

**City of Milwaukee – Charter Schools
Report of Management Oversight Consultant
with Financial Scorecards
For the 2024-2025
Fiscal Year**

**M. L. Tharps & Associates, LLC
Management Consultants / Certified Public Accountants
Milwaukee, Wisconsin**

M. L. Tharps & Associates, LLC

1845 North Farwell Avenue Suite 109

Milwaukee, WI 53202

(414) 278-8532 Fax (414) 278-7579

Certified Public Accountants

Management Consultants

To the Members of The City of Milwaukee
Charter School Review Committee

We have completed a review of the management function of the seven charter schools (Downtown Montessori Academy, Central City Cyberschool, DLH Academy, Milwaukee Academy of Science, Dr. Howard Fuller Collegiate Academy, Milwaukee Math and Science Academy and Escuela Verde), which have contracted with the City of Milwaukee for the 2024-2025 fiscal year and have issued our report herein. This report is based on a review of and limited testing of the policies and procedures employed by each school. We have not performed an audit of these schools; however, we have performed sufficient procedures to get an adequate understanding of each school's management policies and procedures. Based on these procedures, we are issuing this report on each school's management activities.

We would like to thank the management of each charter school for their cooperation in our efforts to perform our management oversight services.

M.L. Tharps & Associates, LLC

February 12, 2026

**City of Milwaukee – Charter Schools
Report of Management Oversight Consultant
Table of Contents**

	<u>Page</u>
Overview of Management Oversight Procedures	4
Financial Scorecard Criteria and Scoring	5
Reports / Scorecards:	
Downtown Montessori Academy:	
Report	7
Scorecard	10
Central City Cyberschool	
Report	11
Scorecard	14
D.L. Hines College Preparatory Academy of Excellence (DLH Academy)	
Report	15
Scorecard	18
Milwaukee Academy of Science	
Report	19
Scorecard	22
Dr. Howard Fuller Collegiate Academy	
Report	23
Scorecard	26
Milwaukee Math and Science Academy	
Report	27
Scorecard	30
Escuela Verde	
Report	31
Scorecard	34

**City of Milwaukee – Charter Schools
Report of Management Oversight Consultant
Overview of Management Oversight Procedures**

M. L. Tharps & Associates (MLTA) developed procedures for reviewing both Charter Schools' management policies and procedures and their compliance with the City of Milwaukee contract. These procedures were developed based on the review of the contracts between the Charter Schools and the City of Milwaukee, the management oversight requirements outlined in the Request for Proposal, and conferences/discussions with the Charter School Review Committee and various City personnel. The procedures are as follows:

- a) MLTA has obtained an understanding of the school's financial processes and/or controls over significant financial systems.
- b) Monthly and quarterly financial reports submitted by the school were reviewed and analyzed to monitor the financial situation of the school on an ongoing basis.
- c) An annual site visit was conducted with the management of each school including interviews and discussion of school management policies and attended one school Board of Directors meeting.
- d) Obtained a copy of the school's annual audit report. MLTA reviewed the report for propriety, noting any findings reported by the auditor, and that the report was in accordance with reporting standards. Financial results and financial position were reviewed to determine the school's ongoing financial propriety, along with comparison with prior years to determine upward or downward trends.
- e) If necessary, additional follow-up was conducted with schools where problems had been identified.

City of Milwaukee – Charter Schools Financial Scorecard Criteria and Scoring

Each school is provided with an annual financial scorecard, which rates the school using 4 criteria - Financial Condition, Financial Reporting & Contract Compliance, Internal Controls, and Sustainability. The following page provides an explanation of the categories and scoring system:

CATEGORY	OBJECTIVES	MAXIMUM SCORE
Financial Condition	<ul style="list-style-type: none"> - Liquidity - ability to pay bills on time - Budgetary Control - ability to control expenses - Achieve revenues to match school expenses - Financial performance - Timely identify major financial events 	50
Financial Reporting & Contract Compliance	<ul style="list-style-type: none"> - Compliance with CSRC reporting requirements 	20
Internal Controls	<ul style="list-style-type: none"> - Internal controls report from auditor and consultant analysis - Timely identify major internal control issues 	20
Sustainability	<ul style="list-style-type: none"> - Long range plan of school - Long term financial health - Long term attractiveness (enrollment trends) 	10
TOTAL		<hr style="width: 100%; border: 0.5px solid black;"/> 100

Reports / Scorecards

Downtown Montessori Academy

Downtown Montessori Academy (DMA) was one of the two charter schools initially established by the City of Milwaukee in 1998. In addition to the charter school, DMA also operates a childcare facility. The 2024-25 school year was DMA's twenty-seventh year of operation as a City of Milwaukee Charter school. Below is a summary of the financial results and financial contract compliance for the year ended June 30, 2025.

Current Year Financial Results

DMA had a loss of \$38,000 in 2025 after having had several years of showing positive financial results in both the charter school and day care. The 2024-25 school year showed approximate revenue of \$3,385,000, a \$47,000 or a 1.4% increase in total revenues. Charter school contract revenue decreased by \$43,000; the average headcount went down from 227.5 in 2024 to 218.0 in 2025. From 2014 to 2025, the school had increased revenues steadily each year. In 2025, expenses increased by approximately \$101,000, or a 3.1% increase in expenses, which then negated the small increase of approximately \$47,000 in revenues and resulted in a deficit of \$38,000.

The increase in expenses was mainly due to salaries and benefits increased by \$151,000, independent instructors expense increased by \$50,000; classroom supplies decreased by \$27,000, occupancy decreased by \$21,000 and advertising decreased by \$20,000 in 2025. The school had consistently shown surpluses before fiscal year 2023, but 2025 had a deficit like 2023. As in the prior year the decrease in enrollment is a factor to be watched carefully.

Per review of the year-end audited financial statements, DMA once again, even with a slight nine student decrease to enrollment, performed close to break-even financially in the 2024-25 fiscal year.

The Average Cost Per Full Time Equivalent Pupil (FTE) for FY 2025 was \$16,732 compared to FY 2024 of \$15,487.

Pupil Membership Counts for September and January for FY 2025 were 219 and 217 respectively, compared to FY 2024 of 229 and 226.

DMA did not have any Restricted Fundraising Revenues or Expenses in FY 2025 and FY 2024.

Unrestricted Fundraising: The Unrestricted Fundraising Revenues were \$524 and \$41,335 for FY 2025 and FY 2024 and Unrestricted Fundraising Expenses were \$13,542 and \$14,034, respectively.

