

APPROVED



WESLEY
INTERNATIONAL ACADEMY

Wesley International Academy

Minutes

September 2022 Finance Committee Meeting

Date and Time

Wednesday September 21, 2022 at 8:00 AM

Location

<https://us02web.zoom.us/j/89738022759?pwd=Wk5CdZwTTBDdUM4TXhJZ0JaTzIxdz09>

Meeting ID: 897 3802 2759

Passcode: finance

Committee Members Present

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

Committee Members Absent

M. Guertin

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 Sep 21, 2022 at 7:59 AM.

C.

Adopt Agenda

J. Marshall made a motion to Approve the agenda as presented.

L. Price seconded the motion.

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

D. Approve Minutes of May 18, 2022 Meeting

L. Price made a motion to approve the minutes from Finance Committee Meeting on 05-18-22.

J. Marshall seconded the motion.

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

E. Confirm Committee Membership and Leadership

J. Marshall made a motion to approve committee membership as presented.

E. Cater seconded the motion.

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

F. Confirm Committee Goals for 2022-2023

E. Cater made a motion to approve goals as presented.

L. Price seconded the motion.

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

G. Review of July 2022 Unaudited Financial Statements

Erline reviewed financial items for the month of July 2022 and highlighted substantial expenses. As usual, the school incurs many start-up related expenses in July advance of the school year. Classroom supplies and software licenses are among the normal expenses. Additionally, capital expenses for work around the facility are paid during the first few months of the fiscal year.

Erline reminded the committee that she is available to answer any questions.

H. Update on FY 2022 Audit and Reporting

Lisa announced that in the past few days, the auditor sent the first draft of the completed annual audit. Lisa is making the annual/required journal entries associated with retirement. No additional sampling is necessary and Lisa should complete her review in the next week or so.

Because of the inflow of significant federal funds during FY 22 associated with CARES funding, Lisa is also working with the auditor on the required single audit to satisfy federal requirements. This will be a separate report and Lisa anticipates the auditor will need another week or two. The goal is to complete everything within the next month and satisfy reporting requirements by the end of November. We will use the November FC meeting to review the audit reports and any recommendations with the auditor.

School leadership expressed gratitude to the school community for being diligent and thorough in providing documentation to ensure compliance with policies, procedures and federal requirements. Federal funds will require single audits through FY 2024.

At the end of the audit cycle, Lisa will review the report with Ewa before she signs the 990 form in her capacity as Board chair.

I. Enrollment Update and Budget Implications

Lisa shared updated enrollment figures and discussed potential impacts to the FY 23 and FY 24 budgets. She also shared the Budget Sensitivity Analysis that is constructed during the annual budget process to identify action items in the event revenue is projected to be lower than originally anticipated. Because of anticipated enrollment counts of about 5.5% to 6%, the school will implement cost saving measures as well as increased recruitment efforts.

Planned capital expenses will be reevaluated to reprioritize needs in the advance of lower revenues. School leadership is also evaluating staffing levels and has identified several vacant positions that will not be filled in the current year. The original budget was built assuming 117 employees. Restructuring to a single principal model will allow the school to operate with 112 positions, saving over \$400k in the current year. Only critical positions will be backfilled in the event of turnover during the year.

Leadership also is working on an action plan for more marketing and community events to target new applicants during the upcoming winter/spring application time frame. The school does not anticipate being able to grow enrollment during this year as there is not much of a waitlist.

Finally, the school is working through scenarios in which the school may need to operate at a lower enrollment level in future years. This will allow for adequate planning in the event the school enrollment target of 800 is not sustainable.

The school may need to utilize a small amount of reserves to balance the budget. School leadership will continue to monitor and work with the Finance Committee in advance of the midyear budget revision.

II. Closing Items

A. Adjourn Meeting

E. Cater made a motion to adjourn.

J. Marshall seconded the motion.

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

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 8:54 AM.

Respectfully Submitted,
C. Hill