Minutes of Meeting Held August 27, 2015

Call to order
Dr. Teresa Hardee called to order the regular meeting of the Finance and Facilities/Citizen Budget Oversight Committees at 4:05 on August 27, 2015.

Roll call
Dr. Teresa Hardee conducted a roll call. The following persons were present: Mr. Charlie McDowell, Dr. Evelyn Edney, Dr. Teresa Hardee, Teresa Gerchman, Karen Thorpe, Kizzy Smith, Dara Savage, Dr. Marsha Horton

Approval of minutes from last meeting
Dr. Teresa Hardee will provide the minutes from the last meeting, July 23, 2015. The minutes will be disbursed to members and discussed at the next meeting.

Action and Information Items

- The Financial results for the period ending July 31, 2015 were presented by Karen Thorpe from Innovative Schools.

  The presentation of the financial information was discussed as follows:
  (1) Revenue/Expenditure report with monthly actual activity and projections for the remainder of the fiscal period, (2) Summary by Fiscal Year – Fund – Appropriation activity and (3) a web version of the Revenue/Expense report year to date activity summarized.

  o The 2016 budget was discussed and it is currently based on a projected enrollment of 225 students. The census date for determining actual student enrollment is around 9/30/15. After this date the student revenues will be allocated from DOE based upon demographics of each student such as where they live, are they special needs, etc. The recording of the Non SEA funding was discussed and since the grant period extends from 7/13/15 through 7/12/15 it was determined that the full allocation of $200,000 should be included in the budgeted revenue. Recording the full amount of Non SEA grant will provide a surplus of approximately
$11,529 and if managed will allow the ECHS to hopefully avoid drawing down on the line of credit available to the ECHS.

- Included in the revenue budget are two grants in the amount of $150,000 (Welfare Foundation) and $37,500 (WSFS).

- Items of note in the expenditure area include: increased health insurance cost (Currently budgeted at last year’s rate), cafeteria staff to be hired, insurance invoices to be paid, and summer school teachers have been paid.

- The University tuition costs (In-kind transactions) need to be tracked and recorded. Currently, only a few students are enrolled in DSU courses the majority of students will enroll in the spring term. This year the students will be taking courses on DSU campus and the cohort process where DSU teachers come to ECHS will not continue. They will be transported via shuttle that will run hourly and drop off the students at the main entrance to the University in the circle.

- Mr. McDowell discussed the decision to pay down the current letter of credit with the cash on hand to help reduce the cost of interest expense. Currently there is approximately $700,000 to $750,000 in cash balance with the state. Expenditures are running about $250,000 per month. Kizzy is to provide Dr. Hardee with the actual cash balance to determine how much can be released to pay the principal on the LOC. The current balance of the LOC is $500,000 and can be drawn easily from the bank with notice.

- The presentation of financial information was discussed and all felt that the new format provided information that was clear and easy to follow.

  - **MOTION:** Dr. McDowell made a motion to approve the web report with the changes to the budget as noted. Kizzy Smith 2nd All Approved

- The audit of the 2015 financial statements began August 11, 2015 and a draft of the statements will be available in early September. Dr. Hardee noted that she wants to have a telephone discussion with the auditor prior to the release of the draft. A meeting will be arranged for the Audit firm to present the draft/final statements to the audit committee and the committees of finance and facilities/citizen oversight.

- Dr. Edney presented the following enrollment information:
  - 112 Freshman
• 106 Sophomores (12-16 are new to the program)
• 1 new student as of today
• 10 pending applications (4 9th grade and 6 10th grade)

• Kizzy Smith stated that the ECHS is receiving the necessary supplies for the current school year and is ready for the year.

New business
  a) 2016 budget to be presented to the Board of ECHS
  b) Schedule a combined meeting of the Audit committee and the Finance and Facilities/Citizen Budget Oversight Committee to allow the auditors to present the draft Financial Statements for Fiscal Year 2015 on or around September 24, 2015.
  c) Discuss with Follett (DSU Bookstore) to set up an account for ECHS to purchase textbooks for the students taking college courses.
  d) Kizzy Smith to provide daily cash balances to Dr. Hardee.

Adjournment
Dr. Teresa Hardee adjourned the meeting at 5:02. 2nd by Dr. Marsha Horton

Minutes submitted by: Denese Lindsey

Minutes approved by: [Name]