

NLAE-January 2, 2012

Executive Session

Meeting called to order at 9:40am located at the new NLAE building-Duluth Campus

Present: Stacey Adams Perry (via conference), Alphonsa Foward Jr, Carter Wilson, Dr. Gloria Foward, Angela Lewis (via Conference)

Guests: Ericka Mullins, and Jeff Brown/William Townsend from McMullan and Company CPA's

Call to Order

- This meeting is specifically to discuss the findings of the Audit conducted by McMullan and Company CPA's

Auditors carefully reviewed the findings of their audit and addressed key differences between their audit, and the original audit that was completed by Millennia CPA.

Key differences noted:

- New accounting system applied- Accrual vs. Cash Based
- Opening net asset balance increased
- Security deposits decreased
- Contingent liabilities eliminated (from \$100,000 to \$0)

Key Recommendations:

- School treasure reconcile monthly financial statements (treasurer to be hired)
- Procedure established so bank reconciliations be prepared on a monthly basis or asap
- Internal Control process modified and manual updated to reflect processes
- Policy reviewed for paying stipends

Full Board will meet on Friday January 6, 2012 at 4pm in order to address audit and additional opportunities for improvement. Meeting adjourned at 11:00 am