



# Prelude Prep

## Board Monthly Meeting

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### Date and Time

Wednesday December 17, 2025 at 9:00 AM CST

### Location

1707 Centennial Blvd. San Antonio, TX

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Notice is hereby given that a regular meeting is scheduled at 6:30 PM.

This Meeting will be conducted by telephone conference in accordance with the Governor's authorization concerning the suspension of certain open meeting law requirements for COVID-19.

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### Agenda

	Purpose	Presenter	Time
<b>I. Opening Items</b>			<b>9:00 AM</b>
<b>A.</b> Record Attendance		Jennifer Paquette	1 m
<b>B.</b> Call the Meeting to Order		Jennifer Paquette	1 m
<b>C.</b> Approve Minutes	Approve Minutes		1 m
<b>D.</b> Approve Minutes from 12/16/25 Audit Presentation	Approve Minutes	Jennifer Paquette	5 m

	Purpose	Presenter	Time
<b>II. Academic Excellence</b>			<b>9:08 AM</b>
<b>A.</b> Academic Committee	Discuss	Dr. Denise Miner-Williams	5 m
<b>III. Development</b>			<b>9:13 AM</b>
<b>A.</b> Press Release Development for New Board Members	Discuss	John Sanchez	5 m
<b>B.</b> Press Release Development   Lauren Lewis Award Pictures needed	Discuss	John Sanchez	1 m
<b>C.</b> 90 Day Fundraising Plan   Status Update	FYI	John Sanchez	5 m
<b>IV. Facility</b>			
<b>V. Finance</b>			<b>9:24 AM</b>
<b>A.</b> September and October 2025 Financial Review	Discuss	Lauren Lewis	10 m
<b>B.</b> Approval of the Financial Audit for the Fiscal Year Ended June 30, 2025	Vote	Jennifer Paquette	5 m
<b>VI. Governance</b>			
<b>VII. Other Business</b>			<b>9:39 AM</b>
<b>A.</b> Date for January Board Meeting			5 m
<b>VIII. Closing Items</b>			<b>9:44 AM</b>
<b>A.</b> Adjourn Meeting	Vote		

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Pursuant to Texas Attorney General Op. No. AG-0668, information provided on subjects not on the agenda shall be limited to statements of specific factual information, or recitation of existing policy. Any deliberation or decision about a subject not on the agenda shall be limited to a proposal to place the subject on the agenda for a future meeting of the Board.

# Coversheet

## Approve Minutes

<b>Section:</b>	I. Opening Items
<b>Item:</b>	C. Approve Minutes
<b>Purpose:</b>	Approve Minutes
<b>Submitted by:</b>	
<b>Related Material:</b>	2025_11_21_board_meeting_minutes.pdf

DRAFT



## Prelude Prep

### Minutes

#### Board Monthly Meeting

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##### **Date and Time**

Friday November 21, 2025 at 8:45 AM

##### **Location**

1707 Centennial Blvd. San Antonio, TX

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##### **Directors Present**

Dr. Denise Miner-Williams, Jennifer Paquette, John Sanchez, Kim Munoz, Laura Rhoades, Sonya Cardenas

##### **Directors Absent**

Steve Viola

##### **Guests Present**

Lauren Lewis

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#### **I. Opening Items**

##### **A. Pledge of Allegiance and Statement of Prelude Mission and Values**

##### **B. Record Attendance**

Mr. Viola's absence is recognized as excused.

##### **C. Call the Meeting to Order**

Jennifer Paquette called a meeting of the board of directors of Prelude Prep to order on Friday Nov 21, 2025 at 8:59 AM.

#### **D. Approve Minutes**

Laura Rhoades made a motion to approve the minutes from Board Monthly Meeting on 09-24-25.

Kim Munoz seconded the motion.

The board **VOTED** to approve the motion.

### **II. Academic Excellence Committee**

#### **A. Academic Committee**

1. Dr. Miner-Williams reviewed the November Academic Committee meeting information as presented in the attached minutes.

2. Clarification was made by Ms. Lewis on the sports program: We currently have volleyball, flag football, and pep squad. We are not UIL, but belong to the Texas School Athletic League (TScAL). We will have soccer in the spring. There is very good participation with the students, and the coaches are teachers who receive stipends for this extra work. Next year, when we we start our middle school, there will be a separate pep squad to distinguish middle schoolers.

#### **B. Academic 2025-2026 Goals Review**

Ms. Lewis presented and explained the 2025-2026 academic goals (see attached). These were accepted verbally by the board members.

