



Finance Committee Meeting

Thursday, December 17, 2009, at 6:00 p.m. at LILA

Meeting was called to order at 6:01pm.

Members present were Treasurer Chad Bloomberg, Richie Kucinski, Budget Manager Julie Lundgren and Christine Thomas

I. Review Agenda

Added an item to the agenda for the holdback.

II. Conflict of Interest Disclosure

Member Thomas works for Patriot Bank Minnesota which relates to item numbers III. and V. on the agenda. Committee agreed to allow Member Thomas to remain and participate in discussion of these items.

III. Review November 2009 bank statement

IV. Review of November 2009 financial reports

Discussed the controls around the use of charge cards. The controls are the same for any purchase. Need to have a purchase order, etc.

Discussed the 60-day rule for paying of expense/reimbursements that was presented at recent MDE finance training. At school, Net 30 is the common terms for many invoices. Discussed the submission for expense reimbursement and the timeline for the reimbursement. The IRS law was referenced. We can reject expenses that don't have prior approval. Also discussed the proper use of state funds. These were comments that were sparked from the financial management training received by the board members.

No comments on the balance sheet or income statement.

Cash flow - We are getting to the season for higher utility bills so you will see a dip in the cash flow, but we are still estimating positive balance for fiscal year end.

Dashboard figure for FLAP grant has been corrected. Budgets Manager Lundgren has a meeting with SBS tomorrow.

Discussed adding the pupil unit to the budget. We do get this from our quarterly reports from Budgets Manager Lundgren and Director Hedlund presents enrollment data as part of his regular monthly report to the board.

V. Bridging the gap caused by the 27% Holdback

a. Decision of funding

The Charter School Capital application was mailed in on November 18th. They confirmed receipt of the application. We may have a couple more documents to send in per their request. They will let us know if anything more is needed. We should know right after the first of the year if we have been approved and the terms of the transaction. Our estimated need is \$200,000 to \$300,000.

No further discussion with Patriot Bank Minnesota has occurred since the last finance committee meeting.

We do have two meetings tomorrow with potential authorizers, CLUES and the Search Institute.

b. Impacts

VI. Holdback discussion

Discussed what we heard at our training that the extra 17% added to the holdback is actually an unallotment, which means it has not been included in the state budget to be paid next year. John Cairns, our attorney, confirmed via the statutes that this is all holdback. We will continue to watch this discussion as it evolves at the state.

VI. Other Business

No other business.

Schedule the next finance committee meeting.

Next meeting is scheduled for Friday, January 8, 2010 at 2:15 pm at LILA.

Announcements: No announcements.

Meeting adjourned at 6:50pm

