APPROVED

Sankofa Montessori

Minutes

Finance Committee Meeting

Date and Time
Wednesday December 17, 2025 at 5:30 PM

Location
Meeting ID 601 495 1069

Through a culturally responsive, child and family-centered Montessori education, Sankofa Montessori ensures that all of our students develop the knowledge, skill, and agency to have a life of purpose.

Committee Members Present
A. Chambers (remote), A. Daniel (remote), K. Karacalidis (remote)

Committee Members Absent
G. Edward

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

K. Karacalidis called a meeting of the Finance Committee of Sankofa Montessori to order on Wednesday Dec 17, 2025 at 5:35 PM.

C.

Previous Meeting Minutes

A. Chambers made a motion to Accept the November minutes.
A. Daniel seconded the motion.
The committee **VOTED** unanimously to approve the motion.
A. Chambers made a motion to approve the minutes from Finance Committee Meeting on 11-19-25.
A. Daniel seconded the motion.
The committee **VOTED** unanimously to approve the motion.

II. Budget Review

A. Update from Purpose Capital

November Financial Performance Update

Candace reported that expenses decreased by $30K to $225K in November, primarily due to lower personnel costs, and ended the month with $530K in cash, equivalent to 64 days of operating expenses. Revenue increased by $83K due to a grant payment, with state revenue tracking at 45%, federal revenue at 22%, and local revenue at 31%. The December QBE payment was adjusted to spread the impact of lower enrollment funding, with the allotment sheet reflecting $2 million, which was close to the forecast. Candace noted that final allotment sheets may be issued after the state passes its budget, potentially leading to a minor adjustment in March.

School Financial Gap Management Plan

Candace presented a financial overview showing that the school's monthly QBE payment will decrease from $262K to $100K, creating a $122K monthly gap. She explained that fixed non-negotiable expenses total about $220K per month, leaving a gap that the school plans to address using its $350K savings account, CSP funds, and IGA drawdowns. Al asked about the timing of CSP funds, which Candace clarified will be available until February 2027, though the timing of disbursements is unpredictable as they require document submission and review by the CSP team.

Budget Forecast and Savings Review

Candace explained that funds from IDA can be accessed more quickly than CSP funds, which can take up to 60 days. She discussed the current forecast, noting a decrease due to QBE adjustments and the inclusion of a $50,000 grant from the Lanier Foundation, which will be used for a literacy coach. The forecast shows a variance of $118,000 to the budget, with revenue impact of about $1 million, mainly from QBE adjustments and CSP forecast changes. Savings of $904,000 have been found, primarily in salaries and benefits due to staffing changes and facilities adjustments.

School Cash Flow Management Update

Candace discussed the school's cash flow situation, noting a decrease from 64 to 29 days of cash on hand by year-end due to lower QBE payments. She emphasized the

importance of maintaining at least 30 days of cash to cover summer activities and mentioned that federal grants, including IDEA funding for speech therapy services, are being tracked. Candace expressed confidence in the school's financial management, highlighting early staffing adjustments as a proactive measure to improve savings.

School Cash Flow Management Strategy
Candace and Gregory discussed the current financial situation of the school, focusing on managing cash flow and addressing a projected deficit of $50,000 for the current year. Gregory clarified a misunderstanding about a potential $150 gap, confirming that while the school may dip below 30 days of cash on hand, it has sufficient operating funds to cover this. Candace emphasized strategies to improve cash flow, including optimizing payment terms, and assured that the school would navigate the current challenges while prioritizing enrollment targets for the next academic year.

III. Executive Director's Corner

A. Updates

Student Enrollment and Recruitment Update
Sarah provided an update on enrollment, noting 3 confirmed and 5 possible new students starting in January, with a focus on maintaining the current student count of 127 by March to ensure funding for the 2026-27 school year. They are increasing recruitment efforts, including canvassing and social media advertising, and plan to hire an additional contractor using CSP funds to support student recruitment.

Montessori School Marketing and Funding
Sarah discussed challenges in attracting parents to Sankofa Montessori, noting that while the school's name is appealing to funders, it may not resonate well with parents unfamiliar with Montessori education. She emphasized the need to work with a marketing expert to improve their storytelling and update their marketing materials, including SEO strategies. Al inquired about the potential for institutional grants and corporate partnerships, to which Sarah agreed, highlighting the importance of QBE funding based on student enrollment and the role of philanthropy in supplementing school funds. Both agreed that the board could play a significant role in leveraging relationships to secure additional funding.

Private Funding and Facility Plans
Al suggested starting a list of private funding opportunities to support the organization in both challenging and successful years. Kim proposed using a basic spreadsheet for tracking relationships and potential directions for initiatives like literacy programs. Sarah provided an update on facilities, noting that the daycare lease extension was approved but must end by January 31st next year to allow construction to begin on time. The organization is exploring reinvestment funds and lenders to secure favorable rates and ensure project funding, with plans to approach potential funders in mid-January. They aim

to buy out the current lender and anticipate renovating the first floor of a building to create four classrooms, with some costs potentially covered by CSP.

Grant Funds
The board discussed the need to use all available grant funds to maintain eligibility for future grants. Sarah explained that construction cannot begin until March due to required asbestos inspections in January, which could delay work by a month.

Board Changes
Gregory announced his resignation from the board due to increased work commitments, and Al agreed to take over the treasurer role. The board also confirmed that a general meeting was held last Wednesday, and Kim will connect with Gregory to ensure he can attend the January or February full board meeting before his departure.

IV. 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 6:30 PM.

Respectfully Submitted,
K. Karacalidis