

**ACERO CHARTER SCHOOLS, INC (“ACERO”)
MINUTES OF A MEETING OF THE AUDIT, COMPLIANCE AND FINANCE COMMITTEE**

**October 19, 2018, 12:00 PM
209 W. Jackson Blvd., Suite 500, Chicago, Illinois 60606**

DIRECTORS PRESENT: Mr. Douglass Hewitt, Vice Chairman; Mr. Simon Yohanan, Treasurer.

DIRECTORS ABSENT: Ms. Roxanne Matias, Secretary

OTHERS PRESENT: Richard L. Rodriguez, Chief Executive Officer, Acero; Araceli De La Cruz, General Counsel/Chief Administrative Officer, Acero; Mr. Michael Bradly, Chief Financial Officer, Acero; Mr. Jim Thomas, Clifton Larson Allen; Mr. Paul Valaisa, Clifton Larson Allen, LLP.

Call to Order and Roll Call

At 12:10 pm, Ms. De La Cruz called the meeting of the Audit, Compliance and Finance Committee to order. A roll call was taken. Director Hewitt, present; Director Yohanan, present; Director Matias, absent. With two Committee members present, a quorum was established. A motion was made by Director Hewitt to allow for the phone participation of Director Matias pursuant to Section 7(a) of the Illinois Open Meetings Act. Director Yohanan seconded the motion and the motion carried.

Consideration of Recommendation to approve FY Audit

Mr. Bradley introduced to the Committee Mr. Valaisa and Mr. Thomas from Clifton Larson Allen, LLP. Mr. Valaisa began his presentation to the Committee by providing an overview of the services provided by Clifton Larson Allen which included the Consolidated Audit, CPS Compliance Audit, Single Audit, IRS Form 990 Federal and Illinois filings and General Consulting. Ms. Valaisa reviewed the governance communication which indicated that Acero received the highest opinion, there were no audit adjusting journal entries and no passed or uncorrected journal entries. Ms. Valaisa also noted that no material weaknesses were found and there was only one significant deficiency noted. Director Matias posed a question and discussion ensued. Mr. Valaisa also provided an overview of the CPS Compliance requirements and the Single Audit. Mr. Valaisa concluded his report by stating that overall the entire Annual Audit was very favorable. Discussion ensued.

Director Hewitt moved to recommend to the full Acero Board approval of the Annual Audit for year ending June 30, 2018. Director Yohanan seconded the motion, and the motion carried.

FY19 Budget Update

Mr. Bradley provided the Committee with an update to the FY19 Budget. He began by reiterating that Acero received an unqualified audit opinion which is indicative of a clean audit. Mr. Bradley reviewed the budget amendments which are less than a 5% change to the original approved budget. He presented on new contingency considerations, expenses, revenues and areas of focus. Discussion ensued.

Public Comment

Ms. De La Cruz opened the meeting to public comment, and there was none.

Old/New Business and Adjournment

Ms. De La Cruz called for old/new business. There being none the meeting was adjourned.

Respectfully submitted,

Roxanne Matias
Board Secretary

Approved by Acero Board on October 24, 2018.