

BFCCPS Finance Committee
Meeting Minutes
2/7/13

Attendees: Jerry Cimmino, Heather Zolnowski, Suzanne Graham, Matthew Dunlap, Joe Mullen, Don Tappin

8:13am meeting began

Discussion of January Meeting Minutes

- The January meeting minutes were approved

Discussion of January Financial Statements

- Jerry noted that the negative net income number from the previous month had decreased significantly. Part of the cause of this decrease was the variance in student fees from the prior month had gone down. Some fees came in over the past month that helped erase some timing differences that were in the December financials.
- Jerry discussed the variance on the tuition line item. It was determined that the positive variance is a good number and will carry for the remainder of the year. The school lost two students recently in 7th and 8th grade that will cause the positive variance to drop by about 8k for the remainder of the year.
- It was also discussed that for the tuition forecast, the original rate was being used to forecast for the rest of the year. Actual through December was the actual rate. It was determined that going forward the forecast should use the actual rate as opposed to the budgeted rate. This may cause the positive variance to remain at 43k for the remainder of the year.
- Jerry brought up the Salary and Benefits line item as there is a negative variance of about 74k and last month it was around 89k. It looks as though the health and dental insurance were the main reason for this change. Suzanne noted that on the schools HRA account the school ended up with about 4k coming back when that account was finally closed out. This was money the school paid into the account but was never used, basically as an escrow account. She also noted that December and January numbers were lower due to credits received. Suzanne noted that she will discuss with HR Concepts how to account for this going forward when the school receives back these credits.
- Facilities line item was discussed. Both electric and gas expense are running lower than expected. Suzanne confirmed this and noted she can tighten up these numbers. Jerry took a look at last year's budget and noticed a positive variance last year as well. Heather suggested that the new boiler could be one reason the expense is running lower.

- Jerry noted that he had discussed with John Buckley the payroll tax issue that has been on-going with the school and whether BFCCPS was subject to the \$14,000 wage cap for unemployment tax. John said that he would have to look at that and get back to Jerry. Heather noted that when she talked with Central Source about this that they told her other Charter Schools had inquired about this as well and that some schools are capped while others are not. Heather will look at other schools that have been opened since 1995 and contact their business managers to see how they are set up.

Discussion of Fiscal Policy and Procedures

- An edited draft of Policy No. 0025, Fiscal Policies and Procedures, was reviewed in its entirety with numerous editorial changes. Jerry will make the changes discussed at the meeting, recirculate the document to the committee, and forward the final, approved document to the Governance Committee

General Discussion

- When it comes time for the budget discussion in March and April, Jerry suggested that we should think beyond just the next fiscal year with respect to use of the school's surplus.

Meeting adjourned at 9:57am