

EISNER&ER

RENEW – REINVENTING EDUCATION
NEW ORLEANS, LOUISIANA

FINANCIAL STATEMENTS

JUNE 30, 2025



RENEW – REINVENTING EDUCATION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
ReNEW – Reinventing Education

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of ReNEW – Reinventing Education (“ReNEW”) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities and cash flows for each of the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ReNEW as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (“GAAS”) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (“*Government Auditing Standards*”). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ReNEW and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ReNEW’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ReNEW's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ReNEW's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation and other Disbursements Paid to or on behalf of Agency Head on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2025, on our consideration of ReNEW's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ReNEW's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ReNEW's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Metairie, Louisiana
December 29, 2025

EISNERAMPER
LLP



RENEW – REINVENTING EDUCATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

ASSETS

	<u>2025</u>	<u>2024</u>
<u>CURRENT ASSETS</u>		
Cash	\$ 12,441,502	\$ 11,543,818
Grants receivable	9,137,169	3,505,594
Other receivables	335,583	110,583
	<u>21,914,254</u>	<u>15,159,995</u>
Total current assets		
<u>NON-CURRENT ASSETS</u>		
Deposits	122,128	122,128
Property and equipment, net	377,834	681,227
Right of use lease assets	545,275	-
	<u>1,045,237</u>	<u>803,355</u>
Total non-current assets		
Total assets	<u>\$ 22,959,491</u>	<u>\$ 15,963,350</u>

LIABILITIES AND NET ASSETS

<u>CURRENT LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 1,922,383	\$ 2,962,091
Current portion of operating lease liability	169,617	-
	<u>2,092,000</u>	<u>2,962,091</u>
Total current liabilities		
<u>LONG-TERM LIABILITIES</u>		
Long-term portion of operating lease liability	375,658	-
	<u>2,467,658</u>	<u>2,962,091</u>
Total liabilities		
<u>NET ASSETS</u>		
Without donor restrictions	20,382,797	13,000,238
With donor restrictions	109,036	1,021
	<u>20,491,833</u>	<u>13,001,259</u>
Total net assets		
Total liabilities and net assets	<u>\$ 22,959,491</u>	<u>\$ 15,963,350</u>

The accompanying notes are an integral part of these financial statements.

RENEW - REINVENTING EDUCATION
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2025 AND 2024

	Year ended June 30, 2025			Year ended June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<u>REVENUES AND SUPPORT</u>						
Federal government	\$ 14,761,999	\$ -	\$ 14,761,999	\$ 9,671,171	\$ -	\$ 9,671,171
State and local governments	45,986,096	-	45,986,096	34,754,334	-	34,754,334
Private grants and donations	511,917	303,686	815,603	4,559	98,415	102,974
Other revenue	1,257,110	-	1,257,110	793,196	-	793,196
Net assets released from restrictions	195,671	(195,671)	-	155,474	(155,474)	-
Total revenues and other support	62,712,793	108,015	62,820,808	45,378,734	(57,059)	45,321,675
<u>EXPENSES</u>						
Program services						
Regular education programs	19,694,806	-	19,694,806	16,022,428	-	16,022,428
Operation and maintenance of facilities	10,082,262	-	10,082,262	8,232,574	-	8,232,574
Special education programs	6,591,901	-	6,591,901	5,958,568	-	5,958,568
School administration	5,338,024	-	5,338,024	3,840,697	-	3,840,697
Instructional staff services	1,344,240	-	1,344,240	1,628,511	-	1,628,511
Food service operations	2,192,158	-	2,192,158	1,668,151	-	1,668,151
Pupil support services	4,894,280	-	4,894,280	4,223,759	-	4,223,759
Student activities	1,497,197	-	1,497,197	1,573,151	-	1,573,151
Management and general						
General administration	3,695,366	-	3,695,366	3,126,860	-	3,126,860
Total expenses	55,330,234	-	55,330,234	46,274,699	-	46,274,699
Change in net assets	7,382,559	108,015	7,490,574	(895,965)	(57,059)	(953,024)
<u>NET ASSETS, BEGINNING OF YEAR</u>	13,000,238	1,021	13,001,259	13,896,203	58,080	13,954,283
<u>NET ASSETS, END OF YEAR</u>	\$ 20,382,797	\$ 109,036	\$ 20,491,833	\$ 13,000,238	\$ 1,021	\$ 13,001,259

The accompanying notes are an integral part of these financial statements.

