

APPROVED



WESLEY  
INTERNATIONAL ACADEMY

## Wesley International Academy

### Minutes

#### November Finance Meeting

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##### Date and Time

Wednesday November 16, 2022 at 8:00 AM

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##### Committee Members Present

C. Hill (remote), E. Moraga-Davis (remote), J. Marshall (remote), L. Price (remote), S. Williams (remote)

##### Committee Members Absent

E. Cater

##### Guests Present

Bambo Sonaike (remote), Donica Johnson (remote)

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#### I. Opening Items

##### A. Record Attendance

##### B. Call the Meeting to Order

C. Hill called a meeting of the Finance Committee of Wesley International Academy to order on Wednesday Nov 16, 2022 at 8:03 AM.

##### C. Adopt Agenda

J. Marshall made a motion to Approve agenda.

L. Price seconded the motion.

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

**D. Approve Minutes of September 21, 2022 Meeting**

L. Price made a motion to approve the minutes from September 2022 Finance Committee Meeting on 09-21-22.

J. Marshall seconded the motion.

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

**E. Identify Committee Co-Chair**

Lisa will serve again as co-chair

**F. Review of FY 23 1Q Unaudited Financial Statements**

Erline provided a quick overview of significant variations. In July we received Title IX funds. After care enrollment is trending up. Instructional staff training expenses are up reflecting staff seizing opportunities early in the year. Maintenance and repair items over the summer are all updated. Favorable budget variance in compensation - 113 employees on payroll vs. 117 positions budgeted.

**G. Review of FY 22 Financial Audit**

Outside auditor Bambo Sonaike provided an overview of the three-stage audit since the school received over \$750,000 in federal funds during FY 22. These funds were part of various federal funding associated with CARES Acts legislation during the Covid-19 pandemic.

On page 9 is the balance sheet covering both cash and non-cash items. Page 11 is the balance sheet that is more relevant to WIA.

Page 10 is the first income statement, capturing all cash and non-cash activity. Page 13 is the more relevant income statement for the management of the school.

Page 22 notes accounts receivable. Because of the nature of federal funds (must be spent then requested reimbursement), the school will likely show an operating loss for a couple of years but a larger than normal number in accounts receivable.

The single audit (since WIA received >\$750k in funds) follows a map from the federal government to ensure that the federal money is spent in a manner consistent with legislative mandates. Page 37 addresses internal controls at the school with a subsequent opinion on page 39. Page 42 summarizes everything in all of the audits.

Based on the auditor's review, WIA has received a clean audit without any findings. This is the gold standard in the world of financial audits.

Lisa is going to follow up with Bambo on a couple of minor edits that do not change anything of substance. Once finalized, the audited statements will be uploaded to comply with local, state and federal reporting requirements. Lisa will now review the 990 as well and work with the Board Chair to submit that for compliance.

WIA anticipates spending approximately \$1.6 million in federal funds in the current fiscal year. WIA leadership anticipates using the time allocated by the federal government and spending the federal funds by June 30, 2024.

#### **H. FY 23 Midyear Budget Revision**

WIA conducts a midyear budget review to adjust the current fiscal year budget. By the middle of the fiscal year, many revenue and expense variations have subsided, giving school leadership a more accurate projection for how funds will be collected through the remainder of the year. This allows the school to revise planned spending through the rest of the fiscal year.

The budget revision also takes into consideration the October enrollment counts which are down in FY 23 from what was budgeted. School leadership is working on adjusting expense patterns to account for declining enrollment this fiscal year. The school leadership team will draft a midyear budget revision for the January Finance Committee meeting and subsequent review and vote for approval at the February Board meeting.

## **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 8:41 AM.

Respectfully Submitted,  
C. Hill