

APPROVED



Salem Academy Charter School

Minutes

Finance Committee Meeting

Date and Time

Monday February 23, 2026 at 8:00 AM

The Salem Academy Charter School Finance Committee via Zoom.

Zoom Link: <https://salemacademy.cs.zoom.us/join/91234567890>

Committee Members Present

Bill Henning (remote), Blake Cullimore (remote), Chris Graham (remote), Krissy Sgambellone (remote), Stephanie Callahan (remote)

Committee Members Absent

Rick Winter

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

Chris Graham called a meeting of the Finance Committee of Salem Academy Charter School to order on Monday Feb 23, 2026 at 8:03 AM.

C. Approve Minutes

Blake Cullimore made a motion to approve the minutes from Finance Committee Meeting on 01-21-26.

Stephanie Callahan seconded the motion.

Kara was remote present at the last meeting

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

II. Finance

A. January Financials & FY26 Forecasting

Cynthia Marie presented the January financial statements. The bottom-line net income remains higher than projected for this period, even after depreciation. The positive variance is largely due to savings in salaries and related expenses from open positions, partially offset by higher professional fees. Overall, the school continues to be in a strong financial position.

Blake Cullimore asked about the impact of current vacancies and whether the salary savings were intentional. Stephanie Callahan clarified that the vacancies are not strategic and that the school continues to actively recruit for those roles. Blake asked whether the school would be over budget if fully staffed, and Cynthia confirmed that the budget would likely be higher if all positions were filled.

Bill Henning asked about the facilities line running over budget. Cynthia explained that the variance is primarily due to timing and front-loaded expenses, including higher utility costs earlier in the year. Cynthia noted that she will add additional clarifying notes to the financial report.

The committee also discussed how cash is reported in the financial statements. Cynthia explained that the report currently shows both 106 days of cash with Foundation funds included and 74 days without Foundation funds. Blake asked whether it would be more appropriate to present the more conservative view, noting that the school may not always have access to Foundation cash. Cynthia explained that even without Foundation funds, the school remains above the 60-day benchmark, and that Foundation funds primarily hold restricted private funding. Kara MCLAughlin noted that the committee has previously discussed whether Foundation cash should be included in these ratios. Bill added that a portion of the Foundation funds are endowment restricted. Blake suggested that both figures be shown for transparency. Cynthia confirmed that permanently endowed funds are not included in the foundation cash balance.

The committee agreed that the report should display both figures, and Cynthia will update the reporting accordingly.

Chris asked whether enrollment will reach 480 students for the March SIMS submission and Stephanie confirmed that yes, it will be.

Blake also asked about the Net Income line, noting that year-to-date results are approximately \$500,000 above projections and asking what that may indicate for year-end projections. Cynthia responded that she does not expect the school to fall below budget, though projections could shift as the year progresses. Stephanie noted that there are several variables that could impact the final number, including a student currently in an out-of-district placement for longer than expected and additional transportation costs related to foster care placements.

B. FY27 Budget Considerations

The committee also began discussing early considerations for the FY27 budget. Tuition projections from December were strong. The current draft budget assumes a conservative 2% increase in salary and wages, aligned with the tuition increase currently reflected in the Central Source projections. Kara asked whether the 2% tuition assumption includes the additional facilities funding; Cynthia confirmed that it does not and that the projection is intentionally conservative. Bill asked whether the January projections were closer to a 4% increase, Cynthia confirmed the initial DESE tuition projection was an 8.4% increase. Blake noted the importance of maintaining conservative assumptions.

Stephanie shared that preliminary findings from the Edgility compensation study suggest a potential 4% adjustment to compensation benchmarks. The committee discussed broader compensation strategy considerations, including whether salary benchmarks should target the 50th or 60th percentile in the market. Bill also asked about the mid-year staff survey, and Stephanie provided an update.

C. 2026 Committee Goals

The committee discussed the proposed 2026 Finance Committee goals. Chris Graham noted that the intention was to vote on the goals as a slate.

Bill asked about the timeline for approving the goals and raised the question of whether some of the proposed items were better categorized as recurring annual tasks rather than strategic goals.

Bill and Chris discussed how certain activities, such as ongoing financial planning or committee responsibilities, may be better suited for the committee's annual calendar rather than framed as standalone goals. Trustee recruitment was discussed as an example of an item that could eventually be incorporated into a standing calendar process but remains appropriate as a goal for this year.

The committee also discussed the timeline for the goal related to evaluating the school's financial position and attractiveness as a borrower. Bill noted that from a banking perspective, the most useful analysis would be based on the most recent audited

financial statements. Using the FY25 audited financials as the starting point would allow the committee to evaluate the school's financial profile and determine how the school might position itself for potential borrowing in the future. Blake agreed with this approach. The committee discussed possible timelines and agreed that December 31, 2026 would be a reasonable target for completing this work.

The committee reviewed and revised the draft goals. One revision clarified the goal related to collaboration with the Facilities Committee to focus more broadly on supporting financial planning related to potential long-term facilities needs rather than drafting a specific memo.

The final proposed goals were as follows:

Goal 1 – Trustee Recruitment:

By December 31, 2026, recruit one new Trustee with financial expertise and identify three candidates for engagement by May 30, 2026.

Goal 2 – Financial Position:

By December 31, 2026, evaluate Salem Academy Charter School's financial position and make recommendations on how to make the school a more attractive borrower.

Goal 3 – Finance/Facilities Partnership:

Collaborate with the Facilities Committee to support financial planning for any potential long-term facilities needs by May 1, 2026.

Goal 4 – Finance Policies and Procedures:

By April 1, 2026, calendar the Finance Committee's annual responsibilities as part of the Finance Policies and Procedures Manual.

Bill Henning made a motion to approve the 2026 Finance Committee Goals as amended. Blake Cullimore seconded the motion.

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

III. Other Business

A. Development Update

Stephanie Callahan provided a development update to the committee. The school is currently 65% of the way toward its Annual Fund goal.

The committee discussed strategies for strengthening relationships with sponsors and donors, including moving beyond email outreach and scheduling more direct meetings with key partners. One example discussed was engaging more intentionally with the school's banking partner, particularly in light of the school's financial relationship with the

institution. The committee noted that a more direct approach may help strengthen sponsorship and partnership opportunities.

Stephanie also provided a brief Gala update, encouraging trustees to purchase tickets and assist with soliciting auction items in support of the upcoming event.

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 9:00 AM.

Respectfully Submitted,
Stephanie Callahan

Documents used during the meeting

- Salem January 2026.xlsx