### **III. Development Committee**

#### **A. 90 Day Fundraising Plan**

1. Mr. Sanchez stated that the Development Committee meeting this month sketched out some initial plans which begin with obtaining a list of companies that parents work for. Ms. Lewis will provide this list. We will use this for soliciting funds. The next meeting is 8 Jan 2026.

2. Most of the board members' bios are now on-line. Ms. Lewis will finish posting the newest board members. A comment was made that press releases should be frequent about events regarding Prelude, such as the impending award recognition by Choose to Succeed on 4 Dec.

3. Ms. Taylor Paquette requested Development Committee to make press releases concerning the two new Board members.

### **IV. Facilities**

#### **A.**

## Facilities Update

There are no current concerns or new updates with the facilities.

## V. Governance

### A. Officer Election

Jennifer Paquette made a motion to nominate Kim Munoz for Treasurer and head of Finance committee.

Sonya Cardenas seconded the motion.

The board **VOTED** to approve the motion.

Sonya Cardenas made a motion to nominate Dr. Denise Miner-Williams as secretary.

Laura Rhoades seconded the motion.

The board **VOTED** to approve the motion.

Dr. Denise Miner-Williams made a motion to nominate Jennifer Taylor Paquette as Chair of the Board.

Kim Munoz seconded the motion.

The board **VOTED** to approve the motion.

Jennifer Paquette made a motion to nominate John Sanchez for Vice-Chair.

Dr. Denise Miner-Williams seconded the motion.

The board **VOTED** to approve the motion.

### B. Superintendent emergency succession SOP with communications plan and legal counsel involvement

1. Ms. Lewis presented the Superintendent Succession Plan which encompasses immediate steps to be taken, the delegation of duties during the interim, the Board's role during the interim, selecting a permanent Superintendent (at which point the Board obtains legal counsel), the transition to new Superintendent, and if the Superintendent returns.

2. Dr.. Miner-Williams asked for clarification of an emergent situation (when the current Superintendent would not be able to give input). Ms Lewis states the interim would default to the Head of School.

3. The plan was verbally accepted by the Board without further questions.

### C. Board Training

1. A reminder of Board training requirement: 12 hours for new Board members and six for returning due by 30 June.

2. Dr Miner-Williams recommended that the first training new Board members take should concern the Open Meeting Act.

3. Ms. Lewis will send out the new link for Board to access training on-line.

## VI. Finance Committee

### A.

## September and October Financials

The October financial statement statements are not available yet. Ms. Lewis clarified that this is not misconduct on the part of the company preparing them, but rather a miscommunication. They will be available by end of day today.

### B. Audit Update

Audit must be approved and uploaded before Thanksgiving; however, a state system update prevents uploads until February. The audit will be presented to the Board in December for vote.

### C. Financial Accountability Rating

Prelude received its FIRST rating, which was a 79 (C). We scored out to a 82 (B) rating but were capped to 79 due to the error committed by our prior back-office company two years ago. Such a cap is maintained until the 5th year of operation of a new charter school. The situation was that the state retracted over-paid funds (which the back-office company didn't advise us about) just as we were paying bills, which resulted in what appeared to be inadequate cash on hand.

## VII. Other Business

### A. Lauren Lewis' Award on 12.04.2025

Prelude and Ms. Lewis will be recognized by the Choose to Succeed annual dinner as one of three school recipients with the Extraordinary Academic Improvement Award.

Ms. Taylor-Paquette requested press releases and social media content be produced.

Mr. Sanchez to assist and coordinate communications

## VIII. Closing Items

### A. Adjourn Meeting

Next meeting will take place on Monday, 15 December at 0900.

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 10:03 AM.

Respectfully Submitted,  
Dr. Denise Miner-Williams

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## Documents used during the meeting

None

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# Coversheet

## Approve Minutes from 12/16/25 Audit Presentation

<b>Section:</b>	I. Opening Items
<b>Item:</b>	D. Approve Minutes from 12/16/25 Audit Presentation
<b>Purpose:</b>	Approve Minutes
<b>Submitted by:</b>	
<b>Related Material:</b>	Minutes for Audit Presentation on December 16, 2025



## Prelude Prep

### Minutes

#### Audit Presentation

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##### **Date and Time**

Tuesday December 16, 2025 at 9:00 AM

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Notice is hereby given that a regular meeting is scheduled at 6:30 PM.

This Meeting will be conducted by telephone conference in accordance with the Governor's authorization concerning the suspension of certain open meeting law requirements for COVID-19.