Below is a comparative summary of the school's financial results over the last four fiscal years:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Surplus / (Deficit)	\$ 130,429	(\$ 268,646)	\$ 15,570	(\$ 38,260)
Revenues	\$2,727,024	\$2,868,393	\$3,337,612	\$3,385,012
Expenses	\$2,596,595	\$3,137,039	\$3,322,042	\$3,423,272
Surplus/(Deficit) as a % of Revenues	5%	(9%)	.5%	(1%)

Breakdown of Revenues:

	2022		2023		2024		2025	
	\$	%	\$	%	\$	%	\$	%
Charter Revenue	2,024,220	74.23	2,047,344	71.38	2,447,775	73.34	2,404,445	71.03
Federal Grants	204,746	7.51	242,989	8.47	173,575	5.20	193,732	5.72
State Grants	87,192	3.20	69,427	2.42	88,686	2.66	90,383	2.67
Contributions	9,056	0.33	4,954	0.17	13,634	0.41	1,458	0.05
Other Revenue	401,810	14.73	503,679	17.56	613,942	18.39	694,994	20.53
Total Revenue	2,727,024	100	2,868,393	100	3,337,612	100	3,385,012	100

Current Financial Position

DMA's year-end cash position remained solid, with the school maintaining approximately \$826,000 in cash at year-end. As in prior years, there is no concern regarding the financial position of the school. Past experience indicates that they are very fiscally minded and are well aware of their budget limitations. The ratio of cash and receivables to current liabilities (excluding notes payable) remains excellent at 2.4, showing a slight decrease from the prior year. Unrestricted net assets decreased slightly and are 83% of yearly revenues as of June 30, 2025.

The school currently has three long-term debt mortgage notes outstanding as of June 30, 2025. The School has been current with all the loan payments. As of June 30, 2025, the balance of those loans totaled \$3,154,000.

Below is comparative summary of the indicators of the school's financial position over the last four years:

	2022	2023	2024	2025
Cash	\$1,070,170	\$ 855,075	\$ 826,606	\$ 826,084
Accounts Receivable	\$ 81,967	\$ 24,754	\$ 46,777	\$ 17,473
Current Liabilities (Net of Current Portion LTD)	\$ 289,023	\$ 253,694	\$ 300,931	\$ 352,696
Total Liabilities	\$4,100,477	\$3,879,625	\$3,686,096	\$3,485,248
Restricted Net Assets	\$ 5,045	\$ 7,045	\$ 0	\$ 0
Unrestricted Net Assets	\$3,104,967	\$2,836,321	\$2,851,891	\$2,813,631
Current Assets to Current Liabilities Ratio	4.0 to 1	3.5 to 1	2.9 to 1	2.4 to 1
Unrestricted Net Assets as Percentage of Yearly Revenues	114%	99%	85%	83%

Review of Annual Audit

The annual audit for Downtown Montessori Academy for the fiscal year ended June 30, 2025, was completed as of October 30, 2025 by Walkowicz, Boczkiewicz & Co., S.C. The audit was submitted timely in accordance with the submission deadline. Per review of the report, there were no significant financial statement, internal control or compliance findings noted by the auditor, and the auditor expressed no issues over the school's ability to continue as a going concern. The audit report appears to have been properly submitted and is in accordance with generally accepted accounting standards.

Other Reporting Requirements

The school is required under its contract with the City of Milwaukee to provide various monthly and quarterly financial reports, as well as providing notice of any significant changes in management or board governance. DMA has complied with those reporting requirements for the 2024-25 school year.

Conclusion

Based on our review of management's policies, procedures, compliance and the annual audit of Downtown Montessori Academy, it appears the school has in place a solid financial management system. The school is in excellent financial condition, with a solid cash flow. Based on our review, the school appears to be in compliance with the financial management provisions of its contract with the City of Milwaukee.

DOWNTOWN MONTESSORI ACADEMY

Financial Scorecard

SCORING CRITERIA	2022	2023	2024	2025	COMMENTS
Financial Condition (Maximum 50)	48	48	49	49	- Several prior years of mostly positive financial results. -2.4 current ratio. - Year-end cash and receivable balance of \$844,000 - Three property renovation notes payable
Financial Reporting & Contract Compliance (Maximum 20)	20	19	20	19	- Almost all required monthly reports were provided in accordance with contract. - Audit completed on a timely basis.
Internal Controls (Maximum 20)	18	18	18	18	- Solid internal controls in place, however, the small size of the organization precludes an ideal internal control structure. - No audit findings in last fourteen audits
Sustainability (Maximum 10)	10	10	10	9	- Decrease in average enrollment of 9 pupils (about 4%). - Good financial position.
TOTAL	<u>96</u>	<u>95</u>	<u>97</u>	<u>95</u>	

Central City Cyberschool

Central City Cyberschool (CCC) was established as a charter school in 1999 and completed its twenty-sixth year of operations in 2025. Below is a summary of the financial results and financial contract compliance for their fiscal year ended July 31, 2025.

Current Year Financial Results

CCC revenues decreased by approximately \$1,567,000 in 2025. The decrease is primarily due to the DPI Other Revenue decrease of \$1,272,000 and Charter Revenue decrease of \$306,000 which was mostly due to enrollment decrease of 39 pupils but slightly offset due to the Charter program revenue. The enrollment has declined consistently in each of the past three years and that is the trend they need to watch. School operating expenses remained consistent with the prior year, decreasing slightly by \$26,000 due to decrease in Technology of \$119,000 and Salaries and Benefits of \$26,000, offset by Repairs and Maintenance increasing by \$107,000.

Per review of the audited financial statements, the school results for the 2024-25 fiscal year showed an increase in net assets of \$223,000 for the fiscal year. Revenues decreased and there was a slight decrease in expenses. Cash flow continued to be excellent during the fiscal year as CCC has significant accumulated assets from prior years.

The Average Cost Per Full Time Equivalent Pupil (FTE) for FY 2025 was \$15,111 compared to FY 2024 of \$13,685.

Pupil Membership Counts for September and January for FY 2025 were 346 and 334 respectively, compared to FY 2024 of 383 and 373.

CCC did not have any Restricted Fundraising Revenues or Expenses in FY 2025 and FY 2024.

Unrestricted Fundraising: The Unrestricted Fundraising Revenues were \$0 and \$0 for FY 2025 and FY 2024 and Unrestricted Expenses were \$848 and \$1,239, respectively.

