

BFCCPS Finance Committee

Meeting Minutes

September 4, 2014

Attendees: Jerry Cimmino, Heather Zolnowski, Jennifer Powell, Beth O'Toole, Crossan Barnes (left meeting at 8:40 a.m.), Matt Dunlap (left meeting at 8:50 a.m.), John Buckley (AAF) & Bryce Luetzen (AAF)

8:10 a.m. meeting began

Administrative Matters

- The June Meeting minutes were approved.
- Meetings will remain in the mornings at the Red Brick School.

Discussion of Financial Statements provided by AAF

- A draft of the Audited Financial Statements were presented by John and Bryce from AAF.
- Of the 36 schools audited by AAF we are the first completed audit which speaks well for the school's audit preparedness and the accuracy of our accounting records.
- There are no deficiencies or material weaknesses in our internal controls.
- Post retirement health benefits for the teachers were discussed. Many Charter schools have opted out of contributing to this at a state level, including BFCCPS. If a teacher works in both the public school and charter school sectors, charter schools could technically be on the hook for a portion of this expense. John notes that there has been no precedent set for this, but the law is "loose" in this case.
- John notes that the Foundation should be meeting annually and have minutes. Discussion of the pros and cons of financing/purchasing of the new building/land in the Foundation rather than the school entity. Advised to retain experienced legal counsel.
- John and Bryce note the following:
 - Overall increase in equity for the year.
 - The value of the land owned is at original cost and the loan has never had a principal payment made.
 - The state was late in paying tuition resulting in the cash went down significantly and the tuition receivable is so high.
 - GASB 65 change – acquiring debt costs are current expense and not amortized over the life of the loan. (Note for future financing arrangements re: new school.)

General Business

- Verbal agreement has been reached with the Archdiocese regarding the addition of two option years to the existing facility lease. Execution of lease amendment is imminent.
- iPad donation from Genzyme still pending.
- Jennifer would like to host the Quickbooks software on Right Networks which will provide more flexibility for her to work at the school and at home. Cost is approximately \$50/month.
- We will likely need more support this year for the Board surrounding the building/facility projects. A note will go in the pink sheet to contact Jerry if interested in joining the FinCom.

9:35 a.m. meeting ended