

Joint Education Board and Finance
Committee Meeting
Tuesday, September 22, 2026 1:00 PM

Room 2210
1015 Norwood Park Blvd.
Austin, TX 78753

Agenda

- I. CALL TO ORDER
 - Establish a quorum
- II. PUBLIC COMMENT
- III. CONSENT AGENDA
 - May 22, 2026, Joint Meeting Minutes
- IV. DISCUSSION/ACTION ITEMS
 - RFP Bid Review: Exploration Center GCC 1st Floor Renovation
- V. EXECUTIVE SESSION
 - Houston MOU and Real Estate
- VI. RECONVENE IN OPEN SESSION
 - Action from closed session
- VII. ADJOURN MEETING



September 22, 2026
Joint GEB/Finance Committee Meeting: 1:00PM-2:00PM
AGENDA

Education Board Members: Rob Neville, Cheryl Koury, Delbert Bray, Katina Kenyon, Kirsten Hund, Margaret Moten, Marian Wallace

Finance & Audit Committee Members: Mike Clifford, Delbert Bray, Richard Shields, Katina Kenyon, Bril Flint, Joanne Corum, Mark Daley Johnson

Staff: Rob Neville, Craig Wright, Theresa Rappaport, Aaron Moncibaiz, Heather Briscoe (minutes), Lisa Dennis, Natalie Elliott, Krystalle Roman, Sharon Evans

Time	Duration	Item	Presenter
		JOINT GEB/FINANCE MEETING	
1:00 PM	2 mins	Call Joint GEB/Finance Committee Meeting to Order Establish a quorum	Richard Shields
1:02 PM	2 mins	Public Comment	Richard Shields
1:04 PM	1 min	Approve May 22, 2026, Joint Meeting Minutes <i>Motion to approve the minutes as presented</i>	Richard Shields
1:05 PM	40 mins	Discussion and Possible Action: RFP Bid Review: Exploration Center GCC 1st Floor Renovation <i>Motion to recommend that The Excel Center Board of Directors (1) award the Excel Center Exploration Center portion of CSP Job #001A to [contractor] as the proposer offering the best value under the published selection criteria and Government Code Chapter 2269; (2) authorize the Superintendent, General Counsel, and Chief Financial Officer, consistent with the Board's June 2026 delegation, to negotiate final price, scope, and contract terms with [contractor] as the top-ranked proposer under Government Code Section 2269.155; and (3) if a satisfactory contract cannot be reached, authorize those designees to formally end negotiations in writing, proceed to the next proposer in order of the Board-approved ranking, and execute a contract with that proposer on substantially the same terms and within the approved project budget, until a contract is reached or all proposals are rejected. This recommendation is subject to Charterholder Board action on September 25, 2026, and to Goodwill Central Texas Board approval of the Center for Good portion.</i>	Theresa Rappaport, Craig Wright



		○ Houston Pro Forma	
1:45 PM	10 mins	Executive Session: <i>Pursuant to Texas Government Code Section 551.071 and/or 551.074</i> ○ Houston MOU and Real Estate	Richard Shields
1:55 PM	5 mins	Reconvene in Open Session ○ Action from closed session	Richard Shields
2:00 PM		ADJOURN	Richard Shields
FINANCE & AUDIT COMMITTEE MEETING			

Upcoming Committee/Board Meetings

9/25 – Charterholder and GCT Board of Directors Meeting

11/6 – Finance & Audit Committee

JOINT MEETING GOODWILL EDUCATION + AUDIT & FINANCE

September 22, 2026

| **Call to Order**

- Roll Call / Establish a Quorum

| **Public Comment**

| Agenda

- Call to Order / Establish a Quorum / Public Comment
- Minute Approval
- Discussion / Action Items
 - CSP Job #001A Proposal Evaluation – Exploration Center GCC 1st Floor Renovation
 - Houston pro forma
- Executive Session
- Action Item: Action Items from Executive Session
- Adjourn



| Minute Approval

- Meeting Minutes: May 22, 2026

Motion and Second to approve the minutes as presented

| **Discussion / Action Items**

Exploration Center CSP Job #001A Proposal Evaluation

CSP Job #001A: Proposals

Read at the 9/11 public opening (Gov. Code 2269.154); evaluation is today (2269.155)

