



## Finance Committee of the WISH Charter Board of Directors Meeting Minutes

WISH Finance Committee

When

Join Zoom Meeting

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Meeting ID: 548 255 4984

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November 30, 2023 at 5:00PM

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### Meeting Agenda

#### I. Attendees:

##### WISH Charter Board Members:

Raj Makwana, Board Member x Benjamin Tysch, Board Member x

Miles Remer, Board Chair Julie Grimm, Board Member x

##### WISH Charter Staff Members:

Dr Shawna Draxton, Executive Director x

Jennie Brook, WISH HR & Finance Manager x

##### ExEd

Mike Johnson, ExEd x

#### II. ITEMS FOR DISCUSSION

1. Review and Discuss October, 2023 Financial Results and Forecast (Mike)
  - a. Net Operating Income forecast to be lower than in September.
    - i. Still feeling effects of lower enrollment
    - ii. Significant variance in Benefits and Transportation expenses explained
2. Review and discuss updates and progress on ERC delay, contingency plans and Budgets (Shawna)
  - a. ERC in the budget for June of 2024 - the fiscal 2023 budget
  - b. Discussion around the likelihood of receiving the funds in this fiscal year.

- c. There is a significant risk that the funds will book in 2024/2025. That would mean a significant (\$1M+ loss for 2023/2024) which will not be seen favorably by LAUSD and will not help our Finance Score even though it is a timing difference.
  - d. Mitigations for 2023/2024 will help but probably won't solve the problem. We will likely need to live with a significant negative Net Income for 2023/2024
    - i. Significantly increasing grant applications
    - ii. Release of funds from WISH Forward
    - iii. Likely improved funding from the GALA
    - iv. Cannot cut staffing without disruption for the remainder of the year.
  - e. The same delay would mean a \$1M+ windfall in 2024/2025 and all would be recognized in that year, whether spent or not. COLA increases also likely to be lower than anticipated.
    - i. Significant cuts planned for 2024/2025 at the High School
    - ii. Everything being considered for cuts.
    - iii. Jason emphasized the need for not spending one-time funds on recurring expenses (living beyond our means) and the need for sustainable budgets. Focus on cash flow rather than on income may help.
    - iv. Not forecasting growth at the Academy
    - v. Budget should balance without including the delayed ERC funding, which will be saved for later.
    - vi. Budget needs to be sustainable even with no growth at the High School.
    - vii. Need to review the Academy budget as distinct and separate from the other schools - it needs to be sustainable without funds from the Community School.
3. Other Business
- a. Brokerage Account and transfers update (Jennie)
    - i. Fidelity has asked for a new round of signatures.
    - ii. Significant delay in opening this account.
    - iii. Jenny was instructed to tell Fidelity that if they could not open the account immediately we would take our business elsewhere.
  - b. Approval of Finance Committee Minutes for prior meeting was by email.

### **III. ADJOURNMENT**

**IV. Items deferred to the next meeting:**

- i. Review and approve/recommend new Fiscal Policy, including Dr. Draxton's new \$50K ContractsThreshold (Ben)
- ii. Review and approve/recommend new Investment Policy (Ben)
- iii. Real Estate Analysis (Raj)