

Richard McKenna Charter School District #453

Special Board Meeting Minutes

Board of Directors Meeting

Date: Monday, October 3, 2022

Place: Richard McKenna High School Conference Room

Time: 12:00 PM

I. **WELCOME and CALL to ORDER**

A. Call Meeting to Order-Meg Warren-Board Chair, called the meeting to order at 12:00 pm and led all in the pledge of Allegiance.

Quorum Status confirmed, those in attendance- Meg Warren, Doug Mayne, Crystal Rodgers, Dennis Wilson, William Lamb, and Jessica Morrison

Jessica Morrison- Clerk

II. **Approve Agenda**-Doug moved to approve the agenda, Crystal seconded it. Unanimously approved.

III. **DISCUSSION/ACTION ITEMS**

A. Auditor-990-Tim Hoyt with Quest CPA opened the discussion by confirming everyone had read the email that he sent out last week detailing the issue of the IRS tax form 990. When Quest started auditing for us 2 years ago, they were asking about the 990 and were told it is taken care of, according to Tim sounded like someone else was taking care of it. He asked more follow up questions and he said it was confirmed that the taxes were being taken care of. It has been discovered the form 990 has not been filed for 20 years. The biggest issue is where to go from here. After a lot of research Quest determined the best course of action is to file the last 20 years' worth of form 990's. Quest created a proposal for us to file those 20 years of back taxes which would cost up to \$48,000. Doug asked if Quest had contacted the previous auditor, Swagart and asked how this wasn't caught in the last 20 years. They were under the impression we were chartered through the district. Doug asked if auditors have insurance that would cover this type of omission. Tim with Quest explained what the form 990 is and why it needs filed. Its an informational return not an income tax return. William asked if we have funds to cover the up to \$48,000 cost to hire Quest to resolve this issue. Dennis confirmed we do have funds to cover that. The concern is if IRS decides to issue fines and back taxes, that could be extremely expensive. Tim with Quest said the audit is ready, just needed to resolve this issue or at least have a game plan to fix this issue. Quest will be able to take this project on in January of 2023. William made a motion to approve the proposal from Quest, seconded by Doug. It passed unanimously.

B. Board Training Date-Tentatively scheduled for January 10th or 11th.

IV. **ADJOURN**-Doug moved to adjourn, Crystal seconded, passed unanimously.

The next regular board meeting will be held on October 18, 2022 in the High School Conference Room at noon.

The mission of Richard McKenna Charter Schools is to provide a non-traditional educational environment for our students by emphasizing: 1) project-based learning, 2) personal responsibility, and 3) outstanding citizenship.