Proposer	Exploration Center	Center for Good	Total	Travis County record	Relevant experience
HCS	\$1,569,400	\$1,071,400	\$2,640,800	\$15M over 5 yrs; 80% of work	Robust public school district experience
S. Watts Group	\$1,490,267	\$990,268	\$2,480,535	\$160M total; 30% non-profit, charter, K-12	No recent K-12 district experience; prior work with NoackLittle
Sullivan Contracting Services	\$703,998	\$2,123,812	\$2,827,810	\$17.9M over 5 yrs; 15% of work	Public school district, higher ed, civic
Trimbuilt Construction, Inc.	\$1,577,934	\$727,067	\$2,305,000	\$173.7M over 5 yrs; 7% of work	No recent K-12 district experience; civic works incl. prior GCTA project

Published selection criteria: Price 35 points; experience and reputation 35 points; six further criteria at 5 points each, 100 total (rubric in reference materials). Scoring must follow the weights as published.

Today: The GEB recommends the Exploration Center portion; the Center for Good portion is a Goodwill Central Texas board decision. Contract award authority goes to the Charterholder Board on 9/25.

| Houston Opportunity

Investing in Strategic Growth

Recap

- Board Approved the Strategic Plan: 4/24/2026
- 26/27 SY Budget with Strategic Initiatives Approved: 6/12/2026
- Expansion Portfolio Update at Strategic Plan Refresh: 8/7/2026
- Board Information Session on Houston Partner Terms: 9/1/2026
- GEB Presentation of Houston Financials: 9/11/2026
- GEB + Audit & Finance Presentation of Houston Financials: 9/22/2026



GEB Discussion Highlights

Ten requests from 9/11, answered in the slides that follow and in the reference workbook.

STAFFING & ENROLLMENT	BUDGET	CASH & RESERVES	CONTINGENCY
• Staffing ratios, first five years • Enrollment targets, first three years • Shared services from Goodwill Houston	• Budget by category • Start-up benchmark: how common is an opening deficit	• Cash vs. fund balance: draw, duration, recovery • System cash forecast and Charter FIRST • Fund balance options and fundraising constraints	• Bridge plan for enrollment or fundraising shortfalls

Decision Gate Roadmap

Date	Governing Body	Focus
9/1	Joint Charterholder + GEB	Partnership Terms: MOU & lease terms, preliminary financials - focused on Houston opportunity
9/11	GEB	<i>Regular GEB Meeting including standard agenda items</i> Houston Campus Detailed Review: business case, pro forma financials, staffing plan, greenlighting scorecard Vote: Recommend approval to negotiate MOU & Lease
9/22	Audit & Finance Committee	<i>Pro Forma Financials: new campus 5-year P&L, cash flow, cash-on-hand levels, and investment need</i>
9/25	Charterholder	<i>Regular Charterholder meeting including standard agenda items</i> Vote: Approve GEB recommendation to negotiate MOU & Lease
11/6	GEB	<i>Regular GEB Meeting including standard agenda items</i> Vote: Recommend approval for expansion amendment
11/13	Charterholder	<i>Regular Charterholder meeting including standard agenda items</i> Vote: Approve GEB recommendation for expansion amendment