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##### **Directors Present**

Dr. Denise Miner-Williams (remote), Jennifer Paquette (remote), John Sanchez (remote), Kim Munoz (remote), Laura Rhoades (remote), Sonya Cardenas (remote)

##### **Directors Absent**

*None*

##### **Guests Present**

Lauren Lewis (remote), Natalie Kuhn, Calvetti Ferguson (remote), Sam Ludwig, Calvetti Ferguson (remote), Travis Ludwig, Calvetti Ferguson (remote)

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#### **I. Opening Items**

##### **A. Record Attendance**

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

Jennifer Paquette called a meeting of the board of directors of Prelude Prep to order on Tuesday Dec 16, 2025 at 9:00 AM.

## **II. Other Business**

### **A. Audit Presentation By Calvetti Ferguson**

Natalie Kuhn of Calvetti Ferguson presented the Audit for the Fiscal Year ending June 30, 2025, and answered board member questions pertaining to the audit.

## **III. 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 9:30 AM.

Respectfully Submitted,  
Jennifer Paquette

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Pursuant to Texas Attorney General Op. No. AG-0668, information provided on subjects not on the agenda shall be limited to statements of specific factual information, or recitation of existing policy. Any deliberation or decision about a subject not on the agenda shall be limited to a proposal to place the subject on the agenda for a future meeting of the Board.

# Coversheet

## Academic Committee

<b>Section:</b>	II. Academic Excellence
<b>Item:</b>	A. Academic Committee
<b>Purpose:</b>	Discuss
<b>Submitted by:</b>	
<b>Related Material:</b>	State of School_12-25 .pdf



### **Enrollment & Attendance**

- 164 Students
- Cycle 1 attendance: 96.58%
- Cycle 2 attendance: 95.57%
- YTD attendance: 95.81%

### **Staffing**

- Fully staffed with 11 teachers and 7 instructional support staff
- No vacancies; consistent team supports instructional quality

### **Curriculum & Instruction**

- ELA improving through Lavinia coaching and stronger execution of EL Education
- Bluebonnet Math and Story Problems show strong implementation
- Beginning MOY testing and STAAR benchmarks

### **Student Supports**

- Referrals and evaluations progressing on time

### **Achievement Update**

- MOY testing in progress



### **Family & Community Engagement**

- High turnout for Thanksgiving Lunch with many dessert donations
- Winter Spirit Week during the final week of school includes a Family Day with Pictures with Santa and Family winter craft projects

### **Surveys**

- Teacher and family surveys will launch with the weekly newsletter on 12/7

### **Celebrations & Challenges**

- Continued strong attendance and family participation

# Coversheet

## 90 Day Fundraising Plan | Status Update

<b>Section:</b>	III. Development
<b>Item:</b>	C. 90 Day Fundraising Plan   Status Update
<b>Purpose:</b>	FYI
<b>Submitted by:</b>	
<b>Related Material:</b>	Vendor File.csv

## Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. [Adobe Reader](#):

Vendor File.csv





















# Coversheet




## September and October 2025 Financial Review

<b>Section:</b>	V. Finance
<b>Item:</b>	A. September and October 2025 Financial Review
<b>Purpose:</b>	Discuss
<b>Submitted by:</b>	
<b>Related Material:</b>	FS 2025-10 Prelude.pdf FS 2025-09 Prelude.pdf

