

## **Spero Academy Finance Committee Minutes**

### **Meeting Date:**

8/20/2019 5:15pm

### **Attendees:**

Chipp Windham  
Karen Marshall  
Sarah Carlson-Wallrath  
Kelly Tiedemann  
Diane Pangal  
Jim Lawrence

### **Absent:**

Jenny Abbs - BerganKDV

### **Discussion/Action Items:**

1. **Spero June 2019 Preliminary Financial Reports (Unaudited)** - For Committee Review  
- "The preliminary, unaudited June financials are showing a net income of \$320,421 for the 18-19 school year. This result would bring our year-end fund balance to \$1,292,521, or 17.2% of total expenditures. The school outperformed its budgeted net income of \$205,160. The primary reason for this was the 17-18 Special Ed. aid proration was paid back to the school in 2018-19. This was not accounted for in our budgeted revenues. Additionally, Spero received more MA billing revenue than was expected this year. Spero also received a reconciling MA billing payment relating to the 2016-17 school year which was above and beyond our budgeted revenue."
  
2. **Finance Committee Draft Workplan for updated Board Strategic Plan - Financial Sustainability (Finance, Facilities, Administration)**
  - ***Create and manage a fiscal plan to reach 18-20% fund-balance***
    - ***Develop a forecasting model as part of annual budgeting process to anticipate future year's fund balance percentages***
    - ***Include plans for financial impact of full enrollment on fund-balance ratios***
    - ***Review potential external funding sources, including foundation support***
  - ***Develop a plan for utilization of funds over 18-20% fund-balance to be used for programmatic needs***
    - ***Identify major spending needs which are not already funded***
    - ***Develop an application process for one-time project spending***

- **Create and manage a comprehensive and sustainable facility budget with the goal of replication in future planning.**
  - **Utilize monthly detailed spending reports provided by accountant in preparing annual budgets and monitoring spending**
  - **Create documentation system for facility expenses as a tool for anticipating costs for secondary facility.**
- **Create a comprehensive compensation plan for all employee categories**
  - **Research existing market value for therapist**
  - **Create a comparison sheet for Governance review**

#### **Staffing Retention, Development, Cultivation**

- **Analyze current compensation plans and address any potential areas that may inhibit securing or retaining quality staff**
  - **Finalize a school-wide compensation plan for publication**

#### **Extended Learning Connections**

Spero Academy's new facilities now allows for the possibility of extended day programs. The following information will provide options for new and innovative use of the building for enhanced educational opportunities, as well as possible funding streams.

- **Research available funding from the Minnesota Department of Education that focuses on extended day programs (Summer program)**
- Survey stakeholders and create extended day programs that are desired and supported by potential participants
- Research potential partnerships for programs and summer usage of the facility
- Evaluate the building usage for potential external programs as a funding source

#### **Future Planning (Board, Administration)**

- Complete Part 1 of strategic plan
- **Create a business plan that includes data from financial goals, programmatic and educational systems, and a needs study that outlines the appropriate direction of the school's expansion goal**
- Create staffing plans and programmatic licensure processes
- Secure partnership with project manager to begin process

3. **Other Items** - Chipp reported that currently have 142 students, 19 of 21 classrooms occupied. Potential max program capacity for future years may need to be reduced to 155-156 from 168.