

Governing Board Minutes
10/04/2016

Board Attendees: Christina Allee, Karen Antonacio, Robyn Baney, Jennifer Campbell, Anne Marie Dailey, Angela Funya, Catherine Grube, Wrenn Heisler, Sandy Imbriale, Eric Jackson, Leslie Moore, Carolyn Price, Jessie Taylor

Board Members Absent: Daniel Morris

Committee Attendees: Pam McLeod, Julia Nichols

| Agenda Item | Action |
|---|---|
| Convened at 5:32PM | None |
| Approve September minutes | VOTE: Approved 10-0 Absent: Daniel Morris |
| Financial Audit: <ul style="list-style-type: none"> CCSA board in receipt of financial audit, which was reviewed in detail with the board by Joe and Cathy of Askey, Askey and Assoc. Draft was completed this year in September instead of December It is documented as a clean audit – not modified There are small changes in the format because of the changes in accounts. Fund balance discussion on how we use future budgets overages. Overpayment of FY16 taxes can be applied to FY17 taxes No principle payments on the USDA Loan until FY18 After we no longer have renters if there is still a balance will need to talk to IRS for a refund Adjusted amount of \$ at Old Line Bank had more than \$250K but made a sweep account to move the extra money to. Rob Springer at the school board already on board with the plan. Required to respond to the Audit because of a material weakness that was discovered and was in work to correct. <p>ACTIONS:</p> <ol style="list-style-type: none"> Vote on the 990 Vote on the Audit Management Response to Material Weaknesses | DISCUSSION |
| Motion: Give the executive committee the authority to approved the Management Response to Material Weakness and the 990 before November 15 th to enable a timely filing. Voting will be completed in person. | VOTE: Approved 10-0 Absent: Daniel Morris |
| Director's Report (Angela Funya) | DISCUSSION |

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| <ul style="list-style-type: none"> • Contacted - Allen Sun – Lawyer familiar with Charter School Law and got a few recommendations. • Haven't been able to reach our initial lawyer – but he just responded since he was back in town now. • Need to work out appropriate legal counsel for upcoming amendments required for the school | |
| Motion: Spend \$700 from the conference budget to send 2 people to the Charter School Law Conference. | VOTE: Approved 10-0 Absent: Daniel Morris |
| Committee Reports <ul style="list-style-type: none"> • Treasurer: (Anne Marie Dailey/ Jen Campbell) – <ul style="list-style-type: none"> ○ Audit Review • Fundraising (Carrie Harney) – <ul style="list-style-type: none"> ○ Provided Online • Community (Carolyn Price) <ul style="list-style-type: none"> ○ Provided Online • PR/Outreach (Catherine Grube) <ul style="list-style-type: none"> ○ Provided Online • Strategic Planning (Julia Nichols) <ul style="list-style-type: none"> ○ Provided Online • Facilities (Eric Jackson) <ul style="list-style-type: none"> ○ Had discussion on expansion plan with receiving no loan or financial assistance from any bank. • Whole Child (Jessie Taylor) <ul style="list-style-type: none"> ○ Provided Online | DISCUSSION |
| Building Manager: <ul style="list-style-type: none"> • No Updates provided at this meeting | DISCUSSION |
| Material Amendment <ul style="list-style-type: none"> • Discussed financial options for expansion given possible restrictions <ul style="list-style-type: none"> ○ Number of classes that we are allowed to expand for next school year ○ Expanding the building with no loan ○ Financial options with tenants ○ Discussion on the PPA and how it has changed throughout the years ○ Discussed other areas that we could reach for possible funding | DISCUSSION |
| Future Meeting Date: November 15, 2016 (5:30 PM) | |

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| <p>December 13, 2016 (5:30 PM)</p> <p>January 17, 2017 (5:30 PM)</p> <p>February 21, 2017 (5:30 PM)</p> <p>March 21, 2017 (5:30 PM)</p> <p>April 18, 2017 (5:30 PM)</p> <p>May 16, 2017 (5:30 PM)</p> <p>June 6, 2017 (5:30 PM)</p> <p>July 18, 2017 (5:30 PM)</p> | |
| <p>OTHER UPCOMING IMPORTANT DATES:</p> <p>December 1, 2016-- 5:00-6:30 PM: Prospective Student Information Night</p> <p>December 5, 2016-- 6:00-7:30 PM: Prospective Student Information Night</p> | |
| <p>Adjourn</p> <p>7:20 PM</p> | |
| <p>Addendum:</p> <p>The executive committee met on Friday October 28, 2015 at 5:00 PM to vote on 2 motions.</p> <p>MOTION:</p> <p>Approve the 990 for submission to the IRS prior to the November deadline.</p> <p>MOTION:</p> <p>Approve the response to the audit as stated below:</p> <p>Management's Response to Auditor's Findings with Respect to Outsourcing of Accrual Adjustments to Outside Auditors (FY 2016 Audit)</p> <p style="text-align: center;">DRAFT</p> <p>Recommendation: Procedures should be implemented to ensure that accrual adjustments are made to the accounting system on a regular and routine basis.</p> <p>Chesapeake Charter School Ltd.'s Response:</p> <p>During FY2016 and prior, Alliance accounting functions were handled by volunteer personnel. As a result of the significant financial transactions that occurred in FY2015, the Alliance, in agreement with the SMCPS BOE, identified the need for professional personnel to perform the internal accounting function. Efforts were made to hire an accountant prior to the end of FY16. However, due to delays in the hiring process, the accountant</p> | |

position was not added until the beginning of FY2017.

Despite her later than anticipated start, the accountant and the treasurer were able prepare the audit schedules (accruals, pre-pays, payables) for the auditor in advance of the audit. Now that the Chesapeake Public Charter School has hired an accountant, the accrual adjustments will be made to the accounting system on a regular and routine basis going forward.