



FREIRE

CHARTER WILMINGTON

CITIZEN'S BUDGET OVERSIGHT COMMITTEE

OCTOBER 21, 2020 – via Zoom

Minutes

Members Present: Kevin Lair, Eric Williams, Bill Ray, Richard Riggs, Yana Moughan, Amber Gagliola

Members Absent:

Others Present:

- I. It was determined that a quorum was present, and the meeting was called to order at 4:03pm.
- II. **Review of minutes from previous meeting**
 - The committee reviewed the September 2020 meeting minutes and voted unanimously to approve the minutes with two minor corrections (Eric Williams motion, Kevin Lair second).
- III. **Committee member update**
 - No updates.
- IV. **Review of FY 2020 Audit**
 - Bill Ray presented the FY 2020 Audit Report, noting the following highlights.
 - The School's cash on hand as of June 30, 2020 grew to 61 days cash on hand, meeting the Department of Education's requirement per the Delaware Financial Performance Framework
 - The School's annual increase in cash and fund balance was primarily due to COVID-19, as the School's expenses were significantly reduced during remote learning.
 - The School received a clean audit opinion. An emphasis of matter paragraph was included in the audit opinion noting that pandemic could have an impact on future operations or financial performance. This emphasis of matter is standard language in all audit reports.
 - The School received a clean audit opinion for its single audit (audit of the School's federal programs). No findings were identified over internal controls or the use of the School's federal funds.

v. Review of September 2020 Financial Report.

- Bill Ray presented the September 2020 Financial Report, noting the following highlights:
 - The School's \$900k in loans with Barclays Bank (which were used to fund the leasehold improvements of the School) mature in August 2021. The School is in discussions with the bank to refinance these loans.
 - The School's preliminary budget is a break-even budget based off enrollment of 475 students. Actual enrollment is projected to approximately 500. A revised budget will be prepared after the final unit count.
 - One substantial unbudgeted expense was incurred to date - \$30k for ant-racism training for Freire Network Leaders (including 8 leaders at Freire Charter School Wilmington). This expense is expected to be around \$45k and will be included in the final budget.
 - Certain new expenses are incurred during virtual learning, such as additional IT support. These include increased help desk support for both staff and student/families.
 - A detail of all expenses paid in September 2020 were reviewed. No unusual expenses were identified. Fees paid for the school's Director of Learning & Innovation were highlighted as this is a new contract. This position is a shared position among the entire Freire network and supports all aspects of virtual learning.

vi. Next Meeting

- The next CBOC meeting is scheduled for October 20, 2020 at 4:00 PM via Zoom. Zoom meeting info will be posted on the School's website.

vii. Adjournment – The CBOC adjourned at 4:45 p.m.