RENEW - REINVENTING EDUCATION
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 7,490,574	\$ (953,024)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization expense	303,393	302,594
Changes in operating assets and liabilities:		
Grants receivable	(5,631,575)	1,512,880
Other receivables	(225,000)	125,000
Deposits	-	79,002
Accounts payable and accrued expenses	(1,039,708)	1,192,440
	<u>897,684</u>	<u>2,258,892</u>
Net cash provided by operating activities		
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Purchases of property and equipment	<u>-</u>	<u>(346,724)</u>
Net cash used in investing activities	<u>-</u>	<u>(346,724)</u>
Net increase in cash	897,684	1,912,168
Cash, beginning of year	<u>11,543,818</u>	<u>9,631,650</u>
Cash, end of year	<u>\$ 12,441,502</u>	<u>\$ 11,543,818</u>

The accompanying notes are an integral part of these financial statements.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Organization

ReNEW – Reinventing Education (“ReNEW” or “the Organization”), incorporated on June 6, 2009, is an educational institution organized to provide a rigorous, college preparatory education to historically underserved pre-kindergarten through eighth grade students.

As a result of Orleans Parish city wide school reunification, effective July 1, 2018, the Louisiana State Board of Elementary and Secondary Education (BESE) approved the transfer of all of ReNEW's Type 5 charter schools to a Type 3B charter to operate under the jurisdiction of New Orleans Public Schools (NOLAPS). During the year ended June 30, 2024, ReNEW operated 3 schools: ReNEW Laurel Elementary, ReNEW Dolores T. Aaron Elementary, ReNEW Schaumburg Elementary. Effective July 1, 2024, a fourth school, ReNEW Moton Lakefront was opened.

Basis of Presentation

The financial statements of ReNEW have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("GAAP"), which require ReNEW to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of ReNEW's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ReNEW or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash

Cash includes amounts on deposit at local financial institutions.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Grants and Other Receivables

Grants and other receivables consist primarily of noninterest-bearing amounts related to federal and state grant reimbursements. ReNEW records unconditional promises to give that are expected to be collected within one year at net realizable value. Promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. At June 30, 2025 and 2024, there are no unconditional promises to give.

ReNEW determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. At June 30, 2025 and 2024, management does not have an allowance for uncollectable receivables as outstanding amounts are considered collectible.

Property and Equipment

The land, building and building improvements used to operate ReNEW are owned by New Orleans Public Schools (NOLAPS), and as such, are recorded on the financial statements of NOLAPS. NOLAPS also provided ReNEW with furniture and equipment that is also recorded on the NOLAPS's financial statements and not reported by ReNEW. See Note 12 for further information.

ReNEW only reports its direct purchases of leasehold improvements, furniture and equipment. ReNEW has adopted the practice of capitalizing all expenditures for depreciable assets where the unit costs exceed \$5,000. Property is recorded at cost or at fair value for donated assets. Depreciation of these assets is provided on the straight-line basis over their estimated useful lives of 3 years for furniture and equipment and 5 years for leasehold improvements.

Contributions and Revenue Recognition

Revenue is recognized when earned. Revenues from federal and state grants are conditioned upon certain performance requirements, the incurrence of allowable qualifying expenses, or when otherwise earned under the terms of the funding. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional contributions are not recognized until the conditions on which they depend have been substantially met. Amounts received are recognized as revenue when ReNEW has met the performance requirements and/or incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position.

Contributed Gifts-In-Kind

The value of contributed goods and services is recorded, at fair value, as revenues and support and expense or assets in the period received, provided there is an objective basis for measurement of the value of such goods and services. Recognition of contributed services requires specialized skills. ReNEW did not recognize donated goods or services during the years ended June 30, 2025 and 2024.

In addition, ReNEW receives services donated by parents and community members in carrying out ReNEW's mission. The value of these services is not recognized in the accompanying financial statements as they do not meet the criteria for recognition under GAAP.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Note 11 presents a reconciliation of expenses by function to their natural classification. Accordingly, certain costs have been allocated among the programs and services benefited. Expenses have been specifically identified with a program or supporting service.

