

**BFCCPS Finance Committee
Meeting Minutes
January 07, 2009
8:00am, Office of the HOS**

Attendees: Jerry Cimmino, Anna dos Santos, Kara Geraci, Pat Fairbanks, Joe Perna, Heather Zolnowski (Rich Frongillo stopped by shortly after meeting ended and was briefed on discussions)

10:10 meeting began (school had 2 hour delay due to storm)

- Monthly Budget Review – Kara G reports
 - Dental insurance increase not as high as expected. February report will reflect actual amount. Dental year is from December to November. Additional staff members are subscribing.
 - The possible breakup of Tufts affiliated doctors and our Blue Cross HMO subscribers may become an issue.
 - Tuition has been reduced by \$347 per student which translates to \$140,188. The projected tuition at the start of the fiscal year was based on Franklin's June, 2006 expenses, which were 12.7% above the Foundation rate. The revised number just received is based on Franklin's December, 2007, expenses which were only 7.6% above the Foundation rate. Hence, our reduction of about 5%.
 - Anna did suggest that we have options such as moving the actual purchase of new ELA materials into FY10 (July) which would also give teachers more time to implement the new math program and more time for evaluation of ELA components.
 - Discussed other options such as freezing supplies budget (almost fully expended already) or freezing professional development expenditures, except for restraint training which is required.
 - We will be hiring a physical therapist for one hour per week, as required by an IEP.
 - We will wait until we know if local aid cuts expected by the end of January will impact our tuition rate before making any definitive budget changes.

- 403(b) program
 - Kara, Heather, and Anna had a phone conference with RBC on 403(b) requirements. New IRS rules will require us to have a documented plan that outlines the types of investments allowed; the due diligence process; loan requirements and tracking process; distribution rules; how we'll meet 404(c) requirements; and more.
 - The employer will now have fiduciary responsibility and could be sued by employees due to poor fund performance.
 - If we continue to offer the program, we will likely need to pay a third party administrator to develop the plan with us.
 - RBC recommends that we use American Funds for our plan. The school would pay some initial setup fees and an annual charge of \$750. Employees would not be charged any fees on their transactions.
 - Committee agreed to recommend to the Board that we continue to offer the benefit of a 403(b) plan and that we move ahead to work on the details of the implementing a plan per the IRS regulations.
 - Once actual costs are clearer, they will be reported back to FinCom and any needed budget adjustments will be voted.

- February meeting will be rescheduled due to the charter school renewal team visit that will be occurring on 2/4/09.

10:45 meeting adjourned.