

**BFCCPS Finance Committee**  
**Meeting Minutes**  
**10/4/12**

Attendees: Jerry Cimmino, Pat Fairbanks, Suzanne Graham, Venkat Krishnamurthy, Joe Mullen, Joe Perna, Don Tappin, Tim Tracy, Heather Zolnowski

*8:15 am meeting began*

**Discussion of Administrative Matters**

- Approval of September 5, 2012 meeting minutes
- New committee members Joe Mullen and Don Tappin offered brief introductions

**Discussion of FY12 Management Letter Comments/Other Audit Follow Up**

- Suzanne noted that Matt Ginnetty, Foundation President, has obtained the necessary paperwork to remove two unauthorized check signers from the Foundation checking account and add Heather Zolnowski
- Heather indicated that the school has responded to the auditor's suggestion to conduct an annual physical inventory of fixed assets , noting that the such an inventory will be conducted at June 30 of each fiscal year
- Suzanne confirmed that the Foundation has submitted payment of amounts owed to the school in the amount of \$6,100
- Suzanne noted that coordination efforts have begun to transfer responsibility for the Foundation's accounting records to the school

**Review of August Financial Statements**

- Jerry requested change on Profit & Loss Budget v. Actual to reflect actual results through August 31<sup>st</sup> (not August 30<sup>th</sup>)
- Jerry requested that forecasted tuition revenue for the year be based on current student enrollment of 450, resulting in a favorable variance v. budget (budget based on student enrollment of 448)
- Suzanne will review June 30, 2012 balance sheet and make necessary corrections to bring all accounts in line with final audited financial statements
- Health insurance reflects a \$2,900 unfavorable variance to budget through August 31<sup>st</sup> partially due to some non-recurring HRA payments required to be made at the beginning of the year, and also due to a different mix in plan participants on the family health plan v. individual health plan (family premiums are more expensive). Will monitor this expense closely to see if these mix differences might cause a significant increase in health insurance expense v. budget
- Latin expense is about \$500 unfavorable to budget as supply of textbooks needed to be supplemented

- Music expense is about \$300 unfavorable to budget, however, instrument deposits are not yet reflected in the expense and should ultimately mitigate the unfavorable variance
- Copier expense is about \$4,500 unfavorable to budget largely due to a billing for copying overages (overage billings occur only once each year). Heather noted that the upgrade to the copier allows for more copying to be done on-site, which is more cost effective than sending copy jobs out to a printer, so some of this overage should be offset by reductions in outside printing costs. Also, the new copier is equipped with the capability to track the number of copies made, so we will be able to monitor copy counts and perhaps make necessary adjustments if it appears on-site copying volume exceeds expectations
- Substitute expense in July and August represents temporary help hired over the summer. Jerry suggested it would be more appropriate to classify these expenses as Temporary Help or Contract Labor, as Substitute expense is intended to reflect costs to replace absent faculty

#### **Review of the Finance Committee Charter**

- Jerry reviewed a draft of the Finance Committee Charter. Tim noted that the word “Insure” should be changed to “Ensure” in the last bullet point under Goals. No other changes were noted. The Charter will be presented to the BOT at the October meeting

#### **Other Business**

- Joe P. noted that there is water leaking through the roof in the modular units. We are likely to have to repair/replace the roof to eliminate this problem before it gets worse

*Meeting adjourned 9:15*