Below is a comparative summary of the school's financial results over the last four fiscal years:

	<u>2022</u>	<u>2023*</u>	<u>2024</u>	<u>2025</u>
Surplus / (Deficit)	\$ 311,505	(\$ 277,867)	\$1,764,557	\$ 223,411
Revenues	\$5,872,860	\$5,403,422	\$6,819,829	\$5,252,507
Expenses	\$5,561,355	\$5,681,289	\$5,055,272	\$5,029,096
Surplus/(Deficit) as a Percentage of Revenues	5.3%	(5.1%)	25.9%	4.3%

Breakdown of Revenues:

	2022		2023		2024		2025	
	\$	%	\$	%	\$	%	\$	%
Charter Revenue	3,735,606	63.61	3,604,012	66.70	4,212,450	61.77	3,905,757	74.36
Federal Grants	1,259,354	21.44	1,385,089	25.63	2,488,061	36.48	1,283,653	24.44
State Grants	524,712	8.94	406,409	7.52	72,272	1.06	47,575	0.90
Contributions	40,050	0.68	11	0.00	0	0.00	0	0.00
Other Revenue	313,138	5.33	7,811	.15	47,046	.69	15,522	.30
Total Revenue	5,872,860	100	5,403,422	100	6,819,829	100	5,252,507	100

Current Financial Position

CCC maintained a year-end cash balance of approximately \$3,634,000. The school maintained a solid unrestricted net asset balance of approximately \$5.1 million in 2024-25 after the current year surplus of \$223,000. The ratio of cash and receivables to current liabilities (excluding notes payable) is 88.3 to 1, up dramatically from 7.8 to 1 last year.

Below is comparative summary of the indicators of the school's financial position over the last four years:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Cash	\$ 815,868	\$1,199,305	\$1,975,011	\$3,634,151
Accounts Receivable	\$1,004,744	\$ 506,921	\$1,689,768	\$ 65,551
Current Liabilities (Net of Current Portion LTD)	\$ 299,243	\$ 427,419*	\$ 466,563	\$ 41,901
Total Liabilities	\$ 361,297	\$ 476,453*	\$ 501,547	\$ 61,721
Restricted Net Assets	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Unrestricted Net Assets	\$3,358,944	\$3,081,077*	\$4,845,634	\$5,069,045
Current Assets to Current Liabilities Ratio	6.1 to 1	4.0 to 1*	7.8 to 1	88.3 to 1
Unrestricted Net Assets as Percentage of Yearly Revenues	57%	57%*	71%	97%

Review of Annual Audit

The annual audit for Central City Cyberschool for the fiscal year ended July 31, 2025 was completed as of December 11, 2025 by Walkowicz, Boczkiewicz & Co., S.C. The audit was not submitted timely in accordance with the submission deadline. The annual audit was due on November 30, 2025.

Per review of the report, there were no significant financial statement, internal control or compliance findings noted by the auditor, and the auditor expressed no issues over the school's

ability to continue as a going concern. The audit report appears to have been properly submitted and is in accordance with generally accepted accounting standards.

Other Reporting Requirements

The school is required under its contract with the City of Milwaukee to provide various monthly and quarterly financial reports, as well as providing notice of any significant changes in management or board governance. CCC has complied with those reporting requirements for the 2024-25 school year.

Conclusion

Based on our review of the management policies, procedures, compliance and the annual audit of Central City Cyberschool, at the end of the school's fiscal year, July 31, 2025, the school continues to have a solid financial management system in place. The school is in very good financial condition, with good cash flow. Based on our review, the school appears to be in compliance with the financial management provisions of its contract with the City of Milwaukee.

Subsequent Event

The School did not comply with the closeout reporting requirements of Charter Committee and as a result the Charter Committee revoked the School's charter contract dated November 4, 2025.

CENTRAL CITY CYBERSCHOOL

Financial Scorecard

SCORING CRITERIA	2022	2023	2024	2025	COMMENTS
Financial Condition (Maximum 50)	47	47	48	49	<ul style="list-style-type: none"> - Strong net asset balance. -88.3:1 ratio of cash and receivables to payables. - \$5.1 million in unrestricted net assets. - No outstanding line of credit balance.
Financial Reporting & Contract Compliance (Maximum 20)	20	20	20	19	<ul style="list-style-type: none"> - Most monthly reports were provided in accordance with the contract. - Audit not completed on a timely basis.
Internal Controls (Maximum 20)	16	17	18	18	<ul style="list-style-type: none"> - Solid internal controls in place, however, the small size of the organization precludes an ideal internal control structure. - No audit findings.
Sustainability (Maximum 10)	10	10	10	10	<ul style="list-style-type: none"> -Enrollment decrease of 39 pupils. - Excellent financial position.
TOTAL	93	94	96	96	

D.L. Hines College Preparatory Academy of Excellence (DLH Academy)

DLH Academy was established as a charter school in 2002 and completed its 23rd year of operations in 2025. Below is a summary of the financial results and financial contract compliance for their fiscal year ended June 30, 2025.

Current Year Financial Results

DLH Academy had a deficit of \$324,000 in 2025. Revenue decreased by \$415,000 substantially due to ESSER funding decreasing by \$447,000 and Other Grants increasing by \$13,000. The pupil count decreased by 14 students from the prior year. Expenses decreased by approximately \$57,000 due to decrease in Purchased Services of \$83,000, Special Education Services of \$62,000, Supplies of \$25,000 and increase in Salaries and Benefits of \$64,000 and Technology of \$53,000. The reduction in expenses was not enough to support a financially positive change in the unrestricted net asset balance for the year.

Per review of the 2025 audited financial statements, the school showed a decrease in unrestricted net assets of \$324,000 on revenues of \$2.52 million and expenses of \$2.85 million for the fiscal year.

The Average Cost Per Full Time Equivalent Pupil (FTE) for FY 2025 was \$16,920 compared to FY 2024 of \$16,809.

Pupil Membership Counts for September and January for FY 2025 were 180 and 175 respectively, compared to FY 2024 of 172 and 189.

DLH did not have any Restricted Fundraising Revenues or Expenses in FY 2025 and FY 2024.

Unrestricted Fundraising: The Unrestricted Fundraising Revenues were \$10,336 and \$6,329 for FY 2025 and FY 2024 and Unrestricted Expenses were \$56,049 and \$35,797, respectively.