## Prelude Prep

FY2025-2026 Charter FIRST Forecast as of October 31, 2025

FIRST Rating Indicators	Expected Results	Points	Status	Notes
YTD Net Income	(34,981)	1-AFR filed timely; 2-Unmodified audit opinion; 3-Compliant with debt agreements; 4-TRS/TWC/IRS paid timely; 5-Positive net assets		
Indicators 1-5 Pass/Fail	Pass	n/a		Indicator #5 net asset balance at risk if continuous losses; growth and new school exceptions do not apply.
#6 - Net assets over 3 years < 25% decrease Exception: >75days net assets	projected	n/a		89 pts = B max if fails
#7 - Days Cash on Hand (\$7,445 = 1 day)	96	10		Preferred benchmark > 60 days 10 pts > 60; 0 pts < 20
#8 - Current Assets / Current Liab.	2.39	10		Benchmark 1 thru 2, <1.0 = 0 pts; >2 = 10 pts
#9 - Net Earnings > 0 (Exception DCOH >40 days.)	58,774	5		revenues >= expenditures (excl. Depr.)
#10 - Budget vs Actual Revenue < 10% 3-yr variance	projected	10		within 10% variance (90%-110%)
#11 - LT Liabilities / Total Assets	0.97	10		<0.6 = 10pts, >1.0 = 0pts
#12 - Debt Service Coverage Ratio	1.24	10		10 pts >1.2X; 0 pts < 1.0X
#13 - Debt to Capitalization %	103%	0		>95% = 0 pts; <95% = 5 pts
#14 - Administrative Ratio Function (21+41)/(6100-6499)	13.5%	6		Target <=11.65%
#15 - Students to Staff Ratio 15% or declines over 3 years	Not measured by DSS	10		0 or 10 pts
#16 - Actual ADA vs. Estimated ADA	projected	5		within 10% variance
#17 - Accurate PEIMS reporting	projected	Ceiling		89 pts = B max if 3% variance
#18 - Annual audit compliance	projected	Ceiling		79 pts = C max if material weaknesses
#19 - Annual audit compliance	projected	10		Free of any material noncompliance
#20 - Post financial info on website	projected	5		0 or 5 pts
#21 - Serves students reside approved geographic boundaries	Not measured by DSS	Ceiling		89 pts = B max if fails
Estimated FIRST Rating	91			F < 69, C Meets Standard = 70-79, B Above Standard = 80-89, A Superior = 90-100
2025-2026 School Year	A - Superior			

 On Track  
 Of Concern  
 At Risk

Link to Calculations:

<https://texreg.sos.state.tx.us/fids/202402342-4.pdf>

# Prelude Prep

## FY2025-2026 Balance Sheet

### as of October 31, 2025

		FYTD	
	FYE 2025	Activity	As of October
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	\$ 371,506	342,221	\$ 713,727
Restricted Cash	145,076	111,433	256,510
Due from State (FSP and Federal)	338,364	(215,233)	123,131
Other Receivables	51,520	(51,520)	(0)
<b>Total Current Assets</b>	<b>906,467</b>	<b>186,901</b>	<b>1,093,368</b>
Capital Assets, Net			
Land	1,641,940	-	1,641,940
Building	6,485,996	17,075	6,503,071
Furniture & Equipment	366,578	-	366,578
Accumulated Depreciation	(794,369)	(93,755)	(888,124)
Restricted Cash	401,035	5,610	406,645
<b>Total Non-Current Assets</b>	<b>8,101,180</b>	<b>(71,070)</b>	<b>8,030,110</b>
<b>Total Assets</b>	<b>\$ 9,007,647</b>	<b>115,831</b>	<b>\$ 9,123,477</b>
<b>Liabilities and Net Assets</b>			
Current Liabilities			
Accounts Payable	\$ 84,904	(79,130)	\$ 5,774
Due to State	-	99,695	99,695
Payroll Liabilities	86,919	(67,406)	19,512
Accrued Interest	21,731	173,846	195,577
Current Portion, Debt	137,700	-	137,700
<b>Total Current Liabilities</b>	<b>331,253</b>	<b>127,004</b>	<b>458,258</b>
Long Term Debt			
Debt, Net of Issuance Costs	8,859,628	23,808	8,883,436
<b>Total Long Term Debt</b>	<b>8,859,628</b>	<b>23,808</b>	<b>8,883,436</b>
<b>Total Liabilities</b>	<b>9,190,881</b>	<b>150,812</b>	<b>9,341,693</b>
<b>Net Assets</b>	<b>(183,235)</b>	<b>(34,981)</b>	<b>(218,216)</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 9,007,647</b>	<b>115,831</b>	<b>\$ 9,123,477</b>

