



Round Rock Christian Academy
Board of Directors Meeting
September 16, 2021

Directors Present

Russ Agosta
Barry Haag
Alexis Michael
Susan Oglesbee
Kenneth Plunk
Bonnie Sells
Clint Sonnier
Todd Whitley

Absent

Staff Present

Becky Blauser
Julie Grosser

Todd Whitley opened the meeting with prayer at 5:02 pm. Todd called for a motion to approve the meeting minutes, Kenneth Plunk made the motion, Alexis Michael seconded the motion, and the Board Agenda was approved. Todd then called for a motion to approve the Board Meeting Minutes as submitted, Barry Haag motioned for the minutes approval, Bonnie Sells seconded the approval of minutes, and the motion was approved.

Todd Whitley has had the pleasure of serving as president of the Board for many years and is thankful for all of the current Board members. With that, Todd Whitley called for a motion for another one of the officers to serve as president, effective immediately. Kenneth Plunk nominated Barry Haag, Susan Oglesbee seconded the motion, and the motion passed for Barry Haag to begin serving as Board President. Barry Haag nominated Alexis Michael to serve as Treasurer, Kenneth Plunk seconded the motion, all were in favor and the motion passed for Alexis to serve as Treasurer. Bonnie Sells and Kenneth Plunk also remain on the Board in officer positions.

Financials

The Financials in the Board Packet go through the end of August. The balance sheet shows \$2.4 million in cash. AR has a negative number which is not normal. Parents are paying their tuition ahead of their billing schedule. In AP, there is a negative number because an invoice was paid prior to the item being booked. It was for the large Bob Jones order that was deferred to September, and we paid it early. Total liabilities are \$248,000 (not counting the building debt.)

In the Profit and Loss Income statement, with the updated budget, all the line items are pretty close.

We need to pay down the building debt to \$6.5 million by June, 2022. We currently have \$435,000 available, and Kenneth Plunk motioned that we pay that amount down now. Susan Oglesbee seconded that motion, and the Board agreed to pay that debt down now rather than waiting. RRCA will start making P&I payments in April or May, 2022. This will look good in our books for future loans such as the new gym facility. Once we start paying it, the P&I is \$477,000 per year.

Revised Budget

Currently, our PK and 1st grades are full. We needed more space for M-F PK, so next year we will not have a MWF or a 3 year old program.

The Revised Budget shows the projected revenue for tuition and fees for this year. Some revisions were made to expenses as well. Total revenue was \$6.138 million, and is now \$6.800 million in the new budget. For Expenses, salaries and wages is up a bit with salary increases. We have the same amount of employees, but some employees moved from part-time to full-time. There are several new line items, including Building and Grounds, Health Screening, and the lunch program.

Audit Report

Diana Mil from Maxwell, Locke, and Ritter (MLR) joined the meeting via Zoom and shared her screen. She is the Senior Audit Manager and A.J. Zimmerhanzel served as the Senior Associate who performed the audit. The 114 Governance letter has been provided in the Board packet. This letter would note if there were any difficulties, and MLR had no issues in working with the RRCA team. The audit went smoothly, and Paula Headley is doing a good job, and the numbers MLR got were reliable. After the RRCA Board accepts the audit, MLR will provide a signed letter that the audit was performed and was satisfactory. Financially, RRCA was not really impacted by COVID and has maintained cash flow.

The report has a clean audit. The Statement of Financial position shows RRCA with \$11.5 million in assets June 30, with \$1.7 million in cash. The cash increased by almost \$400,000 which correlates to increases in enrollment and PPP dollars. Property and equipment is our largest asset, at \$9.5 million. Depreciation has started on the building. Deferred revenue of \$1 million is prepaid tuition. The Gym campaign is the only thing remaining in donor restricted funds.

RRCA had a strong year, with an overall increase in revenue of over \$1 million and forgiveness of the PPP loan. There were some increases in expenses (interest and depreciation, and small increase in salaries.) The total program expenses is about 75% of programs. Diana Mils also went over the footnotes to the audit. Barry Haag thanked the MLR staff and Paula Headley and said the Board accepts the audit and that the Board will sign the letter tomorrow.

Kenneth Plunk motioned that the audit letter be signed and accepted, Bonnie Sells seconded the motion, all were in favor, and the audit was accepted. Last year, we did not have the audit done due to COVID and the new building. The auditor recommends that Board members complete a Conflict of Interest statement every year.

Todd motioned that the new amended budget be approved, Russ Agosta seconded the motion, all were in favor and the new amended budget was approved.

Head of School Report

Current student enrollment numbers are still fluctuating a bit day today. There were two major recommendations given in the ACSI accreditation findings. Becky Blauser has to do an annual

report in October to update ACSI. One of the recommendations addressed providing more education on bullying, and RRCA has purchased a curriculum to address this issue. This year, the Elementary department is addressing social and emotional issues in chapel. In 6th grade discipleship classes, the counselor is going in and working on Social and Character Development skills during separate boy/girl discipleship classes.

The other ACSI report recommendation was regarding physical security. We purchased a program called Alert Media so that teachers and staff get a text message on their phone and we used it during a fire drill. This helps when teachers are in outlying areas (recess, gym, lunchroom, etc.)

We have had some COVID cases, 18, and we have had one teacher who has been out for an extended time. If a student is positive, we ask for their close contacts and we take some time to check close contacts on video. We inform parents that their child may have been exposed, and then allow parents to choose whether or not to send them to school. Most parents choose to continue to send to school. We haven't had any cases where the students are tied to another case, except two football players.

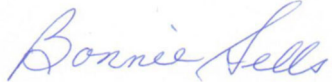
The goals for the preschool department are provided. We split Grandparents Day into two days to accommodate all the vehicles in the parking lot. The Spelling Bee is coming up, and most competitions are going back to in person. College Information night will be soon for Juniors and their parents. The big Homecoming game is tomorrow, and we hope to win. The Homecoming dance will be in the courtyard. The new choir director is fired up, and enjoying leading worship. In Secondary Chapel, Texas Supreme Court Justice Jeff Boyd came to speak and gave a great testimony. ReCharge is a Secondary all day event with emphasis on spiritual growth. Students in 6th-12th grades will have a band, speakers, and activities.

A healthcare update is in the packet, but our broker is trying to go back and renegotiate better rates.

David Fenwick is a potential new Board member who has not been interviewed yet. His resume is attached.

Our next meeting will be Thursday November 4 instead of the 11. Kenneth Plunk made the motion to adjourn, Alexis Michael seconded the motion, all were in favor, and the meeting adjourned at 6:04 pm.

Respectfully submitted,



Ms. Bonnie Sells
Round Rock Christian Academy
Secretary, Board of Directors