Tax Exempt Status

ReNEW is a nonprofit organization exempt from the income taxes under provisions of the Internal Revenue Service Code Sections 501(c) (3) and the Louisiana Revised Statutes; therefore, no provision has been made for federal and state income taxes.

ReNEW applies a “more-likely-than-not” recognition threshold for all tax uncertainties. This approach only allows the recognition of those tax benefits that have a greater than 50% percent likelihood of being sustained upon examination by the taxing authorities. As a result of applying this approach, ReNEW has reviewed its tax positions and determined there were no outstanding, or retroactive tax positions with less than a 50% likelihood of being sustained upon examination by the taxing authorities.

Leases

ReNEW determines if an arrangement is a lease at the inception of the contract. For leases with terms greater than twelve months, right of use (ROU) assets and lease liabilities are recognized at the contract commencement date based on the present value of lease payments over the lease term. ROU assets represent ReNEW's right to use the underlying asset for the lease term. Lease liabilities present ReNEW's obligation to make lease payments arising from these contracts. ReNEW uses a risk-free rate, which is derived from information available at the lease commencement date, in determining the present value of lease payments.

Lease terms may include options to extend or terminate the lease when it is reasonably certain that such options will be exercised. The estimated useful life of ROU assets is limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise. ReNEW's lease agreements generally do not contain any material residual value guarantees, restrictions or covenants.

ReNEW has elected to apply the short-term lease exemption to all classes of assets, primarily copiers and storage units, where leases that have a term of 12 months or less are excluded from the measurement of the right-of-use asset and lease liability. The short-term lease costs during 2025 and 2024 were \$132,330 and \$280,356, respectively.

2. Liquidity and Availability

ReNEW regularly monitors the availability of resources required to meet its operating needs and other contractual commitments.

ReNEW receives the majority of its revenue from the State of Louisiana Minimum Foundation Program Funding and from various federal grants passed through the State of Louisiana. The grant amounts are appropriated each year by the federal and state governments.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

2. Liquidity and Availability (continued)

ReNEW manages its available cash to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability;
- Maintaining liquid assets; and
- Maintaining sufficient reserves to provide reasonable assurance that long term commitments will continue to be met, ensuring the sustainability of the organization.

The table below presents financial assets available for general expenditures within one year at June 30:

	<u>2025</u>	<u>2024</u>
Total assets	\$ 22,959,491	\$ 15,963,350
Less: non-financial and other non-current assets		
Deposits	(122,128)	(122,128)
Property and equipment, net	(377,834)	(681,227)
Right of use lease assets	<u>(545,275)</u>	<u>-</u>
Financial assets available for general expenditures within one year	<u>\$ 21,914,254</u>	<u>\$ 15,159,995</u>

ReNEW also has a line of credit available to meet short-term needs, as described in Note 5. As of June 30, 2025, \$2,000,000 remained available on the line of credit.

3. Grants Receivable

Grants receivable as of June 30 are as follows:

	<u>2025</u>	<u>2024</u>
Due from federal government	\$ 6,465,654	\$ 1,172,383
Due from State of Louisiana	2,671,515	2,333,211
	<u>\$ 9,137,169</u>	<u>\$ 3,505,594</u>

4. Property and Equipment

A summary of property and equipment at June 30 is as follows:

	<u>2025</u>	<u>2024</u>
Furniture and equipment	\$ 754,845	\$ 1,751,400
Leasehold improvements	1,049,659	1,049,659
	1,804,504	2,801,059
Less: accumulated depreciation	<u>(1,426,670)</u>	<u>(2,119,832)</u>
Total property and equipment, net	<u>\$ 377,834</u>	<u>\$ 681,227</u>

5. Line of Credit

ReNEW has a \$2,000,000 line of credit with a financial institution, secured by deposit accounts. The line of credit expired September 22, 2024. The line of credit was renewed on January 6, 2025 maturing January 22, 2026. Interest is due monthly at the prime lending rate of 7%, along with monthly principal payments. At June 30, 2025, the line of credit had no outstanding balance.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

6. Net Assets with Donor Restrictions

A summary of the composition of net assets with donor restrictions at June 30 is as follows:

