DRAFT

THE LEADERSHIP SCHOOL
EMPOWERING LITTLE LEARNERS TO BECOME LITTLE LEADERS

The Leadership School

Minutes

Finance and Facilities Committee Meeting

Date and Time
Thursday June 25, 2026 at 12:00 PM

Committee Members Present
C. Moulder (remote), R. Langrall (remote), S. Madlinger (remote), T. Curry (remote)

Committee Members Absent
A. Williams, G. Stevenson, T. Montgomery

Guests Present
S. Lake (remote), S. Simpson (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

R. Langrall called a meeting of the Finance and Facilities Committee of The Leadership School to order on Thursday Jun 25, 2026 at 12:00 PM.

II. Finance and Facilities

A. F & F Comm Goal #3: Financial Policies are followed 100% of the time (Fiduciary, strategic)

Reviewed the AY/FY27 Annual Budget**Discussion:**

- **Year to year basis expecting about 1.4M increase in revenue due to the WAM/WADA being higher, which increases Prop C revenue by $86K**
- **Target: 371 enrollment with 4% attrition and 87% attendance (ended the year at 89.2%). Attendance could increase to 88% or 89% based on this year's performance, which would add funds. (Charter goal target is 90% for next year)**
- **Expenses up by 975K**
- **Personnel cost up correlated to enrollment growth, some of which could be offset by CSP grant funds.**
- **Non-staff costs 655K most of which is placeholders to correspond to the CSP revenue.**
- **Transportation is challenging: Increases in homeless or SPED students could increase costs.**
- **Debt service of $244K is positive as paid $565K rent this year, so we are renovating a new facility for less than we were paying in rent.**

Will have a surplus at EOY

B. F & F Comm Goal #3: Financial Policies are followed 100% of the time (Fiduciary, strategic) F & F Goal #5: Monitor donations and grant activity monthly

Reviewed CSP grant allocations for FY/AY27

Need to build and maintain a quarterly spend down plan in July.

ED will present a contingency plan expected funding doesn't come through.

C. F & F Comm Goal #3: Financial Policies are followed 100% of the time F & F Goal #5: Monitor donations and grant activity monthly

TLS has applied for a grant to address three areas of need;

- high dosage tutoring for Grade 1 and students who re 3+ years behind in higher grades.
- leadership development for two staff members
- partial offset of the cost of adoption the new ELA curriculum Redthread.

Discussed the need to find grant monies to help offset the expense of additional staffing in the area of operations.

Discussed the desirability of pursuing the Emerson grant for early literacy through The Opportunity Trust, pendning the funding source coming through.

D. Charter Goal #11: No material findings in the Annual Audit

Discussed need to prepare the PBC (Prepared by Client) list documentation (location, who owns what) in advance of September, when the audit is conducted.
Discussed the need for consolidating tracking for donations, fund-raising, petty cash, into one documents for the auditors to view.

E. F & F Comm Goal #2: Monitor school financial progress and trends monthly and Fund Balance over 12%

Reviewed the KPIs for May:

- 59 days of cash on hand
- 2% gross margin (below the 5% threshold)
- 14% fund balance

III. Charter Goal #11 - No material findings in annual audit report

A. Monthly Financials

Summary

- **54k Decrease in Net Income:**
  - April close: 190k to May close: 134k
- **Revenue: Net increase of 439k**
  - 96k increase in **State** revenue: 97k transfer from DESE for Black Men Read; will not be paid or returned by 6/30/2026
  - 134k decrease in **Federal** revenue: 129k decrease in CSP
  - 468k increase in **Local**:
    - Loan proceeds appears as an increase in revenue, but the matching increase in expenses is net neutral
- **Operating Expenses: Net increase of 24k**
  - 27k decrease in **Benefits and Taxes** represents a shift from cash flow adjustment to credit to Operating Expense. No other change to **Wages** and **Benefits and Taxes**.
  - Pending invoices to be paid by 6/30/2026 inform the following changes:
    - 13k increase in **PD** based on pending invoices
    - 10k increase in **Occupancy Service**
    - 8k increase in **Student Expense, Direct**
    - 10k increase in **Office & Business Expense**
    - 10k increase in **Transportation**
- **Operating Expenses: Increase of 468k**
  - Reflects matching increase in Loan Proceeds revenue

IV. Other Business

A.

Action Item - Amending the Committee Charter to add an additional goal area:

Shall we add the following to the F and F Committee Charter;

Monitor efficient operations:

- Internal systems position TLS to follow a consistent cadence of grant-related expense reimbursements - Expense reimbursements are applied for quarterly.
- Internal systems allow financial partners to complete monthly tracking efficiently. - EdOps reports no delays
- Internal systems allow auditors to conduct annual financial review effectively. - Auditors report no delays

Bring up for discussion at 6.30.26 Board meeting

V. 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 1:30 PM.

Respectfully Submitted,
R. Langrall