APPROVED

Wesley International Academy

Minutes

Finance Committee Mtg.

Date and Time
Wednesday August 16, 2017 at 8:00 AM

Location
WIA White House Conference Room

Committee Members Present
A. Ostrej, C. Hill, J. Marshall, L. Price, S. Burnes, T. Tidwell

Committee Members Absent
None

Committee Members who arrived after the meeting opened
J. Marshall

Guests Present
Earl King, M. Guertin, Robin McCoy

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

S. Burnes called a meeting of the Finance Committee of Wesley International Academy to order on Wednesday Aug 16, 2017 at 8:05 AM.

C. Approve Minutes

Discussion of shift in format of minutes, moving to Board on Track. Tom is working with Thomas to figure out better way to highlight action items in minutes better.

Finance Committee went dormant for June and July due to scheduling difficulties, travel schedules and leadership transition. Suzanne was only able to surface April as most recent minutes to present for approval, yet it was noted upon review that the April minutes were approved at a May 8 mtg.

Therefore, no minutes were proposed for approval at this meeting. Suzanne will ensure that May and Aug. minutes are included in Sept. meeting packet for approval.

II. Financial Reports/Dashboard

A. Monthly Financial Reports

J. Marshall arrived.
Monthly financial reports for June were rolled into year end report. July reports are not yet ready and will be provided for Sept. meeting.

B. Review of unaudited FHY2017 Year End Financial Report

Lisa referenced the attached unaudited year end report, noting that there were few unanticipated items to highlight. The following comments were shared:

- Final APS payment in May was about $100,000 higher than anticipated - local share of funding shifted. Year would have closed with much smaller surplus otherwise. We added an unrestricted cash account this past year- rainy day fund to hold 30-45 days of working capital. Once we close 2017 completely, we'll determine level to fund this for 2018.
- Revenue numbers continue to shift frequently. Will take a while to settle.
- Finance team is beta testing new process of paying vendors through Bill Pay. Process was streamlined over the summer and resulted in great efficiencies, yet care is being taken to ensure that new efficiency doesn't conflict with financial control policies and procedures around segregation of duties.
- Every category was within 5-10% of budget. Absorbing and adjusting to expenses relating to the White House was the one notable variance.
- Red Thread - are we comfortable with accruing pledges? The will of the group is to remain on a cash basis given uncertainty of pledge fulfillment for now. Discussion of procedure in place - all Red Thread expenses should go through Sarah. Prior year collections are informing budget for next year. $22,500 will roll over from last year to FY18.

Discussion was held regarding our forecasting in development of FY17-18 budget (current), with the following challenges noted:

- Our budget was approved based on forecasted APS increase (conservative projection of tax digest increase). Tax assessment protests and subsequent roll back to 2016 levels will be felt system-wide.
- We also take a hit based on APS capital improvements.
- Latest QBE indicates we may be in good shape.
- Dr. Karstarphen announced changes around STEP, cost of living increase, etc., but has pushed possible furloughs to end of the year. All of our teachers received COLA increase.
- Gov. Deal committed 2% of state budget towards increase in funding. Still waiting for it to sort out, but we anticipate this will be positive for us.
- Title 1 reducing rapidly based on shift in our population socioeconomics. $331,000 in FY16-17, FY17-18 forecast at $175,000, in renewal and FY18-19 it is forecast to hit $0. Other implications include increase in telecom expenses - E-rate is a federal program that subsidizes telecom expenses (around $2400/month) - directly tied to free and reduced lunch so we should anticipate budget impact.
- Suggestion made that we start building a needs list of discrete projects for fundraising, and better communicate to prospective donors that increase in population income significantly impacts bottom line and will require community to dig deeper to offset.

III. FY2017 Audit

A. Audit update

Auditor is beginning review within the week - timing is pushed up significantly this year per new APS requirements. Robin is supporting the process. She has been able to respond to all requests, follow up questions are coming. We are well ahead of the curve on the process. No board asks at this time re: audit.

IV. Financial Policies + Goals

A. Refresh on status of Financial Policy Manual

M. Guertin left.
Discussion tabled due to time, and will be taken up by subcommittee including Lisa, Earl, Suzanne and Chip prior to Sept. 13 FC meeting. Update will be provided at that time.

B. Finance Committee Goals for 2017-2018 (FY2018)

Discussion tabled to primary focus of Sept. 13 FC mtg. As reminder, FY17-18 goals for the committee were:

- Create a financial dashboard for BOD

- Review 2015-2016 Audit – September/November 2016
- Mid-year revision of the budget – January/February 2017
- Create budget for 2017-2018 school year – May 2017
- Update depreciation schedule – June/July 2017
- Revise Financial Policies for BOD approval – January 2017
- Create a financial annual report to be included in the ED's annual report – June 2017

V. Closing Items

A. Adjourn Meeting

C. Hill made a motion to adjourn the meeting.
J. Marshall seconded the motion.
The committee **VOTED** unanimously to approve the motion.

Roll Call

A. Ostrej	Aye
K. Delp	Absent
S. Bello	Absent
S. Burnes	Aye
T. Tidwell	Aye
C. Hill	Aye
L. Price	Aye
J. Marshall	Aye

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:04 AM.

Respectfully Submitted,
S. Burnes