

**CORNERSTONE MONTESSORI ELEMENTARY SCHOOL  
BOARD OF DIRECTORS EMERGENCY MEETING – VIRTUAL  
TUESDAY, AUGUST 2, 2022 – 6:00 P.M.**

**Board Members Present:** Jean Melancon, Jess Goff, Julaine Roffers-Agarwal, Carolyn Ganz, Alyssa Schwartz, Sarah Stocco,

**Board Members Absent:** Maisah Outlaw, Tyler Bouwens

**Other Attendees:** Chris Bewell, Joe Aliperto (Dieci Finance)

**Meeting called to order by Jean Melancon, Board Chair, at 6:04 pm.**

**AGENDA**

**Emergency meeting because time sensitive**

**Public Comment Period:** Comments limited to 3 minutes per person.

No guests present

**Approval of Agenda & Declaration of Conflict of Interest**

**JULAINÉ MADE A MOTION TO APPROVE THE EVENING’S AGENDA. CAROLYN SECONDED THE MOTION. THERE WAS NO DISCUSSION. THE MOTION PASSED UNANIMOUSLY.**

Board Member	Aye	Nay
Bouwens ABSENT		
Ganz	x	
Goff	x	
Melancon	x	
Outlaw ABSENT		
Roffers-Agarwal	x	
Stocco	x	

Jean asked whether, given the approved agenda, there were any conflicts of interest. None were disclosed.

**Finance Committee**

- Employee Retention Credit as detailed in pre-readings from Joe and Magill.

**SARAH MADE A MOTION TO APPROVE THAT THE BOARD APPLY FOR THE EMPLOYEE RETENTION CREDIT AND AUTHORIZE SIGNING A CONTRACT WITH MAGILL ACCOUNTING LLC TO PROCEED WITH THE EMPLOYEE RETENTION CREDIT APPLICATION ON CMES’S BEHALF. JESS SECONDED THE MOTION. THERE WAS MUCH DISCUSSION AS DETAILED BELOW.**

Questions from board members, answered by Joe.

- Is this a reasonable amount to pay
  - o Not a contract so pay is different. Contacted multiple organizations – one over 20%, one over 10%, then one for 6%, ultimately, those others didn't work out anyway, but Magill did and it's at 5%, is it cheap? No, but the work is outside of joe's experience. He has worked with Magill before and continues to. Good that they are local, better comfort level than distant, good to know their work
- Are other schools applying for this?
  - o Joe's understanding is that some charter schools have moved forward with application, but this is newer, especially to MN. MACS hasn't weighed in, but maybe that's because they had a misstep with the PPP so don't want to do that again. A lot of schools got flooded with the high percentage offers that require looking into, but more are moving forward at this point.
- Is this COVID related? Already existed?
  - o New, part of the CARES act – there was initially a choice to apply for PPP or employee retention credit. More recently it was decided to open up to organizations that already got PPP, though these funds are noted so there's no double dipping. Once the money runs out, it's gone, so there won't be another chance again. Nothing else on the horizon like this. This is a credit based on wages and taxes already paid – not a new grant, no review for qualified spending later, etc. This is credit, related to taxes and payroll expenses already reported.
- Are there restrictions?
  - o No, because it's a credit against expenditures already incurred. One thing in the process that is clear now is that the IRS reviews the initial application and returns, historical information, so they will have all that info. Once they accept the amended returns, a check is sent and then it's free and clear – no need to wait for another review. If it were to be challenged, that would be the only way to have to pay it back – but a challenge is not likely, it wouldn't be a small thing to challenge this, it would affect lots and lots of organizations.
- What are the risks? Financial and political?
  - o Not much. Public districts don't have access, so they might not love it. Joe hopes all charters do apply – this is a credit for money we already paid.
- How long to hold the money to make sure we are within the statute of limitations?
  - o Three years from amended return (starting Q3 2020) so not long really, but it doesn't seem like there's a reason to hold on to this because the chance of a challenge is so slim. Joe noted that this will make our fund balance very big – we need to be responsible about that in the future, make a plan for use.
- Have we really paid in enough to get \$600,000?
  - o Yes, looking at everything that qualifies.

**THE MOTION PASSED UNANIMOUSLY. THE VOTES WERE:**

Board Member	Aye	Nay
Bouwens ABSENT		
Ganz	x	
Goff	x	
Melancon	x	
Outlaw ABSENT		
Roffers-Agarwal	x	
Stocco	x	

**Suggested Agenda Items for Next Board Meeting**

- August 18<sup>th</sup> – reminder that we are hopefully in person meeting
- Start of school year so many annual things to review; documents will come out early because so many.
- We'll hear equity work recommendations from Alyssa and Sarah.
- Officially welcome Tyler as new board member.

**Adjourn**

**JULAINÉ MADE A MOTION TO ADJOURN THE MEETING AT 6:27 PM. SARAH SECONDED THE MOTION. THERE WAS NO DISCUSSION. THE MOTION PASSED UNANIMOUSLY. VOTES WERE:**

Board Member	Aye	Nay
Bouwens ABSENT		
Ganz	x	
Goff	x	
Melancon	x	
Outlaw ABSENT		
Roffers-Agarwal	x	
Stocco	x	

***The next CMES Board Meeting is Thursday, August 18, at 6 p.m.***

***Respectfully Submitted by Jess Goff, CMES Secretary.***