\*\* Unaudited preliminary subject to adjustments

**Prelude Prep**  
**FY2025-2026 Statement of Activities as of October 31, 2025**  
**Unaudited**

	Approved Budget	33% YTD Budget	Year-to-Date	Variances	Var.(33%)
<b>Local Revenue</b>	\$ 452,545	\$ 150,848	\$ 159,996	\$ 9,148	35%
<b>State Program Revenue</b>	2,403,600	801,200	712,315	(88,885)	30%
<b>Other State Revenue</b>	68,000	22,667	37,778	15,111	56%
<b>Federal Program Revenues</b>	321,404	107,135	64,363	(42,771)	20%
<b>Total</b>	<b>\$ 3,245,549</b>	<b>\$ 1,081,850</b>	<b>\$ 974,452</b>	<b>\$ (107,398)</b>	<b>30%</b>
11 - Instruction	\$ 1,311,019	\$ 437,006	\$ 313,703	\$ 123,303	24%
13 - Curriculum & Staff Development	1,125	375	-	375	0%
23 - School Leadership	272,109	90,703	146,486	(55,783)	54%
32 - Social Work	10,000	3,333	-	3,333	0%
33 - Health Services	7,700	2,567	-	2,567	0%
35 - Food Services	174,418	58,139	37,686	20,453	22%
36 - Extracurricular Activities	-	-	1,266	(1,266)	
41 - General Administration	200,859	66,953	92,751	(25,798)	46%
51 - Facilities Maintenance and Operations	176,708	58,903	100,629	(41,727)	57%
52 - Security and Monitoring Services	97,000	32,333	17,947	14,386	19%
53 - Data Processing Services	72,930	24,310	7,000	17,310	10%
71 - Debt Service	597,962	199,321	197,654	1,667	33%
81 - Fundraising	-	-	555	(555)	
<b>Total</b>	<b>\$ 2,921,830</b>	<b>\$ 973,943</b>	<b>\$ 915,678</b>	<b>\$ 58,265</b>	<b>31%</b>
<b>Surplus (Deficits) before Depreciation</b>	<b>\$ 323,719</b>	<b>\$ 107,906</b>	<b>\$ 58,774</b>	<b>\$ (49,133)</b>	
Depreciation and Amortization	\$ 226,092	\$ 75,421	93,755	\$ (18,334)	41%
<b>Net Surplus (Deficit)</b>	<b>\$ 97,627</b>	<b>\$ 32,485</b>	<b>\$ (34,981)</b>	<b>\$ (67,466)</b>	

\* Federal budgets were added to the board adopted 420/240 budgets

\*\* Unaudited preliminary subject to adjustments

# Prelude Prep

## Statement of Cash Flows

### for the period ended October 31, 2025




	<u>YTD FY 2025</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in Net Assets	\$ (34,981)
Depreciation	\$ 93,755
Amortization of Bond Issue Costs	23,808
Decrease (Increase) in Due From State	215,233
Decrease (Increase) in Other Receivables	51,520
Increase (Decrease) in Accounts Payable	(79,130)
Increase (Decrease) in Payroll Liabilities	(67,406)
Increase (Decrease) in Due to State	99,695
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u><u>\$ 302,493</u></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Decrease (Increase) in Building & Improvements	\$ (17,075)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u><u>\$ (17,075)</u></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Increase (Decrease) in Accrued Interest	\$ 173,846
Decrease (Increase) Restricted Cash (Constr.)	(117,044)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u><u>\$ 56,802</u></u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u><u>\$ 342,221</u></u>
<b>Cash at Beginning of Period</b>	<u><u>\$ 371,506</u></u>
<b>Cash at End of Period</b>	<u><u>\$ 713,727</u></u>

\*\* Unaudited preliminary subject to adjustments

## Prelude Prep

FY2025-2026 Charter FIRST Forecast as of September 30, 2025

FIRST Rating Indicators	Expected Results	Points	Status	Notes
YTD Net Income	(90,313)	1-AFR filed timely; 2-Unmodified audit opinion; 3-Compliant with debt agreements; 4-TRS/TWC/IRS paid timely; 5-Positive net assets		
Indicators 1-5 Pass/Fail	Pass	n/a	G	Indicator #5 net asset balance at risk if continuous losses; growth and new school exceptions do not apply.
#6 - Net assets over 3 years < 25% decrease Exception: >75days net assets	projected	n/a	R	89 pts = B max if fails
#7 - Days Cash on Hand (\$6,878 = 1 day)	62	10	G	Preferred benchmark > 60 days 10 pts > 60; 0 pts < 20
#8 - Current Assets / Current Liab.	2.99	10	G	Benchmark 1 thru 2, <1.0 = 0 pts; >2 = 10 pts
#9 - Net Earnings > 0 (Exception DCOH >40 days.)	(20,031)	5	Y	revenues >= expenditures (excl. Depr.)
#10 - Budget vs Actual Revenue < 10% 3-yr variance	projected	10	Y	within 10% variance (90%-110%)
#11 - LT Liabilities / Total Assets	1.00	10	G	<0.6 = 10pts, >1.0 = 0pts
#12 - Debt Service Coverage Ratio	0.89	0	Y	10 pts >1.2X; 0 pts < 1.0X
#13 - Debt to Capitalization %	103%	0	R	>95% = 0 pts; <95% = 5 pts
#14 - Administrative Ratio Function (21+41)/(6100-6499)	12.9%	8	G	Target <=11.65%
#15 - Students to Staff Ratio 15% or declines over 3 years	Not measured by DSS	10	G	0 or 10 pts
#16 - Actual ADA vs. Estimated ADA	projected	5	G	within 10% variance
#17 - Accurate PEIMS reporting	projected	Ceiling	G	89 pts = B max if 3% variance
#18 - Annual audit compliance	projected	Ceiling	G	79 pts = C max if material weaknesses
#19 - Annual audit compliance	projected	10	G	Free of any material noncompliance
#20 - Post financial info on website	projected	5	G	0 or 5 pts
#21 - Serves students reside approved geographic boundaries	Not measured by DSS	Ceiling	G	89 pts = B max if fails
Estimated FIRST Rating  2025-2026 School Year	83  C - Meets Standard		Y	F < 69, C Meets Standard = 70-79, B Above Standard = 80-89, A Superior = 90-100

