

## NOTICE OF THE BOARD OF DIRECTORS OF FLAGSTAFF ARTS & LEADERSHIP ACADEMY, INC. (FALA)

*Our mission is to provide a transformative educational experience by developing leadership and cultivating academic excellence in the arts, sciences, and humanities. The individual growth of each student is supported and animated through our nurturing educational community.*

Pursuant to A.R.S. §38-431.02, notice is hereby given of the following event:

- Event: **Finance Committee Meeting** open to the public
- Date: August 15, 2022
- Time: 05:30PM
- Link: <https://meet.google.com/zjx-vstt-cwx?hs=122&authuser=0>
- Phone: +1 720-598-2601; PIN: 977 412 181#

### Information:

- The Board/committee may consider any item on this agenda in any order and at any time during the meeting.
- Pursuant to A.R.S. §38-431.4, members of the Board/committee may participate either in person or by telephone, video or internet conferencing speakerphone or other technological devices.
- At Board meetings open to the public, the Board may vote to hold an executive session for the purpose of obtaining legal advice from the Board's attorney on any matter listed on the agenda pursuant to A.R.S. §38-431.03(A)(3).
- Persons with a disability may request reasonable accommodations, such as a sign language interpreter, by contacting Mr. Eli Cohen, Executive Director, 928-779-7223.
- Materials for this meeting are available at the following:
  - <http://flagarts.com/category/news/>
  - 3401 N. Fort Valley Road, Flagstaff, AZ 86001, Administration Building

### Agenda:

- I. **Call To Order**
  - A. *Ron calls the meeting to order at 5:33PM*
- II. **Roll Call:**
  - A. Ron Borkan, Treasurer/Chairperson **PRESENT**
  - B. Christina Wolfe, Member **PRESENT**
  - C. Eli Cohen, Member **PRESENT**
  - D. Jessica Chamberlain, Member **PRESENT**
  - E. John Faccone, Member **PRESENT**
  - F. Margarita Cruz, Member **NOT PRESENT (Leaving Committee)**
  - G. Philip Dawkins, Member **PRESENT (Arrived 5:38PM)**
- III. **Approval of Agenda**
  - A. *Christina motions to approve the Agenda; Jessica seconds; Ron aye, Christina aye, Eli aye, Jessica aye, John aye; Motions passes 5-0-0.*
- IV. **Consent Agenda**
  - A. Approval of [Prior Meeting Minutes](#)
  - B. *Eli motions to approve the Consent Agenda; Ron seconds; Ron aye, Christina aye, Eli aye, Jessica aye, John aye; Motions passes 5-0-0.*
- V. **Action Items**
  - A. Presentation, discussion, and possible action re: Approval of [Current Financial Reports](#)
    - June reports
    - Balance Sheet:
      - a) At year end and including undeposited funds, we have over \$500K in the bank
      - b) Next year we will save some on interest expenses. State has begun paying approx. 20th of each month
    - P/L:
      - a) June had extra \$75K in grants; Received ESSER
      - b) Agreed that we should amortize stipends over the year; Eli to give John the total amount

- c) Significant expenses under facilities; Reclass to Asset
- Cash Flow:
  - a) Year ends up \$175K
- Board Metrics:
  - a) Key is cash in the bank and days liquidity; Up to 59
- ***Christina motions to approve the Financial Reports; Philip seconds; Ron aye, Christina aye, Eli aye, Jessica aye, John aye, Philip aye; Motions passes 6-0-0.***
- B. Presentation, discussion, and possible action re: Revision of [Proposed Budget](#)
  - Eli shows new budget based on 260 enrollment; Net income down to approx \$22K
  - General conversation about reductions in enrollment and possible factors. Some broad such as Flagstaff population and some more specific as school culture and other internal factors. Need to do market research and potentially look at scale in future. Eli to reach out to other charters to see patterns.
  - Discussion ensued regarding overall Net Income. Preferred to be closer to \$100K but given cash in the bank (\$500K), this is acceptable for now.
  - Further discussion on class sizes and potentials for reduction. Strong belief we should not reduce any contracts so need to find solutions such as stipends and spreading across all staff. Philip noted that as new staff, stipends may not be suitable so perhaps that is not an option for all.
  - Agreed to recommend Budget as is to the Board and continue revising numbers as new information (ie ideally increased enrollment over Semester 1) comes in.
  - John will set aside funds to accommodate expected revenue drop after the 40th day.
- C. Presentation, discussion, and possible action re: Approval of Teacher Salary Scale Revision (15 Years)
  - This was approved at the last Finance meeting and goes to the Board on Wednesday.
  - Eli wanted to broach again given the budget.
  - It is included in the revised budget so the committee decided to leave it in.
- D. Presentation, discussion, and possible action re: Approval of Dance Floor Installation Expense
  - Similar to Item C but with bigger impact (\$10K+) and currently not in the budget.
  - Committee discussed the merits and value of professional installation vs. internal. Warranty for 5 years vs none. Better safety and lifetime of materials.
  - Christina suggested doing a strong fundraising push (GoFundMe or other).
  - Also dedicate rental income to these costs. And increase rental fees for the new floor.
  - Committee agreed that the cost was still viable given the cash position and long term needs.
- E. Presentation, discussion, and possible action re: Approval of [Digital Art and Design Lab Equipment Request](#)
  - Committee had requested a full proposal at the last meeting.
  - Given the current position, the full amount of \$50K right now is no longer feasible.
  - However, we do need to grow the program and allow students needed capabilities so we should look at a managed rollout over 3-4 years. Identify critical needs now and potentially dedicate \$10-\$12K.
  - Jessica suggested looking at desktops vs laptops for upgrade abilities
  - Eli will meet with Jean-Marc to discuss options.
- F. Presentation, discussion, and possible action re: Discussion of Committee Purpose/Mission/Purview
  - ***Ron moves to table Items F and G to next meeting; John seconds; Ron aye, Christina aye, Eli aye, Jessica aye, John aye, Philip aye; Motions passes 6-0-0.***
- G. Presentation, discussion, and possible action re: Review of Spending Authority Levels

## VI. Future Agenda Items

- A. Discussion of Committee Purpose/Mission/Purview
- B. Review of Spending Authority Levels
- C. Health Insurance Coverage Options
- D. PTO Review Committee / Payout Policy Proposal
- E. Administration/Operations Salary Review Committee
- F. Protocol for funding Club/Society Projects:
  - What is the project for?
  - What is the budget?
  - How much has been raised?
  - How much still needs to be raised?

## VII. Adjournment:

- A. ***Christina motions to adjourn the meeting at 7:02PM; Jessica seconds; Ron aye, Christina aye, Eli aye, Jessica aye, John aye, Philip aye; Motions passes 6-0-0; Meeting adjourned.***

**Agenda Posted: 2022-08-12 05:25PM**  
**Minutes Posted: 2022-08-16 10:30AM**