

Approved by Board 12-01-2022

SHPA Finance Committee Meeting – November 29, 2022
Via Google Hangouts video conference

x Lisa Barnidge
x Mike Meyer-chair
x Kate Docken
x Wes Whalberg

x Brent Peterson
x Carolyn Farrell
x Chris Lamprecht
x Renson Anjere

Other Attendees: Nichole Schmidt

Mission

Seven Hills Preparatory Academy engages students in a rigorous Classical education, designed to prepare each one for strong citizenship and life-long learning.

Finance Committee Charter

The Finance committee is a committee of the School Board of Directors. The purpose of this committee is to review the financial performance of the school, ensure that the school does not operate in a statutory deficit position, strive to achieve and maintain a 25% fund balance, and recommend and manage to an annual budget that accomplishes these goals and accounts for the long-term financial stability and health of the school. The committee shall be chaired by the SHPA School Board Treasurer and meet at a frequency as determined by its chair as necessary to accomplish its goals. This committee shall strive to secure membership on the committee of volunteers with financial management experience. This committee will also perform periodic reviews of the managerial controls regarding the handling of public funds and the record keeping of these activities.

1. Nichole reviewed the October financial statements. All is on track for the year so far. The committee decided to defer preparation of the working budget to February so that we can have more accurate forecasting.
2. Executive director items:
 - o Carolyn updated the committee on the Bloomington campus move.
 - o We received payment on the crime policy arising from the theft of our rent to CVC in June.
 - o We purchased a new heat pump for RC which cost \$6200 to be coded to the ABC.
 - o The committee authorized the upgrade of our cyber security protections at a cost of \$4700 plus \$3000 for labor.
3. At the suggestion of our auditors, we will prepare policies on our EFT practices and our fund balance. The chair will prepare drafts for consideration at an upcoming meeting.

4. The committee considered the possibility of investing excess cash in short-term government debt. Nichole advised that our cash balance is not sufficient to justify the effort. We will consider this again when our cash balance increases.
5. The committee discussed the prospect of a Seven Hills foundation. Nichole advised regarding the associated risks. There was also concern about interfering with the PTA's fundraising efforts. Further investigation of the feasibility of this idea is necessary.
6. Review of Board calendar finance items:
 - o Report on progress to 1-year goals.
 - o Review of cash flow needs—no action deemed necessary.
 - o Review of capitalization policy—leave the threshold at \$500.
7. Fist to five: 3X4 and 5X5.

Recommendations to SHPA Board of Directors for action at the December 1, 2022 meeting:

1. Recommend approving the minutes of the November 29, 2022 Finance Committee meeting.