 On Track
  Of Concern
  At Risk

Link to Calculations:

<https://texreg.sos.state.tx.us/fids/202402342-4.pdf>

# Prelude Prep

## FY2025-2026 Balance Sheet

### as of September 30, 2025

	FYE 2025	FYTD Activity	As of September
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	\$ 371,506	56,824	\$ 428,330
Restricted Cash	145,076	56,502	201,578
Due from State (FSP and Federal)	338,364	(139,538)	198,827
Other Receivables	51,520	(51,520)	(0)
<b>Total Current Assets</b>	<b>906,467</b>	<b>(77,732)</b>	<b>828,735</b>
Capital Assets, Net			
Land	1,641,940	-	1,641,940
Building	6,485,996	17,075	6,503,071
Furniture & Equipment	366,578	-	366,578
Accumulated Depreciation	(794,369)	(70,282)	(864,651)
Restricted Cash	401,035	4,243	405,279
<b>Total Non-Current Assets</b>	<b>8,101,180</b>	<b>(48,964)</b>	<b>8,052,216</b>
<b>Total Assets</b>	<b>\$ 9,007,647</b>	<b>(126,696)</b>	<b>\$ 8,880,951</b>
<b>Liabilities and Net Assets</b>			
Current Liabilities			
Accounts Payable	\$ 84,904	(79,130)	\$ 5,774
Payroll Liabilities	86,919	(105,493)	(18,574)
Accrued Interest	21,731	130,384	152,115
Current Portion, Debt	137,700	-	137,700
<b>Total Current Liabilities</b>	<b>331,253</b>	<b>(54,239)</b>	<b>277,015</b>
Long Term Debt			
Debt, Net of Issuance Costs	8,859,628	17,856	8,877,484
<b>Total Long Term Debt</b>	<b>8,859,628</b>	<b>17,856</b>	<b>8,877,484</b>
<b>Total Liabilities</b>	<b>9,190,881</b>	<b>(36,383)</b>	<b>9,154,499</b>
<b>Net Assets</b>	<b>(183,235)</b>	<b>(90,313)</b>	<b>(273,547)</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 9,007,647</b>	<b>(126,696)</b>	<b>\$ 8,880,951</b>