	<u>2025</u>	<u>2024</u>
Restricted for purpose:		
STEM	\$ 5,000	\$ -
Service learning program	4,036	-
School garden project	-	1,021
ReNEW Therapeutic Program	100,000	
	<u>\$ 109,036</u>	<u>\$ 1,021</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Security cameras	\$ -	\$ 35,196
SPED curriculum	-	1,000
Extracurricular activities	61,150	-
Family literacy events	10,000	20,764
Special education art	-	21,863
School uniforms	20,000	-
Special education	100,000	-
School garden project	1,521	-
Arts education	3,000	19,500
Library	-	9,000
STEM	-	4,490
Journalism	-	29,911
Culinary arts	-	13,750
	<u>\$ 195,671</u>	<u>\$ 155,474</u>

7. Credit Risk Concentration

ReNEW has bank accounts at financial institutions, which at times may exceed federally insured deposit limits. ReNEW has not historically experienced any loss in such accounts and management believes ReNEW is not exposed to any significant credit risk related to the cash in the banks.

8. Economic Dependency

ReNEW receives the majority of its revenue from the state and local Minimum Foundation Program funding passed through NOLA Public Schools and from various federal grants passed through the State of Louisiana. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/ or state level, the amount of funds ReNEW receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will significantly affect the amount of revenue and support ReNEW will receive related to its grant awards.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

9. Contingencies

ReNEW participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that ReNEW has not complied with the rules and regulations governing the grants, refunds of any money received and the collectability of any related receivable as of June 30, 2025 might be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and ReNEW.

10. Defined Contribution Plan

Full-time employees 18 years of age and older are eligible to participate in the Plan after completing one hour of service in a twelve-month period. ReNEW matches employee contributions based upon years of service from 4% to 10% of employee compensation. All participating employee match contributions are fully vested. For the years ended June 30, 2025 and 2024, ReNEW made \$657,131 and \$572,446, respectively, in employer matching contributions to the plan.

11. Functional Allocation of Expenses

Program services represent specifically identified expenses and management's estimate of expenses that should be allocated to supporting classroom and teaching activities and programs. Management and general services represent specifically identified expenses and management's estimate of expenses that should be allocated to business management and administration services. The expenses that are allocated are allocated among the programs and supporting services benefited, using appropriate methodologies such as time and effort.

Functional expenses for the year ended June 30, 2025 are as follows:

	Program Services	Management and General	Total
Advertising	\$ 79,749	\$ -	\$ 79,749
Contract services	2,312,990	455,839	2,768,829
Depreciation expense	303,393	-	303,393
Facility, equipment, and maintenance	3,513,104	-	3,513,104
Food service operations	2,192,158	-	2,192,158
Instructional materials	2,429,733	-	2,429,733
Insurance	693,541	-	693,541
Non-instructional materials	11,474	293,756	305,230
Telephone, postage, access, and printing	157,545	203,464	361,009
Salaries and benefits	34,742,145	2,638,495	37,380,640
State and local MFP fee	733,110	-	733,110
Student transportation	3,861,436	-	3,861,436
Technology	304,156	-	304,156
Travel and staff development	300,334	103,812	404,146
Total expenses	<u>\$ 51,634,868</u>	<u>\$ 3,695,366</u>	<u>\$ 55,330,234</u>

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

11. Functional Allocation of Expenses (continued)

Functional expenses for the year ended June 30, 2024 are as follows:

	Program Services	Management and General	Total
Advertising	\$ 155,114	\$ -	\$ 155,114
Contract services	2,047,242	365,591	2,412,833
Depreciation expense	302,594	-	302,594
Facility, equipment, and maintenance	2,967,948	-	2,967,948
Food service operations	1,668,151	-	1,668,151
Instructional materials	2,323,245	-	2,323,245
Insurance	744,526	-	744,526
Miscellaneous	-	208	208
Non-instructional materials	24,748	257,063	281,811
Telephone, postage, access, and printing	189,519	4,588	194,107
Salaries and benefits	28,308,898	2,395,399	30,704,297
State and local MFP fee	624,910	-	624,910
Student transportation	3,265,546	-	3,265,546
Technology	220,516	-	220,516
Travel and staff development	304,882	104,011	408,893
Total expenses	<u>\$ 43,147,839</u>	<u>\$ 3,126,860</u>	<u>\$ 46,274,699</u>

12. School Properties

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use facilities and its contents located at 10200 Curran Boulevard. ReNEW is using the space for ReNEW Dolores T. Aaron Academy for three years. On July 1, 2024, ReNEW renewed the lease agreement for an additional five years ending June 30, 2029. During the years ended June 30, 2025 and 2024, no rent was charged to ReNEW by NOLAPS.