Below is a comparative summary of the school's financial results over the last four fiscal years:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Surplus / (Deficit)	\$ 111,338	\$ 87,019	\$ 34,033	(\$ 323,594)
Revenues	\$2,943,402	\$3,062,345	\$2,937,840	\$2,523,197
Expenses	\$2,832,064	\$2,975,326	\$2,903,807	\$2,846,791
Surplus/(Deficit) as a Percentage of Revenues	3.8%	2.8%	1.2%	(12.8%)

Breakdown of Revenues:

	<u>2022</u>		<u>2023</u>		<u>2024</u>		<u>2025</u>	
	\$	%	\$	%	\$	%	\$	%
Charter Revenue	1,764,885	59.96	1,673,342	54.64	1,999,404	68.06	2,020,834	80.09
Federal Grants	1,067,975	36.29	1,314,221	42.92	868,095	29.55	417,267	16.54
State Grants	28,645	0.97	28,792	0.94	45,867	1.56	33,012	1.31
Contributions	55	0.00	53	0.00	0	0.00	0	0.00
Other Revenue	81,842	2.78	45,937	1.50	24,474	0.83	52,084	2.06
Total Revenue	2,943,402	100	3,062,345	100	2,937,840	100	2,523,197	100

Current Financial Position

DLH continues to have a very solid cash position, with year-end cash balances totaling approximately \$1.5 million. The ratio of cash and receivables to current liabilities (excluding notes payable) decreased to 17.1 to 1 compared to the prior year at 22.1 to 1. The school had receivables of \$31,368. Current liabilities totaled \$91,451, thus resulting in an excellent ratio. The school maintains a \$200,000 line of credit for cash flow purposes, and there were no activity and no balance outstanding on this line of credit as of June 30, 2025.

Below is comparative summary of the indicators of the school's financial position over the last four years:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Cash	\$1,602,057	\$1,735,903	\$1,841,010	\$1,536,201
Accounts Receivable	\$ 189,285	\$ 94,407	\$ 83,705	\$ 31,368
Current Liabilities (Net of Current Portion LTD)	\$ 132,036	\$ 82,422	\$ 87,167	\$ 91,451
Total Liabilities	\$ 167,623	\$1,590,111	\$1,347,597	\$1,099,924
Restricted Net Assets	\$ 12,387	\$ 12,587	\$ 12,587	\$ 0
Unrestricted Net Assets	\$1,838,580	\$1,925,599	\$1,959,632	\$1,636,038
Current Assets to Current Liabilities Ratio	13.6 to 1	22.2 to 1	22.1 to 1	17.1 to 1
Unrestricted Net Assets as Percentage of Yearly Revenues	62%	63%	67%	65%

Review of Annual Audit

The annual audit for DLH Academy for the fiscal year ended June 30, 2025, was completed as of September 17, 2025 by the firm Ritz Holman LLP. The audit was submitted timely in accordance with the submission deadline. Per review of the report, there were no significant financial

statement, internal control or compliance findings noted by the auditor, and the auditor expressed no issues over DLH's ability to continue as a going concern. The audit appears to have been properly submitted and is in accordance with generally accepted accounting standards.

Other Reporting Requirements

The school is required under its contract with the City of Milwaukee to provide various monthly and quarterly financial reports, as well as providing notice of any significant changes in management or board governance. DLH Academy has complied with those reporting requirements for the 2024-25 school year.

Conclusion

Based on our review of the management policies, procedures, compliance and the annual audit of the DLH Academy, it appears that the school continues to have solid procedures in place to ensure a sufficient financial management system. As of June 30, 2025, the school appears to be in compliance with the financial management provisions of its contract with the City of Milwaukee.

D.L. HINES COLLEGE PREPARATORY ACADEMY OF EXCELLENCE

Financial Scorecard

SCORING CRITERIA	2022	2023	2024	2025	COMMENTS
Financial Condition (Maximum 50)	48	48	49	48	- A \$324,000 deficit this year. - 17.1:1 current ratio is very good. - No outstanding line of credit balance.
Financial Reporting & Contract Compliance (Maximum 20)	20	20	20	20	- All required monthly reports provided in accordance with contract. - Audit completed on a timely basis.
Internal Controls (Maximum 20)	17	18	18	17	- Solid internal controls in place, however, the small size of the organization precludes an ideal internal control structure. - No audit findings; however, one matter was listed as an issue in the Management Letter. Three teacher's licenses had expired, and it is recommended to review licenses annually.
Sustainability (Maximum 10)	10	10	10	10	- Slight decrease of 14 pupils in enrollment levels - Good financial position
TOTAL	<u>95</u>	<u>96</u>	<u>97</u>	<u>95</u>	

Milwaukee Academy of Science

The Milwaukee Academy of Science (MAS) was established as a charter school in 2000 under a charter with the University of Wisconsin-Milwaukee. In 2008, the school switched its chartering authority to the City of Milwaukee. MAS completed its twenty-fifth year of operations in 2025. Below is a summary of the financial results and financial contract compliance for their fiscal year ended June 30, 2025.

Current Year Financial Results

MAS showed a loss for the 2025 fiscal year. For the current year, the school showed a decrease in unrestricted net assets of approximately \$1.9 million compared to an increase of \$6.5 million in the prior year. Total unrestricted revenue decreased by \$2,925,000 (including Net Assets released from restrictions of \$289,000), while expenses increased by \$5,560,000. Revenue decreased because of Education Stabilization funding decreased by \$5,281,000, Insurance Proceeds decreased by \$3,437,000, and to partially offset; Charter Aid increased by \$3,825,000, other Federal Grants increased by \$1,494,000 and Contributed Nonfinancial Assets increased by \$514,000. The \$5.5 million increase in expenses is primarily due to Salaries and benefits which increased by \$4,174,000, purchased services increased by \$1,031,000, and Computer supplies increased by \$452,000.

The school has been progressing with campus expansion and renovation and focusing on trying to maintain a healthy net asset balance and a solid cash flow position.

The Average Cost Per Full Time Equivalent Pupil (FTE) for FY 2025 was \$18,001 compared to FY 2024 of \$17,681.

Pupil Membership Counts for September and January for FY 2025 were 1,710 and 1,637 respectively, compared to FY 2024 of 1,397 and 1,348.

MAS did not have any Restricted Fundraising Revenues or Expenses in FY 2025 and FY 2024.

Unrestricted Fundraising: The Unrestricted Fundraising Revenues were \$743,498 and \$1,529,358 for FY 2025 and FY 2024 and Unrestricted Expenses were \$83,235 and \$286,196, respectively.

