

MINUTES OF THE MEETING OF THE BUDGET, FINANCE AND FACILITIES COMMITTEE (COMMITTEE) OF THE BOARD OF DIRECTORS OF CENTENNIAL PLACE ACADEMY, INC. (CA) HELD ON OCTOBER 17, 2022

The Committee met on Tuesday, October 17, 2022 at 5:30pm. Committee Members Renee Glover, Chair, and Allison Toller were in attendance. Committee members, Eric Pinckney and Joe Handy were unable to attend the meeting. Jessica Olowoyo, Head of School, and Steve Pressas, Chief Financial Officer, were also in attendance to support the Committee. Cindy Ethridge, Partner, Warren Everett, and Jessica Story, Senior Manager, Warren Averett, independent public accountants, were also in attendance. Ms. Glover called the meeting to order at 5:35pm. Because the Committee did not have a quorum, the items presented during the meeting were for information only and no action was taken.

STATUS OF AUDIT

Ms. Glover welcomed Ms. Ethridge and Ms. Story to the Meeting. Ms. Story stated that Warren Averett had been hired by CA to conduct the independent audit of CA's financial statements for the fiscal year ended June 30, 2022. Ms. Story presented and the Committee discussed the final draft of the FY 2022 audited financial statements. The Committee is pleased to report that Warren Averett will be issuing an unmodified opinion. Ms. Ethridge and Ms. Story will present the final draft of the audited financial statements to the full Board for review and acceptance. Once accepted, CA will submit CA's audited FY 2022 financial statements to Atlanta Public Schools and the Department of Education of the State of Georgia on or before November 1, 2022.

REVIEW OF THE FINANCIAL REPORTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2022

Mr. Pressas provided a very high level comments about CA's unaudited financial reports for the three months ended September 30, 2022. With respect to the Statement of Financial Position, Mr. Pressas stated that CA's financial position remains strong. CA continues to be in compliance with the financial ratios and other financial benchmarks set forth in CA's Renewal Charter Agreement.

Mr. Pressas then reviewed the Statement of Operations and the Budget to Actual report. As part of the review, Ms. Olowoyo updated CA's ongoing discussions with APS regarding CA's request to become a locally authorized charter school. Ms. Olowoyo stated that discussions to date have yielded little to no progress. She stated APS's focus has primarily been on school building capacity and overcrowding in the Midtown Cluster. Ms. Olowoyo stated that she has raised the issue of equity with Superintendent Lisa Herring and her team, given the concentration of homeless shelters in CA's mandatory attendance zone and the related extremely high mobility/churn rate. After discussion, the Committee members agreed that CA must continue to press these issues with APS and the APS Board members. We asked Ms. Ethridge and Ms. Story whether it would be advisable for CA to make any statement regarding these ongoing discussions with APS in its FY 2022 audited financial statements as a post-audit period disclosure. The consensus was that giving the preliminary nature of the discussions and process, any disclosure would be premature.

Ms. Olowoyo reviewed CA's current enrollment and stated that the enrollment was 800 students at the time of the APS student count in October.

FACILITIES

Ms. Olowoyo reported that the comprehensive roof improvement work had not yet commenced, as it is in the final stages of procurement and contracting by APS. She also provided an update regarding the other capital improvement items as follows:

- (1) window replacement;
- (2) the HVAC system; and
- (3) other projects, including the learning lofts and indoor and outdoor recreational space.

INVESTMENT OF CA's CASH

In response to a request of the Committee at the September meeting, Mr. Pressas presented a proposal from Truist Investment Advisory Group regarding a strategy and plan as to how CA could best invest its cash. The proposal offered two good options. The threshold issue for CA's Board of Directors will be to reach consensus regarding CA's risk tolerance, given CA's public mission and principal sources of funding. After discussion, Mr. Pressas agreed to discuss the options with Ms. Ethridge and Rocco Testani, CA's legal counsel, to understand best practices among our peers. Mr. Pressas will present the proposal and outcome of his discussions at the upcoming Board meeting.

The Meeting was adjourned at 6:45 pm.