

Nova Classical Academy
Board Committee Report
Budget and Finance Committee (BFC)

Date of Report: February 23, 2026

Written / Submitted by: Todd Sample, Treasurer and BFC Chair

Date of Last Meeting: February 18, 2025

Date / Time of Next Meeting: March 18, 2026, 5:00-6:30 PM

BFC 2026 Goals	Status
1. Monitor 2025-2026 budget and recommend revisions as needed to Board of Directors for review and approval.	Revised 2025-26 budget to be presented to Board for approval at March 30 meeting
2. Review and recommend 2026-2027 budget, which includes five-year pro forma projections, to Board of Directors for review and approval.	Initial draft to be presented to Board at March 30 meeting
3. Review, maintain, and update financial controls with the goal of finishing the year within two percent of budgeted revenue and expenses and having an annual unqualified opinion from the financial audit.	TBD
4. Provide oversight of the facilities expansion conduit bonding process, making recommendations for decisions to the Board as necessary and maintaining the future fiscal integrity and solvency of Nova Classical Academy.	Complete
5. Recruit at least one new committee member from the Nova community.	Complete

Meeting Minutes: February 18, 2026

Agenda:

- Review monthly financials
- Legislative update
- Facilities expansion update

Committee Members Present: Joe Aliperto, Todd Sample, Dr. Brett Wedlund, Bavi Weston

Others in Attendance: Ginger Gabor, Duane Heidemann

- We are entering the budget revision period. The BFC will review a revised 2025-2026 budget at the March 18 meeting for recommendation to the Board for approval at the March 30 Board meeting.

- Joe Aliperto led a review of Nova’s January financials, deposit and payment registers, credit card statement, and Amazon statement. Highlights include:
 - We are 58% through the fiscal year. Current cash balance is \$3.6 million. Nova earns 3.73% in interest on its deposits at Old National Bank.
 - We’ve received 54% of revenue, which is slightly under budget.
 - The state withholds 10% of our revenue until the end of the fiscal year.
 - We’ve spent 59% of our budgeted expense, which is right on track.
 - Net Income is currently negative at (\$688,184) but there are a number of anticipated audit accruals (receivables), including Federal funds, that are outstanding and will influence the balance positively. In addition, some expenditures will be reallocated to other budget categories during this month’s budget revision.
 - The January financials do not reflect the impact of Nova funds spent on the Facilities Expansion bonding. Approximately \$1,739,000 came out of Nova’s fund balance. This amount lowers the fund balance to ~\$5.3 million (instead of the \$7 million reflected on page 5 of the financials), which is ~37% of overall Expenditures for the fiscal year (vice 48% reflected on page 5). The fund balance numbers will be fully updated in the February financials.
 - The committee found no irregularities in the deposit and payment registers, credit card, or Amazon statements.
 - Dr. Wedlund provided a legislative update. A Blue Ribbon Commission has been commissioned by the legislature to cut \$250 million in Special Education spend. “Maintenance of Effort” rules at the Federal level restrict where the Commission can look for areas to cut. Maintenance of Effort is a federal requirement that school districts and local educational agencies budget and spend at least the same amount of local or state and local funds for the education of children with special needs year-to-year to receive IDEA funds. This means that the Commission is looking at areas to cut that do not fall under Maintenance of Effort rules. ADSIS funding is one of these areas. Nova receives ~\$380,000 per year in ADSIS funding. Another area is state-level special ed reimbursement to charter schools, which also doesn’t count against Maintenance of Effort. These risks underscore the importance of charter school engagement in this process.
 - The Education hearings have focused on immigration issues and raised the possibility of Safety funding for Minnesota schools.
 - Dr. Wedlund also provided an update on Facilities Expansion soft costs. He expects to get a significant portion of the \$500,000 contingency fund for construction back but needs to make decisions on how much to spend on the soft costs before that fact is known. Discussion of how much of any budget surplus this year should be spent on those costs and the potential for fundraising, particularly for the Weight Room.