Below is a comparative summary of the school's financial results over the last four fiscal years:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Surplus / (Deficit)	\$ 2,600,179	(\$ 231,415)	\$6,547,808	(\$ 1,936,279)
Revenues	\$19,300,586	\$23,205,210	\$30,259,952	\$27,335,463
Expenses	\$16,700,407	\$23,290,909	\$23,712,144	\$29,271,742
Surplus/(Deficit) as a Percentage of Revenues	13.5%	(1.0%)	21.6%	(7.1%)

Breakdown of Revenues:

	2022		2023		2024		2025	
	\$	%	\$	%	\$	%	\$	%
Charter Revenue	11,905,867	61.69	12,390,250	53.39	15,323,178	50.64	19,148,061	70.05
Federal Grants	3,426,292	17.75	4,168,762	17.97	8,621,769	28.49	4,842,402	17.71
State Grants	453,620	2.35	258,464	1.11	186,434	0.62	199,332	0.73
Contributions	1,668,970	8.65	1,370,364	5.91	1,709,727	5.65	2,166,920	7.93
Other Revenue	1,845,837	9.56	5,017,370	21.62	4,418,844	14.60	978,748	3.58
Total Revenue	19,300,586	100	23,205,210	100	30,259,952	100	27,335,463	100

Current Financial Position

Currently, the school has unrestricted net assets of \$12.94 million. The ratio of cash and receivables to current liabilities (excluding notes payable) has decreased to 2.5 to 1 compared to 4.3 to 1 in the prior year. Year-end operating cash balances totaled approximately \$6.3 million, and the school had receivables including promises to give from donors of approximately \$1 million. Current liabilities other than current debt service total \$2.98 million, thus resulting in a favorable ratio of 2.5 to 1. The school has a \$250,000 line of credit available, but due to its favorable cash position, they did not use the line during 2024-25.

In November 2013, the Redevelopment Authority of the City of Milwaukee refinanced bonds in the amount of approximately \$11.7 million, which was loaned to the school to purchase, rehabilitate and equip the elementary and high school. The 2013 bonds were paid off in August 2023 through refinancing 2023 bonds with the same trustee. This new refinanced debt is for 30 years but is repaid over a 25-year period. The balance of this loan is \$11,780,000 as of June 30, 2025. In addition, as part of the loan covenant, the school is required to maintain cash and investments in a Debt Service Reserve Fund, and a Repair and Replacement Fund. Total cash in these restricted accounts totaled \$2,964,000 on June 30, 2025. This balance is in addition to the operating cash of \$6.3 million noted above.

Below is comparative summary of the indicators of the school's financial position over the last four years:

	2022	2023	2024	2025
Cash	\$ 6,301,715	\$ 4,225,806	\$ 6,781,831	\$ 6,332,883
Accounts Receivable	\$ 1,084,596	\$ 2,174,814	\$ 3,756,565	\$ 977,689
Current Liabilities (Net of Current Portion LTD)	\$ 1,247,444	\$ 1,768,200	\$ 2,436,396	\$ 2,979,873
Total Liabilities	\$12,957,016	\$22,772,048	\$17,776,620	\$18,548,086
Restricted Net Assets	\$ 889,767	\$ 685,119	\$ 829,402	\$ 540,018
Unrestricted Net Assets	\$ 8,561,980	\$ 8,330,565	\$14,878,373	\$12,942,094
Current Assets to Current Liabilities Ratio	5.9 to 1	3.6 to 1	4.3 to 1	2.5 to 1
Unrestricted Net Assets as Percentage of Yearly Revenues	44%	36%	49%	47%

Review of Annual Audit

The annual audit for the Milwaukee Academy of Science for the fiscal year ended June 30, 2025 was completed January 30, 2026, by the firm Wipfli LLP. The audit was not submitted timely in accordance with the submission deadline. The annual audit was due to Charter Committee on October 31, 2025.

Per review of the report, there were no significant financial statement or compliance findings noted by the auditor. The auditor expressed no issues over MAS's ability to continue as a going concern.

There was one material weakness in internal control over financial reporting identified and it is a repeat finding from prior year. There was lack of timely account reconciliations and closing adjustments. Reconciliations for certain accounts that were completed at year end did not tie to the general ledger account balances. Effective internal controls need to be implemented to ensure all asset, liability and net asset account reconciliations are reviewed and reconciled to the general ledger on a timely basis.

Recommendation: Implement effective internal controls that ensure all asset, liability, and net asset account reconciliations are reviewed and that reconciled balances are tied to the general ledger on a timely basis.

Management Response: Management agrees with the finding and has committed to a corrective action plan.

The small staff size contributed to the late audit submission. The audit appears to have been properly submitted, however late, and is in accordance with generally accepted accounting standards.

Other Reporting Requirements

The school is required under its contract with the City of Milwaukee to provide various monthly and quarterly financial reports, as well as providing notice of any significant changes in management or board governance. MAS has not always complied with those reporting requirements, by being late several months, for the 2024-25 school year.

Conclusion

Based on our review of the management policies, procedures, compliance and the annual audit of the Milwaukee Academy of Science as of June 30, 2025, it appears that the organization has adequate procedures in place to ensure a sufficient financial management system. The school has an excellent financial position with a good ratio of cash and receivables to liabilities as well as an excellent unrestricted net asset balance. As of June 30, 2025, the school appears to be in compliance with the financial management provisions of its contract with the City of Milwaukee.

MILWAUKEE ACADEMY OF SCIENCE

Financial Scorecard

<u>SCORING CRITERIA</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>COMMENTS</u>
Financial Condition (Maximum 50)	48	48	48	47	<ul style="list-style-type: none"> - Had maintained a steady strong net asset balance over the past several years until current year 1.9 million deficit. - 2.5 ratio of cash and receivables to current payables other than long-term debt. - \$12.9 million in unrestricted net assets. - \$15.2 million in long-term debt, but no issues making debt service payments.
Financial Reporting & Contract Compliance (Maximum 20)	17	16	16	16	<ul style="list-style-type: none"> - The required monthly reports were not provided on a timely basis in accordance with contract. - Audit not completed on a timely basis.
Internal Controls (Maximum 20)	19	17	16	15	<ul style="list-style-type: none"> - The school has recently implemented a solid structure and financial management team. - Current year audit finding regarding proper account reconciliation and timely posting to the general ledger is a repeat finding from prior year. - Better segregation of duties to strengthen the weakness in internal controls was recommended during current and prior year audits.
Sustainability (Maximum 10)	10	10	10	10	<ul style="list-style-type: none"> - School has significant increase in enrollment of 289 pupils. - Excellent financial position after enduring a flood recovery.
TOTAL	94	91	90	88	

Dr. Howard Fuller Collegiate Academy

The Milwaukee Collegiate Academy (MCA) was established as a City of Milwaukee charter school in 2011 after previously operating as a Milwaukee Parental Choice Program school. 2024-25 was the school's fourteenth year as a City of Milwaukee charter school and the seventh operating year the school was renamed Dr. Howard Fuller Collegiate Academy. Below is a summary of the financial results and financial contract compliance for their fiscal year ended June 30, 2025.

