

Charter Day School



Charter Day School, Inc., Board of Trustees

Minutes of the Board Meeting

10:00 AM; Thursday, October 29, 2015, The Roger Bacon Academy, Inc., Leland

Attendance	<p>Trustees:</p> <p>Chad Adams – phone Jeremy Dickinson Melissa Gott Bob Spencer</p> <p>Others:</p> <p>Mark Dudeck, Treasurer, CDS, Inc. Sawyer Batten, PIO, RBA, Inc. Phyllis Pearson, CPA, Petway Mills and Pearson</p>
Call to Order	Bob called the meeting to order at 10:07 AM with a quorum of 4 Trustees present.
Agenda Modification	Bob recommended the addition of a closed session to discuss StarNews' failure to correct a recent and fallacious article about the Board.
Approval of Minutes	Jeremy moved, with Melissa's second, to approve the minutes of the September 22, 2015 meeting. The motion was unanimously approved.
RBA Reports— State Funding Update	Mark reported that as a result of the delayed approval of the State budget in the most recent legislative session, final school funding numbers for 2015-2016 would be received during the first week in November. Mark stated that he would have updated budgets reflecting these amounts at the November 19, 2015 board meeting.
DOT Letter for SBC Speed Zone	Mark reported that DOT had responded to the Board's letter requesting the establishment of a 35mph speed zone during school hours at South Brunswick Charter School by requesting further information.
Presentation of Audited Financial Statements	Ms. Phyllis Pearson, CPA and partner in the auditing firm of Petway, Mills, and Pearson, PA attended the meeting to present the details of the 200-hour Local Government Commission (LGC) audits conducted by her firm for each school. Each school received both a Financial and Compliance audit by the independent, third-party auditing firm of Petway, Mills, and Pearson. Phyllis reported that each school had unmodified opinions of "no findings" in their Financial and Compliance audits. Phyllis commended the Board, stating that, "Unmodified opinions on four reports are evidence of everyone's hard work." Phyllis stated

	that her firm is the largest provider of school audits in NC and SC, auditing 47 public charter schools this year, as well as numerous traditional public school LEAs. Phyllis stated that her firm had been auditing schools in the CDS, Inc. family for 11 years, and that her firm has been auditing public charter schools since 1998. All audits are performed according to federal and state standards and in conformity with generally accepted accounting principles including <i>Government Auditing Standards</i> and OMB Circular A-133. Phyllis also presented a 150-hour DOL limited-scope audit of RBA's 401(k) plan.
Charter Day School Audit	Phyllis presented the <i>Independent Auditor's Report</i> for CDS. Phyllis stated that CDS received a "clean" audit with "no findings" and "no material weaknesses" or "deficiencies." CDS finished FY June 30, 2015 with a total net position of \$2,786,272, of which the unrestricted funds were \$2,720,359. Phyllis stated that CDS' fund balance was "very good" in comparison with her other public charter school clients.
Douglass Academy Audit	Phyllis presented the <i>Independent Auditor's Report</i> for DAC. Phyllis stated that DAC received a "clean" audit with "no findings." DAC finished FY June 30, 2015 with a total net position of <\$285,796> of which the unrestricted funds were \$72,059. Phyllis stated that "the reason for the liabilities is the cost of being a startup school" and that "it takes a few years to get a school off of the ground." The audit is for DAC's second-ever fiscal year.
Columbus Charter School Audit	Phyllis presented the <i>Independent Auditor's Report</i> for CCS. Phyllis stated that CCS received a "clean" audit with "no findings." CCS finished FY June 30, 2015 with a total net position of \$868,226 of which the unrestricted funds were \$806,654. Phyllis stated that CCS' fund balance was "very good" in comparison with her other public charter school clients.
South Brunswick Charter School Audit	Phyllis presented the <i>Independent Auditor's Report</i> for SBC. Phyllis stated that SBC received a "clean" audit with "no findings." SBC finished FY June 30, 2015 with a total net position of <\$65,489> of which the unrestricted funds were \$16,657. Phyllis explained that, because the campus's newly constructed buildings were not yet put in to service at the close of the fiscal year, this audit reflects construction costs instead of assets. The audit is for SBC's first-ever fiscal year.
RBA 401(k) Audit	Phyllis presented the <i>Independent Auditor's Report</i> for the 150-hour Department of Labor (DOL) limited-scope audit of RBA's 401(k) plan. The audit included market quote and classification level comparisons, as well as random sampling to verify the identity and existence of participants and/or their spouses. The plan received no opinion, as Petway Mills and Pearson relied on a certified statement from BB&T, the third party administrator of the plan. Phyllis reported that there were no late contributions and that the audit was in compliance with DOL rules and regulations. The plan finished plan year December 31, 2014 with \$2,251,285 in total assets compared to \$1,917,262 on December 31, 2013.
Ratification of Actions Taken	Chad moved, with Jeremy's second, to approve all audits as presented. The motion was unanimously approved. Chad moved, with Jeremy's second, to ratify all actions taken since the last regular meeting. The motion was unanimously approved.
Recess	At 11:11am, the Board agreed to take a short recess. The Board reconvened at 11:19am.
Closed Session	The Board entered closed session at 11:20am to discuss the StarNews' failure to correct a fallacious article about the Board.

Return to Open Session	The Board returned to open session at 12:02am.
Old Business	n/a
New Business	The next meeting of the Board is scheduled for 1:00pm on Thursday, November 19 at Columbus Charter School.
Adjournment	The meeting was adjourned at 12:03pm.