. Cain shared it would hit the property and equipment line.

S. Pressley said asked what's included in the Property and Equipment line.

M. Cain shared that it was mostly relative to rooftop construction.

M. Cain shared that she'd change sub-lease items to lease agreement because that better represents the actual agreement

M. Cain summarized the report as "clean" with no findings as far as right now. Shared that there are a couple of open items that need to be tested over the next couple of weeks, but she does not believe there will be any findings.

M. Cain shared that no significant audit adjustments, but there was a passed adjustment that had no material effect and there were no disagreements from management at this time.

M. Cain asked whether Finance Committee minutes are kept. A. Ames will send Finance Committee meeting minutes after July 2019.

M. Cain stated that it's unclear who's doing what in the FPP between LHA and Metropolitan. That should be made more clear.

M. Cain shared that cleaning up the ledger took lots of time because of the actions of the previous auditor, but that should be easier moving forward.

Open Items:

- Signed ref letter

- Legal response
- Couple of open SpEd items

M. Cain asked if the Finance Committee could vote on this report today.

A. Bothner asked if it's required legally for the Finance Committee to vote on this

M. Cain shared the legal background on this decision

III. Audit Update

A. Audit Approval

S. Pressley made a motion to accept the audit report pending any open items that need to be reviewed.
A. Bothner seconded the motion.
The committee **VOTED** to approve the motion.

IV. Closing Items

A. Adjourn Meeting

Finance committee entered executive session at 5:03PM
There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 5:00 PM.

Respectfully Submitted,
S. Pressley