

Amy Stewart called a meeting of the Finance Committee of Salem Academy Charter School to order on Monday Nov 17, 2025 at 8:02 AM.

C. Approve Minutes

Bill Henning made a motion to approve the minutes from Finance Committee Meeting on 10-15-25.

Chris Graham seconded the motion.

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

II. Finance

A. Vote to approve the FY26 Auditor

Bill Henning made a motion to recommend Daniel Dennis as the the FY26 Auditor.

Amy Stewart seconded the motion.

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

B. October Financials

Cynthia Marie presented the October financials, noting that several grants remain delayed pending budget approvals, though the SPED Grant and MTSS/SEL Grant have been approved and additional competitive grants are in progress. Overall income remains on track, and no major issues were identified as the committee begins discussing reforecasting.

Some budget variances are expected, including savings due to open staff positions and higher-than-anticipated utilities costs, which may be offset by future credits as the school continues to investigate. Professional fees are above budget, driven by legal expenses, audit work, and office coordination costs. While the school is currently operating at a deficit, this was anticipated, and a reforecast will adjust line items accordingly. On the balance sheet, the tuition-to-expense ratio is slightly below target, and Cynthia will further review the cash-on-hand ratio and provide additional context, potentially related to changes in lease liability accounting.

Discussion also covered accrued expenses, including a required accounting change to capture PTO liabilities, FSA account audits, and timing differences in MTSS payments.

C. 2026 Goal Setting

As part of the 2025 goals review, the committee noted continued progress on several core priorities, including updates to the Financial Policies and Procedures (which Cynthia will revise and circulate), development of the FY26 budget, advancement of the Capital Plan, and ongoing Trustee recruitment efforts.

Looking ahead to 2026, the committee discussed establishing a Capital Reserve Policy as a key goal. Bill shared an example from another organization, and Cynthia will explore

whether she can share models from other schools. The intent is to create a flexible cash or capital reserve that the Board can use for future capital improvements, making this a particularly relevant focus for the Finance Committee this year.

The conversation also connected Finance Committee work to the broader Strategic Plan, particularly the goal of ensuring long-term organizational sustainability through proactive assessment of financial and growth opportunities. Committee members emphasized the importance of continually evaluating needs and gaps, coordinating closely with the Facilities Committee, especially with rent increasing next year, and building reserves while the school is not yet positioned to launch a capital campaign due to ongoing uncertainty around long-term facility plans with Prime Group.

The committee reflected on its role in staying focused on the “big picture,” identifying where investments could have the greatest impact and guiding development efforts accordingly, rather than defaulting to additional staffing. Ideas included evaluating whether contracting part-time development support or targeted consultants could generate a meaningful return on investment. While some grant writing has been outsourced, there was discussion about the need for stronger strategic leads and guidance from fundraising professionals on both the Board and Foundation Board.

Committee members underscored that relationship-building remains central to successful fundraising and questioned how best to align and clarify the hierarchy of development roles. This included exploring how the Foundation Board and the Finance Committee might interact more intentionally to support shared goals and long-term financial sustainability.

III. Other Business

A. Development Update

Fallon shared a brief development update, including an overview of recent Emergency Fund activity. She also highlighted upcoming key fundraising dates, noting the Save the Date for GivingTuesday and the REACH for College Gala.

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 8:44 AM.

Respectfully Submitted,
Fallon Burke

Documents used during the meeting

- Salem Financials October.xlsx