Current Year Financial Results

The school has shown positive results for past several years, and it showed a significant gain of \$7,635,000 for FY 2025 after a substantial surplus of \$4,489,000 in FY 2024. For the fiscal year, the school posted revenues of \$18.75 million, an increase of \$7.1 million from prior year. The revenue increase was due to increase in donations of \$4.4 million and charter revenue increase of 3.4 million. Current year expenses increased by \$3,941,000 to \$11,118,000. The expense increase was mostly due to the increase in salaries and benefits of \$1,867,000, depreciation and amortization of \$748,000, professional fees of \$222,000, special events of \$216,000, lunch expense of \$207,000, and technology expense of \$205,000.

The school continues to receive significant outside contributions to complete the new school building and middle school reconstruction projects. The high school construction and the middle school reconstruction projects were substantially completed on July 26, 2024.

Per review of the annual audit, the school showed an increase in unrestricted net assets for the year of \$7,635,000. The school currently has an unrestricted net asset balance of \$30,925,000. Unrestricted net assets have gone from \$750,000 to \$30,925,000 in the past eight years.

The Average Cost Per Full Time Equivalent Pupil (FTE) for FY 2025 was \$18,781 compared to FY 2024 of \$23,610.

Pupil Membership Counts for September and January for FY 2025 were 611 and 573 respectively, compared to FY 2024 of 314 and 294.

Dr. Howard Fuller Collegiate Academy did not have any Restricted Fundraising Revenues or Expenses in FY 2025 and FY 2024.

Unrestricted Fundraising: The Unrestricted Fundraising Revenues were \$5,711,080 and \$1,327,839 for FY 2025 and FY 2024 and Unrestricted Expenses were \$362,727 and \$164,536, respectively.

Below is a comparative summary of the school's financial results over the last four fiscal years:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Surplus / (Deficit)	\$ 600,818	\$ 16,896,407	\$ 4,489,153	\$ 7,635,359
Revenues	\$5,923,340	\$23,186,203	\$11,666,475	\$18,753,674
Expenses	\$5,322,522	\$6,289,796	\$ 7,177,322	\$ 11,118,315
Surplus/(Deficit) as a Percentage of Revenues	10.1%	72.9%	38.5%	40.7%

Breakdown of Revenues:

	2022		2023		2024		2025	
	\$	%	\$	%	\$	%	\$	%
Charter Revenue	2,981,124	50.33	3,019,139	13.02	3,487,412	29.89	6,943,568	37.03
Federal Grants	1,795,155	30.31	642,732	2.77	883,913	7.58	1,243,548	6.63
State Grants	95,669	1.61	79,873	0.35	45,019	0.39	138,703	0.74
Contributions	726,771	12.27	15,396,462	66.40	1,327,839	11.38	5,711,080	30.45
Other Revenue	324,621	5.48	4,047,997	17.46	5,922,292	50.76	4,716,775	25.15
Total Revenue	5,923,340	100	23,186,203	100	11,666,475	100	18,753,674	100

Current Financial Position

Dr. Howard Fuller Collegiate Academy has dramatically improved its financial position over recent fiscal years. The ratio of cash and receivables to current liabilities (excluding notes payable) has improved to 17.5 to 1 compared to 0.23 to 1 in the prior year. This improvement in current ratio is primarily due to an approximately \$10 million decrease in accounts payable caused by ongoing construction in prior year. Year-end cash balances total increased to \$7,263,000 from \$44,000, and the pledges receivables decreased by \$1,000,000.

Below is comparative summary of the indicators of the school's financial position over the last four years:

	2022	2023	2024	2025
Cash	\$ 4,229,915	\$ 803,812	\$ 43,498	\$ 7,263,298
Accounts Receivable	\$ 1,805,012	\$ 4,815,790	\$ 2,202,063	\$ 1,323,514
Current Liabilities (Net of Current Portion LTD)	\$ 30,032	\$ 129,569	\$ 9,654,833	\$ 491,755
Total Liabilities	\$ 60,165	\$ 129,569	\$ 9,654,833	\$ 491,755
Restricted Net Assets	\$ 6,193,296	\$ 7,423,155	\$ 2,330,451	\$ 1,386,524
Unrestricted Net Assets	\$ 1,904,220	\$18,800,627	\$ 23,289,780	\$30,925,139
Current Assets to Current Liabilities Ratio	201.0 to 1	43.4 to 1	0.23 to 1	17.5 to 1
Unrestricted Net Assets as Percentage of Yearly Revenues	32%	102%	200%	165%

Review of Annual Audit

The annual audit for Dr. Howard Fuller Collegiate Academy for the fiscal year ended June 30, 2025, was completed as of October 30, 2025 by the firm Ritz Holman LLP. The audit was submitted timely in accordance with the submission deadline. The annual audit was due on October

31, 2025. Per review of the report, there were no financial statement, internal control or compliance findings by the auditor. The auditor expressed no issues over the organization's ability to continue as a going concern. The audit appears to have been properly submitted, however late, and is in accordance with generally accepted accounting standards.

Other Reporting Requirements

The school is required under its contract with the City of Milwaukee to provide various monthly and quarterly financial reports, as well as providing notice of any significant changes in management or board governance. Dr. Howard Fuller Collegiate Academy has complied with those reporting requirements for the 2024-25 school year.

Conclusion

Based on our review of the management policies, procedures, compliance and the annual audit of the Dr. Howard Fuller Collegiate Academy as of June 30, 2025, it appears that the organization is taking steps to ensure a sufficient financial management system. The school is still in a solid financial position after its fourteenth year following its transition to a charter school. The school appears to be in compliance with the financial management provisions of its contract with the City of Milwaukee.

Subsequent Event

The School's five-year contract with the City of Milwaukee Charter Committee ended on June 30, 2025, and the school decided not to renew their contract with City of Milwaukee Charter Committee.

