



## Committee Report

<b>Committee Name:</b>	<b>Budget &amp; Finance</b>
Date of Report:	<b>9/22/2021</b>
Written/submitted by:	<b>Jennie Winter</b>
Date of last meeting:	<b>9/22/2021</b>
Date of next meeting:	<p><b>10/20/2021, 5-6:30 pm,</b></p> <p><b>online:</b>  <b>Please join my meeting from your computer, tablet or smartphone.</b>  <a href="https://www.gotomeet.me/diecisf/nova-classical-academy---finance-meeting">https://www.gotomeet.me/diecisf/nova-classical-academy---finance-meeting</a></p> <p><b>You can also dial in using your phone.</b>  <b>United States (Toll Free): 1 866 899 4679</b>  <b>United States: +1 (571) 317-3116</b></p> <p><b>Access Code: 408-910-245</b></p> <p><b>(Board members:</b> please be aware that with four board members on the Budget &amp; Finance committee, we are close to a six-person Board <b>quorum</b>. Should you visit a Budget and Finance meeting, please be prepared to sign off as needed to avoid breaking open meeting law. All other public are welcome to visit our meetings. Thank you.)</p>

<b>Motions/Action Items for the</b>	<b>8/23/2021</b>	<b>Board Meeting</b>	<b>Goal</b>
1. none			N/A

<b><u>FIRST DRAFT</u> of 2021 - 2022 Committee Goals (<u>NOT</u> READY FOR APPROVAL)</b>		
<b>Goal</b>	<b>Brief Update on Progress</b>	<b>Completed</b>
1. Monitor and recommend 2021-22 budget revisions to Board of Directors for review and approval.		

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# NOVA CLASSICAL ACADEMY

2. Review and recommend 2022-23 budget, which includes five-year pro forma projections, to Board of Directors for review and approval.		
3. Review and update financial controls.		
4. Finish the year within <b>TWO or THREE*</b> percent of projected revenue and expenses. (*TBD depending on Board Goal)		
5. Review contract calendar and forward to the board for its information.		
6. Review Covid financial impact summary documentation and forward to the board for its information.		

## Discussion:

### Meeting highlights:

1. \*\*\*\*\***IMPORTANT: Board Assurances:** Joe Aliperto shared that he has not received all board member signed assurance documents back from the school. Please fill these out and return them to Dr. Wedlund or Meghan Kelly in the business office as soon as possible. Nova cannot start receiving lease aid payments until these documents are submitted to the state. Our bond trustee US Bank also needs these signed forms as soon as possible.  
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2. **August 2021 Financials:** No surprises in the August year-to-date financials, which represent just two months of Nova’s fiscal year. See financials for more details. Strong, healthy cash balance, some of which Mr. Aliperto recommends Nova move into safe, liquid interest-bearing accounts.
3. **Audit Update:** The audit is almost complete and the auditors will probably present to the Board at Nova’s October Board meeting. Initial audit numbers indicate that Nova finished FY21 with roughly \$535,000 in Net Income and a healthy cash balance. Our FY21 budgeted Net Income was \$385,000, and the audited Net Income does not include \$340,000 allocated for the retention program approved by the board in FY21 and which will be paid out in FY22 in October 2021.
4. **SPED:** Dr. Wedlund and Mr. Aliperto shared that Nova will be declining the Federal SPED grant for FY22. They described their reasoning related to state and federal SPED grant interactions, restrictions, historical amounts, overages, carry-overs, and the ethics of relinquishing dollars that can be used at other Minnesota schools since we already have a sufficient carryover of restricted federal dollars from the previous year. There was discussion and general agreement with the decision although no vote was taken, nor was one necessary.

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