



## **CIRRUS EDUCATION GROUP, INC. FINANCE COMMITTEE MEETING**

### *Minutes*

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**September 17, 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 Golphin called the meeting to order at approximately 5:05pm. Committee Member Kelly and Committee Member Finley were also present. 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

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

#### 1.3. Approval of [Finance Committee Minutes from August 20, 2024](#)

Committee Chair Taylor made a motion to approve the minutes from August 20, 2024, and Committee Member Kelly provided a second. The motion was approved unanimously by those present.

### **2. Matters of Discussion**

#### 2.1. [July 2024 CFO Report](#)

Committee Chair Golphin then asked Ms. Samuels to provide the July CFO report. In the discussion of the July 2024 CFO report, the committee reviewed key financial metrics, where the CFO highlighted that the current ratio stood at 8.53, and the organization had 91 days of unrestricted cash on hand. Enrollment remained steady at 84%. 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 \$4.1 million in cash, with total assets and liabilities balanced. Total equity was robust with a net income in July. However, the committee focused on the 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 91 days with its current cash reserves, they acknowledged the importance of monitoring and improving the financial situation to avoid any deficits that could arise in the future.

## 2.2 July 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 July fiscal compliance report, the committee closely examined the organization's financial health, focusing on compliance with key financial ratios and metrics. The committee discussed the importance of ensuring all financial figures accurately reflect 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. Mr. Washington did note however, that unlike the previous year, they anticipate there will be a surplus of funds rather than a deficit. These were based on July and August trends, which Washington noted may not hold up, but if they do then this would indicate a potential surplus at the end of the fiscal year. 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 and help maintain positive trends moving forward.

## 2.3. Items Requiring Approval

Next, the Committee discussed whether any items needed the approval of the Finance Committee. The Committee discussed POs 2332 and 2335 and noted no objection to approval. but no motion for approval.

## 2.4 Items for Review

There were no additional items reviewed by the Committee.

# 3. Adjournment

## 3.3. Adjournment

At approximately 6:27 pm, Committee Chair Golphin asked for a motion to adjourn the meeting. Board Member Finley made a motion to adjourn the meeting, and Chairman Lewis seconded the motion. The motion was approved by a unanimous vote of those present.