

APPROVED



Wesley International Academy

Minutes

Finance Committee October Meeting

Date and Time

Wednesday October 17, 2018 at 8:00 AM

Location

Kelly Street House Conference Room

Committee Members Present

C. Hill, J. Marshall, L. Price, R. McCoy, T. Tidwell

Committee Members Absent

D. Holloman, K. Delp

Guests Present

D. Mason

I. Opening Items**A. Record Attendance and Guests**

Also in attendance, Mr. Bambo Sinaki

B. Call the Meeting to Order

C. Hill called a meeting of the Finance Committee of Wesley International Academy to order on Wednesday Oct 17, 2018 at 8:00 AM.

C. Approval of August 2018 Minutes

T. Tidwell made a motion to approve minutes from the September 2018 Finance Committee Meeting on 09-19-18 September 2018 Finance Committee Meeting on 09-19-18.

C. Hill seconded the motion.

The committee **VOTED** unanimously to approve the motion.

D. Amendments to September 2018 Agenda

Agenda amended to include review of 1st quarter financial statements for FY 2019 (7/1/18 - 9/30/18). Motion to amend by Chip Hill. Second by Tom Tidwell. Unanimously approved.

E. FY 2018 Financial Audit

Mr. Bambo Sinaki in attendance. Mr. Sinaki has audited Wesley financial statements for several years.

Mr. Sinaki thanked Jason, Lisa and the rest of the WIA team for being responsive and thorough throughout the audit process.

There are 4 results from an audit, ranging from least desirable to most desirable: Disclaimer, Adverse, Modified and Unqualified. Wesley's audit is unqualified (best). No restatements, audit points, or findings based on his independent review of Wesley's finances.

Mr. Sinaki pointed out several pages and relevant figures in the audited financial statements. The bottom of page 10 is the more meaningful statement for WIA as it does not include the GASB reporting of the pension liability that is on page 8.

Page 12 shows the income statement without the pension liability included and gives Wesley a true picture of operating income and expenses.

Audit sample included approximately 60 transactions that were reviewed, not including payroll transactions which are a separate component of the audit. Audit process reviews to ensure that appropriate steps were taken in the purchase of goods and services, items served a business-related purpose, and appropriate reviews were conducted prior to and after the purchases.

Finance committee will need to recommend an amount of money to hold in the affiliate account with Bank of America. This account ensures that school funds are not at risk if Bank of America fails and FDIC insurance only covers \$250,000 of deposits. Funds held in the new account will be fully ensured and satisfy audit requirement going forward.

Lisa thanked Bambo. Bambo left the meeting.

Lisa stated that the next task associated with the end of FY 2018 financial statements & audits is completing the 990. She will work with appropriate individuals to complete, review and submit that in advance of the APS deadline.

Lisa shared a copy of first quarter financial statements. As in prior years, the school shows a negative cash flow during the first quarter. This is normal and related to the timing of cash draws relative to expenses. The annual financial position typically turns positive early in the calendar year. This is one of the many reasons that the school needs to have a modest fund balance that carries forward from one fiscal year to the next.

II. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:00 AM.

Respectfully Submitted,

C. Hill

T. Tidwell made a motion to adjourn the meeting.

C. Hill seconded the motion.

The committee **VOTED** unanimously to approve the motion.