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use facilities and its contents located at 820 Jackson Avenue. ReNEW is using the space for ReNEW Laurel Elementary for three years. On July 1, 2024, ReNEW renewed the lease agreement for an additional five years ending June 30, 2029. During the years ended June 30, 2025 and 2024, no rent was charged to ReNEW by NOLAPS.

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its content located at 9501 Grant Street. ReNEW is using the space for ReNEW Schaumburg Elementary for three years. On July 1, 2024, ReNEW renewed the lease agreement for an additional five years ending June 30, 2029. During the years ended June 30, 2025 and 2024, no rent was charged to ReNEW by the NOLAPS.

On July 1, 2021, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its contents located at 1607 South Carrollton Avenue. ReNEW was using the space for the operations of ReNEW Laurel Elementary's programs for three years. This lease expired June 30, 2024. During the year ended June 30, 2024, no rent was charged to ReNEW by the NOLAPS.

On July 1, 2024, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its content located at 2503 Willow Street. ReNEW is using the space for the operations of ReNEW SciTech's programs for five years. During the year ended June 30, 2025, no rent was charged to ReNEW by the NOLAPS.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

12. School Properties (continued)

On July 1, 2024, ReNEW entered into a lease agreement with NOLAPS to allow ReNEW to use the facilities and its content located at 8550 Curran Boulevard. ReNEW is using the space for the operations of ReNEW Robert Russa Moton Lakefront's programs for five years. During the year ended June 30, 2025, no rent was charged to ReNEW by the NOLAPS.

Use of the property, including fixtures, furniture, and equipment provided by NOLAPS is not recorded as an in-kind contribution nor as a related rent expense. The agreements are classified as exchange transactions because both parties receive significant value from these agreements. ReNEW is responsible for all necessary maintenance to ensure that the facilities comply with all state and local health and safety standards and other applicable laws, regulations, and rules.

13. Leases

ReNEW has operating lease agreements for equipment at varying terms.

Information related to leases is as follows as of and for the years ended June 30:

	<u>2025</u>	<u>2024</u>
Operating cash flows from operating leases	\$ 172,474	\$ -
ROU assets obtained in exchange for lease obligations	\$ 694,975	\$ -
Weighted average remaining lease term	3 Years	-
Weighted average discount rate	3.96%	-

As lessee, operating lease liabilities under non-cancellable leases (excluding short-term) leases are as follows:

Years Ending June 30:	
2026	\$ 188,153
2027	188,153
2028	188,153
2029	<u>15,679</u>
Total lease payments	580,138
Less: interest	<u>(34,863)</u>
	<u><u>\$ 545,275</u></u>

14. Employee Retention Tax Credit

The CARES Act provides an employee retention credit ("CARES Employee Retention credit") which is a refundable tax credit against certain employment taxes. Employee retention credit revenue of \$5,406,607 is included in federal government revenues on the statement of activities for the year ended June 30, 2025. These credits relate to amended Form 941 employer quarterly federal tax returns filed for the quarters ended September 30, 2020 and December 31, 2020.

The retention credit received by ReNEW are subject to future IRS audits and as such, if disallowed in whole or in part, amounts may be subject to refund with interest and penalties.

RENEW – REINVENTING EDUCATION

NOTES TO FINANCIAL STATEMENTS

15. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 29, 2025. No events occurring after this date have been evaluated for inclusion in these financial statements.

SUPPLEMENTARY INFORMATION

RENEW - REINVENTING EDUCATION
SCHEDULE OF COMPENSATION AND OTHER DISBURSEMENTS
PAID TO OR ON BEHALF OF AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2025

Organization Head: Tanya Bryant, CEO

Purpose	Amount
Salary	245,083
Mileage	1,800
Benefits - Insurance	14,518
Benefits - Retirement	19,218
Benefits - FICA	10,666
Benefits - Medicare	3,471
Other reimbursements:	
Business Meals (CMO)	65
Business Materials & Supplies	20
Team Development Meeting (Staff)	55
	<u>\$ 294,896</u>

See accompanying independent auditors' report.