\*\* Unaudited preliminary subject to adjustments

**Prelude Prep**  
**FY2025-2026 Statement of Activities as of September 30, 2025**  
**Unaudited**

	Approved Budget	25% YTD Budget	Year-to-Date	Variances	Var.(25%)
<b>Local Revenue</b>	\$ 452,545	\$ 113,136	\$ 32,992	\$ (80,144)	7%
<b>State Program Revenue</b>	2,403,600	600,900	538,726	(62,174)	22%
<b>Other State Revenue</b>	68,000	17,000	19,730	2,730	29%
<b>Federal Program Revenues</b>	321,404	80,351	21,268	(59,083)	7%
<b>Total</b>	<b>\$ 3,245,549</b>	<b>\$ 811,387</b>	<b>\$ 612,717</b>	<b>\$ (198,670)</b>	<b>19%</b>
11 - Instruction	\$ 1,311,019	\$ 327,755	\$ 210,730	\$ 117,025	16%
13 - Curriculum & Staff Development	1,125	281	-	281	0%
23 - School Leadership	272,109	68,027	115,114	(47,087)	42%
32 - Social Work	10,000	2,500	-	2,500	0%
33 - Health Services	7,700	1,925	-	1,925	0%
35 - Food Services	174,418	43,605	5,997	37,607	3%
36 - Extracurricular Activities	-	-	1,266	(1,266)	
41 - General Administration	200,859	50,215	63,671	(13,457)	32%
51 - Facilities Maintenance and Operations	176,708	44,177	73,836	(29,659)	42%
52 - Security and Monitoring Services	97,000	24,250	6,337	17,913	7%
53 - Data Processing Services	72,930	18,233	7,000	11,233	10%
71 - Debt Service	597,962	149,491	148,240	1,250	25%
81 - Fundraising	-	-	555	(555)	
<b>Total</b>	<b>\$ 2,921,830</b>	<b>\$ 730,458</b>	<b>\$ 632,748</b>	<b>\$ 97,710</b>	<b>22%</b>
<b>Surplus (Deficits) before Depreciation</b>	<b>\$ 323,719</b>	<b>\$ 80,930</b>	<b>\$ (20,031)</b>	<b>\$ (100,961)</b>	
Depreciation and Amortization	\$ 226,092	\$ 56,566	70,282	\$ (13,716)	31%
<b>Net Surplus (Deficit)</b>	<b>\$ 97,627</b>	<b>\$ 24,364</b>	<b>\$ (90,313)</b>	<b>\$ (114,677)</b>	

\* Federal budgets were added to the board adopted 420/240 budgets

\*\* Unaudited preliminary subject to adjustments



# Prelude Prep

## Statement of Cash Flows

### for the period ended September 30, 2025

	<u>YTD FY 2025</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in Net Assets	\$ (90,313)
Depreciation	\$ 70,282
Amortization of Bond Issue Costs	17,856
Decrease (Increase) in Due From State	139,538
Decrease (Increase) in Other Receivables	51,520
Increase (Decrease) in Accounts Payable	(79,130)
Increase (Decrease) in Payroll Liabilities	(105,493)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u><u>\$ 4,260</u></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Decrease (Increase) in Building & Improvements	\$ (17,075)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u><u>\$ (17,075)</u></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Increase (Decrease) in Accrued Interest	\$ 130,384
Decrease (Increase) Restricted Cash (Constr.)	(60,745)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u><u>\$ 69,639</u></u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<u><u>\$ 56,824</u></u>
<b>Cash at Beginning of Period</b>	<u><u>\$ 371,506</u></u>
<b>Cash at End of Period</b>	<u><u>\$ 428,330</u></u>

\*\* Unaudited preliminary subject to adjustments

## Coversheet

### Approval of the Financial Audit for the Fiscal Year Ended June 30, 2025

<b>Section:</b>	V. Finance
<b>Item:</b>	B. Approval of the Financial Audit for the Fiscal Year Ended June 30, 2025
<b>Purpose:</b>	Vote
<b>Submitted by:</b>	
<b>Related Material:</b>	2025 Prelude Prep Audit Summary Presentation to Board (1).pdf 2025 Prelude Prep FS Audit Presentation to Board (1).pdf Certificate of Board.pdf Management Representation Letter.pdf



## A Presentation to the Board of Directors of the June 30, 2025 Audit Report of Financial Statements Prepared for:

### PRELUDE PREPARATORY, INC.

#### Audit Results and Our Opinion

- There were no:
  - Difficulties encountered in performance of the audit,
  - Material uncorrected misstatements,
  - Disagreements with management or management misrepresentations,
  - Findings or issues
- Audit Opinion – Unmodified – The financial statements are fairly presented in accordance with U.S. Generally Accepted Accounting Principles.

#### Required Communication

- Conducted audit in accordance with Generally Accepted Auditing Standards and Government Auditing Standards
- Audit does not relieve management or the Board of their fiduciary responsibilities
- Audit provides reasonable, but not absolute, assurance that financial statements are free of material misstatement
- We are independent with respect to the organization and the Board
- Non-audit services we provided: Preparation of the financial statements, related notes, and Form 990

