

**Friends of The Volcano School of Arts & Sciences**  
**Meeting Minutes**  
**February 13, 2023**  
**4:30PM**  
**Zoom Virtual Meeting**  
**APPROVED MINUTES**  
**Special Meeting**

Directors Present: Kalima Kinney (ex-officio), David Goodman, Mara Saltzman, Ian Cole, Matt Luera, Jeffrey Mermel, Lorna Larsen-Jeyte, Aubrey Hawk

Directors Absent: Melissa Fletcher (excused)

Guests/Members Present: Jessica Rojas

Call to order: Ian Cole called the meeting to order at 4:33PM.

Note, the February 2, 2023 meeting was canceled due to a lack of a quorum.

Topic of Special meeting tonight: Treatment of CIP Funds and Ownership of Assets Delaying year end close and preparation for audit. Issue to be decided: How to move forward with the FY22 fiscal audit and 990.

Auditors advise FVSAS, via meeting with Jessica Rojas, that books cannot be closed until the schools' books are closed. Discussion on ability to give clean opinion and alignment to school audit opinion. If there are no grant requirements for an annual audit, the recommendation would be for a Compilation of FY22 balance sheet accounts with attention to Accounts Payable balance of Contracts and Accounts Receivable for where the funds would be provided, Prepaid Expenses and Depreciation. The Compilation of the books for FY22 would commence prior to the full fiscal audit for FY23. A 990 for FY22 would be submitted based on our closed books and amended if necessary, upon Compilation and Audit of FY23.

FVSAS and VSAS auditors acknowledged on February 13, 2023 receipt of Attorney General's February 10, 2023 memo addressed to Kalima Kinney at VSAS. The AG's letter explains that the CIP awarded funds could be awarded to FVSAS to serve as project manager and the expenditure appears to be permitted due to its usage for construction purposes.

Question: who is completing the improvements FVSAS or VSAS? Mobile buildings belong to FVSAS. Once the permanent buildings built with CIP funds are complete, they will belong to the State.

Jessica Rojas is recommending a Compilation for 2022, which is the lowest level of an audit. A Compilation is significantly less expensive than a complete audit. .

Does this impact the price of next year's audit? Jessica Rojas does not think it will increase the price of an audit for next year. We could always go back to complete a 2022 audit later on.

Auditors said FVSAS should get an audit if FVSAS is applying for New Market Tax Credit soon. Audits have to be done for 7 years following the receiving of the New Market Tax Credits, according to the auditors.

The February 10, 2023 Attorney General memo allows conditions that allow us to do a full audit for 2022. A Compilation will save us money.

**David Goodman motioned to order a Compilation for 2022; Jeffrey Mermel seconded the motion; no further discussion; all in favor (7); none opposed.**

Motion to adjourn: Lorna motioned to adjourn at 4:55PM, Aubrey Hawk seconded the motion; all in favor (7); none opposed.

Minutes respectfully submitted by

Mara Saltzman

FVSAS Secretary

February 13, 2023 Draft/unapproved

March 2, 2023 Approved