



CIRRUS EDUCATION GROUP, INC. FINANCE COMMITTEE MEETING

Minutes

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June 20 2024

5:00 PM

<https://us06web.zoom.us/j/88188439364?pwd=iDu0jNoHWfLRwpoukSXRYt0N4ekSOv.1>

Meeting ID: 881 8843 9364

Passcode: 084999

1. Call to Order

1.1. Attendance

Committee Chair Lewis called the meeting to order at approximately 5:04pm. Committee Member Kelly and Committee Member Finley were also present. Dr. Fowler, Ms. Samuels, Dr. Freeman, Ms. Brinson-Grimes, Mr. Washington, and Mr. Stevens and members of the public were also in attendance.

1.2. Approval of Agenda

Board Member Kelly made a motion to approve the agenda, and Committee Chair Lewis provided a second. The motion was approved unanimously by those present.

1.3. Approval of [Finance Committee Minutes from May 21, 2024](#)

Board Member Kelly made a motion to approve the minutes from May 21, 2024, and Committee Chair Lewis provided a second. The motion was approved unanimously by those present.

2. Matters of Discussion

2.1. [May 2024 CFO Report](#)

Committee Chair Lewis then asked Ms. Samuels to provide the May CFO report. In the discussion of the May 2024 CFO report, the committee reviewed key financial metrics, where the CFO highlighted that the current ratio stood at 6.37, and the organization had 108.56 days of unrestricted cash on hand. Enrollment remained steady at 103 students. The committee noted that the efficiency margin was 21%, and the debt-to-access ratio reached 82%. Ms. Samuels addressed a significant accounts payable issue with Blue Cross Blue Shield, reporting that the problem had been resolved and would be reflected in the next financial report.

The CFO provided details from the balance sheet, indicating that the organization had approximately \$2.7 million in cash, with total assets and liabilities balanced. However, the committee focused on the concerning deficit for May, which arose from monthly expenses exceeding income. The committee explored the driving factors behind the deficit, with the CFO explaining that ongoing monthly expenses contributed significantly to the shortfall. They also discussed the need to amend the budget, acknowledging that the current budget-to-actual figures were not accurate and needed adjustments.

The CFO assured the committee that they had reconciled all bank accounts, providing the exact balances of the operating, nutrition, student activity, and reserve accounts. The committee also examined the cash flow, noting that while the organization could survive for 108 days with its current cash reserves, they acknowledged the importance of monitoring and improving the financial situation to avoid further deficits. The discussion concluded with the committee emphasizing the need for better alignment and transparency in future financial reporting, especially concerning any changes in reported figures after month-end closures

2.2 May 2024 Fiscal Compliance Report (Cross & Dot)

Mr. Washington presented a detailed fiscal compliance report, focusing on the school's adherence to various regulatory and financial reporting requirements. During the discussion of the May fiscal compliance report, the committee closely examined the organization's financial health, focusing on compliance with key financial ratios and metrics. The CFO reported that the organization maintained a current ratio of 6.37, demonstrating strong liquidity. However, the committee expressed concern about the growing deficit, which had reached \$681,903 for the month of May due to expenses outpacing income. They also discussed the importance of ensuring all financial figures accurately reflected the organization's position, emphasizing that any necessary adjustments should be communicated promptly. The CFO reassured the committee that they had reconciled all relevant accounts and maintained compliance with financial obligations, but acknowledged the need for better alignment between projected and actual budget figures. The committee agreed on the importance of amending the budget to address the discrepancies and avoid future compliance issues. Overall, the discussion highlighted the need for improved financial oversight and proactive measures to strengthen the organization's fiscal health.

2.3. Items Requiring Approval

Next, the Committee discussed whether any items needed the approval of the Finance Committee. The Committee discussed POs 2015, 2239, 2257, 2270, 2271, 2272, 2274, 2273, and 2275. After a thorough discussion regarding the need for new learning resources and instructional materials, the Committee declined to recommend approval of purchase orders relating to the purchase of additional instructional materials. The Committee reviewed and recommended approval of PO 2270 for Infinite Campus and PO 2257 to GaDOE.

2.4. Items for Review

There were no additional items reviewed by the Committee.

3. Adjournment

3.3. Adjournment

At approximately 5:42 Chairman Lewis asked for a motion to adjourn the meeting. Board Member Finley made a motion to adjourn the meeting, and Board Member Kelly seconded the motion. The motion was approved by a unanimous vote of those present.