DR. HOWARD FULLER COLLEGIATE ACADEMY**Financial Scorecard**

SCORING CRITERIA	2022	2023	2024	2025	COMMENTS
Financial Condition (Maximum 50)	48	48	48	49	- Strong support of new building and land. - Large decrease to payables due to construction completion. - \$30.9 million in unrestricted net assets. - No outstanding line of credit balance.
Financial Reporting & Contract Compliance (Maximum 20)	20	18	18	18	- Required monthly reports were not always provided in accordance with contract. - Audit was completed on a timely basis.
Internal Controls (Maximum 20)	17	16	15	15	No Audit findings; however, two matters were listed as issues in the Management Letter that are opportunities for strengthening internal controls and operating efficiency. Journal Entries should be prepared and then reviewed by a different individual. The other issue was in regards to the donations database reconciliation.
Sustainability (Maximum 10)	9	9	9	10	- Increase in enrollment of 279 pupils due to expanded campus. - Solid financial position with a base to solicit significant contributions.
TOTAL	94	91	90	92	

Milwaukee Math and Science Academy

The Milwaukee Math and Science Academy (MMSA) was established as a City of Milwaukee charter school in 2011. 2024-25 was the school's fourteenth year as a City of Milwaukee charter school. Below is a summary of the financial results and financial contract compliance for their fiscal year ended June 30, 2025.

Current Year Financial Results

Over the past several years, MMSA has been operating on a break-even basis, maintaining its good financial position. For fiscal year 2025 change in Net Assets was a negative \$44,000. Revenues remained consistent while Expenses increased by approximately \$200,000 due to the increase in Salaries and Payroll Taxes of \$150,000, Food Services of \$30,000, Depreciation of \$29,000 and a decrease in Supplies of \$38,000. In FY 2025 the enrollment increased by 11 pupils, but enrollment should be watched closely by the school.

Per review of the annual audit, the school showed a decrease of \$44,000 in unrestricted net assets for the year from approximately \$3.57 million of revenues and expenses of \$3.61 million.

The Average Cost Per Full Time Equivalent Pupil (FTE) for FY 2025 was \$15,923 compared to FY 2024 of \$15,363.

Pupil Membership Counts for September and January for FY 2025 were 242 and 231 respectively, compared to FY 2024 of 243 and 220.

MMSA did not have any Restricted Fundraising Revenues or Expenses in FY 2025 and FY 2024.

MMSA did not have any Unrestricted Fundraising Revenues or Expenses in FY 2025 and FY 2024.

Below is a comparative summary of the school's financial results over the last four fiscal years:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Surplus / (Deficit)	(\$ 47,365)	(\$ 107,542)	\$ 191,367	(\$ 43,524)
Revenues	\$3,258,246	\$3,334,622	\$3,605,800	\$3,570,909
Expenses	\$3,305,611	\$3,442,164	\$3,414,433	\$3,614,433
Surplus/(Deficit) as a Percentage of Revenues	(1.5%)	(3.2%)	5.3%	(1.2)%

Breakdown of Revenues:

	2022		2023		2024		2025	
	\$	%	\$	%	\$	%	\$	%
Charter Revenue	1,766,678	54.22	2,042,188	61.24	2,555,963	70.88	2,690,948	75.36
Federal Grants	1,105,476	33.93	1,232,872	36.97	997,584	27.67	812,621	22.76
State Grants	95,669	2.94	32,895	0.99	28,738	0.80	42,668	1.19
Contributions	0	0.00	0	0.00	5,500	0.15	7,630	0.21
Other Revenue	290,423	8.91	26,667	0.80	18,015	0.50	17,042	0.48
Total Revenue	3,258,246	100	3,334,622	100	3,605,800	100	3,570,909	100

Current Financial Position

After its fourteenth year of operations, the school has accumulated an unrestricted net asset balance of \$751,000. MMSA has a solid cash flow position and the ratio of cash and receivables to current liabilities (excluding notes payable) decreased slightly to 3.4 to 1 compared to 5.3 to 1 in the prior year. Year-end cash balances totaled approximately \$358,000, and the school had receivables of \$223,000. Current liabilities total \$173,000 resulting in the favorable ratio.

Below is a comparative summary of the indicators of the school's financial position over the last four years:

	2022	2023	2024	2025
Cash	\$ 423,738	\$ 121,153	\$ 358,258	\$ 358,532
Accounts Receivable	\$ 408,109	\$ 541,687	\$ 401,100	\$ 223,217
Current Liabilities (Net of Current Portion LTD)	\$ 140,595	\$ 154,742	\$ 143,083	\$ 173,081
Total Liabilities	\$ 144,811	\$ 2,488,554	\$2,356,772	\$2,259,616
Restricted Net Assets	\$ 0	\$ 0	\$ 0	\$ 0
Unrestricted Net Assets	\$ 741,078	\$ 633,536	\$ 794,086	\$ 750,562
Current Assets to Current Liabilities Ratio	5.9 to 1	4.3 to 1	5.3 to 1	3.4 to 1
Unrestricted Net Assets as Percentage of Yearly Revenues	23%	19%	22%	21%

Review of Annual Audit

The annual audit for the Milwaukee Math and Science Academy for the fiscal year ended June 30, 2025, was completed as of October 27, 2025 by the firm Ritz Holman LLP. The audit was submitted timely in accordance with the submission deadline. Per review of the report, there were no significant financial statement, internal control or compliance findings noted by the auditor, and the auditor expressed no issues over the school's ability to continue as a going concern. The

audit report appears to have been properly submitted and is in accordance with generally accepted accounting standards.

Other Reporting Requirements

The school is required under its contract with the City of Milwaukee to provide various monthly and quarterly financial reports, as well as providing notice of any significant changes in management or board governance. MMSA has complied with those reporting requirements for the 2024-2025 school year.

Conclusion

Based on our review of the management policies, procedures, compliance and the annual audit of the Milwaukee Math and Science Academy as of June 30, 2025, the organization has adequate procedures in place to ensure a sufficient financial management system. The school continues to be in a solid financial position as a charter school. The school appears to be in compliance with the financial management provisions of its contract with the City of Milwaukee.

MILWAUKEE MATH AND SCIENCE ACADEMY

Financial Scorecard

SCORING CRITERIA	2022	2023	2024	2025	COMMENTS
Financial Condition (Maximum 50)	44	44	45	44	- Decrease to 3.4:1 ratio of cash and receivables to payables other than debt service. - No debt except Lease obligations. - Deficit in FY 2025 of \$43,524 as Program Revenues decreased by approximately \$27,000 and Expenses increased by approximately \$200,000.
Financial Reporting & Contract Compliance (Maximum 20)	19	18	19	19	- Most required monthly reports provided in accordance with contract. - Audit completed on a timely basis.
Internal Controls (Maximum 20)	17	15	16	16	- Internal controls in place. - No audit findings; however, one matter was listed as an issue in the Management Letter that is an opportunity for strengthening internal controls and operating efficiency. One teacher was not licensed, and it is recommended to review licenses annually.
Sustainability (Maximum 10)	8	8	8	9	-Good financial position - Increase of 11 pupils in enrollment count.
TOTAL	88	85	88	88	

Escuela Verde

Escuela Verde completed its thirteenth year of operations as a City of Milwaukee charter school in 2024-25. Escuela Verde is an arm of the Trans Center for Youth, Inc., which is comprised of three other entities; Shalom High School, Northwest Opportunities Vocational Academy and El Puente High School. Below is a summary of the financial results and financial contract compliance for their fiscal year ended June 30, 2025.

