**Laupahoehoe Community Public Charter School**

**Finance Committee Meeting**

**4 PM Monday September 10, 2018**

**Room 12**

**AGENDA & MINUTES**

**Committee Members: Fred Kent, Del Refugio, Pam Elders, Sookyung Kim, Kahele Nahale’a**

**Guests: Peter Sternlicht, Robert Zellner (HS Science)**

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| 1 | Action Items Review: 5. Robert Zellner will provide equipment and grant info to FC (see 16 below). 8. Article VI is from SPED District office of DoE. Funds are Federal. Allocations come out in April and may change annually. Document might be Article VI of IDEA. 13. Kahele found copy of MOA without signatures.14. Del will continue to work on Workers Comp issue. The problem is that this benefit does not seem to be available separately from Medical, which is paid by DoE. Pam suggested writing a letter to Charter Commission requesting exemption. Sookyung recommended if we send letter to Charter Commission it should also include other issues such as being allowed to invest cash in low risk interest bearing accounts, ability to incur debt to buy assets (thereby capitalizing debt and large fixed assets which would improve the school’s financials), and freedom to sell assets. 19. Annual updated inventories are required by Charter Contract, under “Financial Matters.” All agreed this is a FC responsibility. The current process was briefly discussed. Kahele will get more details and send to FC. The process will be reviewed and suggestions for improvements made at next meeting. A concern was expressed that by engraving serial numbers on computers, we are voiding the warranties. All equipment is inventoried. Only single items over $5,000 are depreciated. | Fred |
| 2 | July 2018 Financial Review Net income was $10,353 more than budgeted. No unexplained significant variances exist. Some expense items were high due to gearing up at beginning of year. Utilities are 41% higher than budgeted in July, a noted concern which will be monitored. Line 29, Fees, includes $2500 to Charter Network. 60% of Student Allocation was paid in July, 30% will be paid in December, and remainder in June. It is accrued monthly. The rest held in Deferred Revenue. On P/L comparison zeros on items for July 2017 was due to cash accounting in July /August. Switched to accrual accounting in Sept after Del arrived. On Balance Sheet: Auditors may make adjustment to last year’s Accrued Payroll. Temp Rest-GB Mandated Reserve, was set by GB action in Sept 2015, and has not been increased since. FC will consider increasing this amount.  | Del |
| 3 | SY 17/18 External Audit Update Field audit visit is done, but still sending info to auditors. This year, they will put minor concerns in a letter to management, instead of in the audit report. One concern they expressed was that there are 5 credit cards. Del and Kahele are considering reducing the number to 3. Auditor offered to review our financial policies and procedures. Draft of audit should be done this month. Approved audit report is due to Commission on Nov 1, so will have to be approved at October GB meeting. Del will check with auditor to be sure they can present the audit to the board. Since it is an “external” audit, it should not be presented by “internal” employee. | Del |
| 4 | Financial Committee Goals for SY18-19 Due to time constraints, deferred to next meeting. Work will continue remotely. | Fred |
| 5 | Premises for SY 18/19 Budget Revision Due to time constraints, deferred to next meeting. Work will continue remotely. | Fred |
| 6 | Time/Date of Finance Committee Meeting FC approved regular monthly FC meeting time/date of 4PM on second Tuesday of each month, beginning October 9th. Fred will ask Jerby to post the revision. | Fred |

**ACTION ITEMS**

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| **#** | **Description** | **Who** | **Due Date** | **Complete Date** |
| 5 | Ask Bob for a prioritized list of equipment desired with justification. | Del | 8/14/2018 | 9/10/2018 |
| 7 | Prepare Board Proposal Form to nominate Sookyung Kim. | Fred | 8/21/2018 | 8/21/2018 |
| 8 | Find out source, terms, and conditions of Article VI. | Kahele | 9/11/2018 | 9/10/2018 |
| 9 | Give Kindergarten Class Size mitigation plans to Del and Fred. | Kahele | 8/25/2018 | 8/28/2018 |
| 10 | Find out if we have AG approval for Credit Cards. | Del/Pam | 9/11/2018 | 8/22/2018 |
| 11 | Find out where Pam read AG approval requirement for Credit Cards. | Pam | 9/11/2018 | 8/22/2018 |
| 12 | Review goals and send revisions or additions to Fred. | All | 9/11/2018 |  |
| 13 | Find old MOA w/ Hui Kako’o O Laupahoehoe. | Kahele | 9/11/2018 | 9/10/2018 |
| 14 | Get proposal for Workers Compensation (lost wages) from Servco. | Del | 9/11/2018 |  |
| 15 | Present Charter Contract financial risk indicators to GB. | Fred | 8/28/2018 | 8/28/2018 |
| 16 | Email science equipment lists for Fall and Spring w/ summary of costs to Finance Committee members. | Robert | 9/18/2018 |  |
| 17 | Email list of grant applications, amounts, and purpose to FC. | Robert | 9/18/2018 |  |
| 18 | Email current inventory process to FC members for next meeting. | Kahele | 9/25/2018 |  |
| 19 | Add Inventory Process to next FC agenda meeting. | Fred | 10/2/2018 |  |
| 20 | Send MOAs for Hui and Hamakua Health to FC members. | Kahele | 9/18/2018 |  |
| 21 | Check with auditors about attending GB meeting to present audit report. | Del | 9/18/2018 |  |
| 22 | Ask Jerby to post new FC meeting time/date on website. | Fred | 9/14/2018 | 9/14/2018 |