# PRELUDE PREPARATORY, INC. SUMMARY OF FINANCIAL INFORMATION

	<u>6/30/2025</u>	<u>6/30/2024</u> <u>(Restated)</u>	<u>6/30/2023</u>	<u>6/30/2022</u>
<b><u>Statement of Financial Position</u></b>				
Total Assets	10,474,169	10,423,516	8,910,171	9,350,075
Total Liabilities	(9,190,883)	(9,158,957)	(9,207,807)	(8,916,206)
<b>Total Net Assets</b>	<b>1,283,286</b>	<b>1,264,559</b>	<b>(297,636)</b>	<b>433,869</b>
<b><u>Net Assets Consist of:</u></b>				
Net Assets Without Donor Restrictions	1,271,499	1,210,365	(351,830)	433,869
Net Assets With Donor Restrictions	11,787	54,194	54,194	-
<b>Total Net Assets</b>	<b>1,283,286</b>	<b>1,264,559</b>	<b>(297,636)</b>	<b>433,869</b>
<b><u>Statement of Activities</u></b>				
<b><u>Operating Revenue:</u></b>				
Local Support (non-Government)	522,268	802,325	385,637	871,119
State and Federal Program Revenue	2,378,574	1,948,817	1,150,168	1,100,494
Total Operating Revenue	2,900,842	2,751,142	1,535,805	1,971,613
<b><u>Operating Expenses</u></b>	<b>2,882,115</b>	<b>2,162,847</b>	<b>2,267,310</b>	<b>1,852,179</b>
<b>Net Income (Loss) from Operations</b>	<b>18,727</b>	<b>588,295</b>	<b>(731,505)</b>	<b>119,434</b>
<b><u>Selected Functional Expenses</u></b>				
Payroll	1,316,973	1,163,186	804,257	480,669
Professional & Contracted Svcs	486,415	401,707	468,850	327,152
Supplies & Materials	264,864	209,195	179,755	255,017
Other Operating Expenses	356,723	305,410	221,171	206,656
Debt Service	457,140	83,349	593,277	582,685
<b><u>Analytical Ratios</u></b>				
Average Cash Expenses Per Month	208,974	154,253	163,956	137,633
Working Capital	575,211	1,216,327	2,098,555	606,137
<b>Monthly Cash Expenses in Working Cap</b>	<b>2.8</b>	<b>7.9</b>	<b>12.8</b>	<b>4.4</b>
% Payroll to Total Expenses	46%	54%	35%	26%
% Payroll to Total Revenue	45%	42%	52%	24%
% General & Admin. Expense to Total Expenses	14%	15%	15%	16%

## Other Charter School Averages

	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>
PR to Total Expenses	62%			
PR to Total Revenue	58%			
% General & Admin. Expense to Total Expenses	17%			

## PRELUDE PREPARATORY, INC.

Federal Employer Identification Number: 83-2450807

### Certificate of Board

We, the undersigned, certify that the attached annual financial reports of the above-named charter holder were reviewed and (check one) \_\_\_\_\_ approved \_\_\_\_\_disapproved for the year ended June 30, 2025, at a meeting of the Board of Directors of such charter holder on the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Signature of Board Secretary

\_\_\_\_\_  
Signature of Board President

If the Board of Directors disapproved the auditor's report, the reason(s) for disapproving it is (are): (attach list as necessary)

**PRELUDE PREPARATORY, INC.  
1707 CENTENNIAL BLVD  
SAN ANTONIO, TEXAS 78211**

December 16, 2025

Calvetti Ferguson  
250 W. Nottingham Dr, Suite 100  
San Antonio, TX 78209

This representation letter is provided in connection with your audit of the financial statements of Prelude Preparatory, Inc. (the "School"), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material aspects, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

We confirm, to the best of our knowledge and belief, as of December 16, 2025, the following representations made to you during your audit.

**Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 15, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data we used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

- 9) You have proposed adjusting journal entries that have been posted to the School's accounts. We are in agreement with those adjustments. In this case, no representation about uncorrected misstatements is necessary.
- 10) Significant estimates and material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- 11) Guarantees, whether written or oral, under which the School is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
- 12) As part of your audit, you assisted with preparation of the financial statements and related disclosures, calculation of depreciation, and preparation of the 990 tax return. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for the financial statements, related disclosures, calculation of depreciation, and 990 tax return.

#### **Information Provided**

- 13) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the School from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 14) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 15) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 16) We have no knowledge of any fraud or suspected fraud that affects the School and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.
- 17) We have no knowledge of any instances of suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.



- 18) We have no knowledge of any instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.
- 19) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims or assessments.
- 20) We have disclosed to you the names of all of the School's related parties and all the related-party relationships and transactions, including any side agreements.
- 21) The School has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except as made known to you in the notes to the financial statements.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- 23) Prelude Preparatory, Inc. is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the School's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
- 24) We acknowledge our responsibility for presenting the specific-purpose schedules in accordance with U.S. GAAP, and we believe they, including their form and content, are fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of this information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of this information.
- 25) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

Signed: \_\_\_\_\_  
Lauren Lewis, Superintendent