Current Year Financial Results

In its thirteenth year of operations, Escuela Verde, once again, was able to achieve very good financial results. Even with a relatively low enrollment level, the school again showed a surplus. The revenue is approximately \$2.0 million, a decrease of \$341,000. Revenue decrease is primarily due to grant income decrease of \$366,000. Expenses decreased by \$28,000 primarily due to information technology expense decrease of \$32,000 in 2024-25 fiscal year.

Per review of the annual audit, the school showed an unrestricted surplus of \$64,000 on revenues of \$2.0 million and expenses of \$1.9 million.

The Average Cost Per Full Time Equivalent Pupil (FTE) for FY 2025 was \$16,099 compared to FY 2024 of \$16,317.

Pupil Membership Counts for September and January for FY 2025 were 121 and 120 respectively, compared to FY 2024 of 120 and 121.

Escuela Verde did not have any Restricted Fundraising Revenues or Expenses in FY 2025 and FY 2024.

Escuela Verde did not have any Unrestricted Fundraising Revenues or Expenses in FY 2025 and FY 2024.

Below is a comparative summary of the school's financial results over the last four fiscal years:

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Surplus / (Deficit)	\$ 198,595	\$ 116,975	\$ 378,966	\$ 64,339
Revenues	\$1,848,017	\$2,038,787	\$2,345,112	\$2,004,265
Expenses	\$1,649,422	\$1,921,812	\$1,966,146	\$1,939,926
Surplus/(Deficit) as a Percentage of Revenues	11%	6%	16%	3%

Breakdown of Revenues:

	2022		2023		2024		2025	
	\$	%	\$	%	\$	%	\$	%
Charter Revenue	1,113,321	60.24	1,139,472	55.89	1,377,585	58.74	1,419,209	70.81
Federal Grants	214,885	11.63	346,840	17.01	388,815	16.58	120,094	5.99
State Grants	364,730	19.73	452,362	22.19	411,271	17.54	400,948	20.01
Contributions	103,050	5.58	12,769	0.63	113,316	4.83	16,515	0.82
Other Revenue	52,031	2.82	87,344	4.28	54,125	2.31	47,499	2.37
Total Revenue	1,848,017	100	2,038,787	100	2,345,112	100	2,004,265	100

Current Financial Position

After its thirteenth year of operations, the school has accumulated net assets of \$402,000 and maintains a solid balance sheet. Calculations of cash and receivables to current liabilities (except notes payable) are using the Trans Center for Youth and has decreased to 5.5 to 1 from 8.5 to 1 in the prior year. The Trans Center for Youth's year-end cash and receivables balances totaled approximately \$2,888,000. Current liabilities increased to a total of \$527,000, thus resulting in a decrease in the ratio.

As the school is part of the Trans Center for Youth, Inc., it is important to look at the financial position of the organization as a whole. In reviewing the audit for the whole organization, the organization is showing a solid financial position as of June 30, 2025.

Below is comparative summary of the indicators of the school's financial position over the last four years:

	2022	2023	2024	2025
Cash – Trans Center	\$1,194,030	\$1,092,733	\$1,762,262	\$2,641,525
Accounts Receivable – Trans Center	\$ 412,140	\$ 844,577	\$ 905,784	\$ 246,244
Current Liabilities (Net of Current Portion LTD) – Trans Center	\$ 170,441	\$ 340,140	\$ 314,641	\$ 527,205
Total Liabilities – Trans Center	\$1,388,017	\$1,777,201	\$1,887,107	\$1,971,850
Restricted Net Assets – EV	\$ 670,414	\$ 742,152	\$ 1,043,998	\$ 965,054
Unrestricted Net Assets – EV	\$ 261,504	\$ 306,741	\$ 383,861	\$ 401,585
Current Assets to Current Liabilities Ratio – EV	*	*	*	*
Net Assets as Percentage of Yearly Revenues – EV	50%	51%	61%	68%

* - School has almost no liabilities resulting in a ratio that is not useful for comparison purposes.
EV – Escuela Verde

Review of Annual Audit

The annual audit for the Escuela Verde and the Trans Center for Youth, Inc. for the fiscal year ended June 30, 2025, was completed as of October 8, 2025, by the firm Ritz Holman LLP. The audit was submitted timely in accordance with the submission deadline. Per review of the report, there were no financial statement, internal control or compliance findings by the auditor related to Escuela Verde, and the audit appears to have been properly submitted and is in accordance with generally accepted accounting standards. The auditor expressed no issues over the school's ability to continue as a going concern.

Other Reporting Requirements

The school is required under its contract with the City of Milwaukee to provide various monthly and quarterly financial reports, as well as providing notice of any significant changes in management or board governance. Escuela Verde has complied with those reporting requirements for the 2024-25 school year.

Conclusion

Based on our review of the management policies, procedures, compliance and the annual audit of Escuela Verde and the Trans Center for Youth, Inc. as of June 30, 2024, it appears that the organization has adequate procedures in place to ensure a sufficient financial management system. The school and organization as a whole appear to be in a good financial position. The school appears to be in compliance with the financial management provisions of its contract with the City of Milwaukee.

ESCUELA VERDE
Financial Scorecard

SCORING CRITERIA	2022	2023	2024	2025	COMMENTS
Financial Condition (Maximum 50)	47	48	48	48	- Good financial position after thirteenth year of operations. - Operating organization (Trans Center for Youth, Inc.) as a whole has a very good financial position. - Trans Center for Youth, Inc. has a Loan Payable of \$1,009,000 and Leases. There is no outstanding line of credit balance.
Financial Reporting & Contract Compliance (Maximum 20)	20	20	20	20	- All required monthly reports provided in accordance with contract. - Audit completed on a timely basis.
Internal Controls (Maximum 20)	17	18	18	17	- Good internal controls in place - No audit findings; however, one matter was listed as an issue in the Management Letter that is an opportunity for strengthening internal controls and operating efficiency. Two teacher's licenses were not valid, and it is recommended to review licenses annually.
Sustainability (Maximum 10)	10	10	10	10	- School shows continued growth. - Operating organization has solid financial results -Decrease in enrollment of 1 pupil.
TOTAL	94	96	96	95	