Houston Campus

Financials

26/27 Base Budget & Investments

	Norwood	South	Coleman	Billy Moore	Diboll	Connally	Stiles	Exploration Center	Central Office	Total
Revenue	6,709,607	1,479,819	1,837,027	1,741,511	1,062,864	712,952	1,065,430	407,988	1,375,602	\$16,392,800
Expense	\$3,927,732	\$1,149,904	\$1,100,362	\$997,101	\$687,530	\$695,010	\$682,761	\$1,021,361	\$4,454,570	\$14,716,331
Allocations	\$2,857,346	\$490,246	\$573,947	\$573,947	\$357,717	\$227,187	\$358,717	(\$612,372)	(\$4,063,535)	\$763,200
Expense + Allocations	\$6,785,078	\$1,640,150	\$1,674,309	\$1,571,048	\$1,045,247	\$922,197	\$1,041,478	\$408,989	\$391,035	\$15,479,531
Strategic Investments									\$1,885,959	\$1,885,959
Expense + Investments	\$6,785,078	\$1,640,150	\$1,674,309	\$1,571,048	\$1,045,247	\$922,197	\$1,041,478	\$408,989	\$2,280,428	\$17,368,924
Margin	(\$75,471)	(\$160,331)	\$162,718	\$170,463	\$17,617	(\$209,245)	\$23,952	(\$1,001)	(\$904,826)	(\$976,124)

Houston Campus

Start Up Year 26/27

Houston	26-27
Revenue	\$1,007,649
Expense	\$524,385
Allocations	\$0
Expense + Allocations	\$524,385
Strategic Investments	
Expense + Investments	\$524,385
Margin	\$483,264

- Houston Expansion improves current year margin
- GWHouston contribution recognized in year received, 26/27
- Depreciation expense recorded once campus opens
 - beginning 27/28

| Assumptions

Contribution of \$1M start up year

- \$500K per year to support ongoing operations from GWHouston

Start Up Year

- 3 months of facility expenses
- 6 months of Campus Admin salary expense
- \$1M in building improvements + \$850K in furniture and equipment

Staffing Ratios

- Classroom staff (teachers + paras): 18 FTE in Year 1, about 20 ADE per FTE; 33 FTE by Year 5
- Coaches and counselors: 4 FTE to 7 FTE; total campus FTE 38 (Y1) to 54 (Y5)

Enrollment

- 600 / 810 / 1,013 enrolled in Years 1 to 3 (360 / 486 / 608 ADE); capacity 1,214 by Year 5

| Projected Change to Budget

	Norwood	South	Coleman	Billy Moore	Diboll	Connally	Stiles	Exploration Center	Central Office	Total	Houston	Projected Total
Revenue	6,709,607	1,479,819	1,837,027	1,741,511	1,062,864	712,952	1,065,430	407,988	1,375,602	\$16,392,800	\$1,007,649	\$17,400,449
Expense	\$3,927,732	\$1,149,904	\$1,100,362	\$997,101	\$687,530	\$695,010	\$682,761	\$1,021,361	\$4,454,570	\$14,716,331	\$524,385	\$15,240,716
Allocations	\$2,857,346	\$490,246	\$573,947	\$573,947	\$357,717	\$227,187	\$358,717	(\$612,372)	(\$4,063,535)	\$763,200	\$0	\$763,200
Expense + Allocations	\$6,785,078	\$1,640,150	\$1,674,309	\$1,571,048	\$1,045,247	\$922,197	\$1,041,478	\$408,989	\$391,035	\$15,479,531	\$524,385	\$16,003,916
Strategic Investments									\$1,885,959	\$1,885,959		\$1,885,959
Expense + Investments	\$6,785,078	\$1,640,150	\$1,674,309	\$1,571,048	\$1,045,247	\$922,197	\$1,041,478	\$408,989	\$2,280,428	\$17,368,924	\$524,385	\$17,893,309
Margin	(\$75,471)	(\$160,331)	\$162,718	\$170,463	\$17,617	(\$209,245)	\$23,952	(\$1,001)	(\$904,826)	(\$976,124)	\$483,264	(\$492,860)

Margin will improve \$483K to (\$492K) deficit

- GWHouston contribution recognized in year received, 26/27
- Depreciation expense recorded in year campus opens, beginning 27/28

| Change to Cash on Hand

Margin will improve
\$483K to (\$492K)
deficit

- GWHouston contribution recognized in year received, 26/27
- Depreciation expense recorded in year campus opens, beginning 27/28

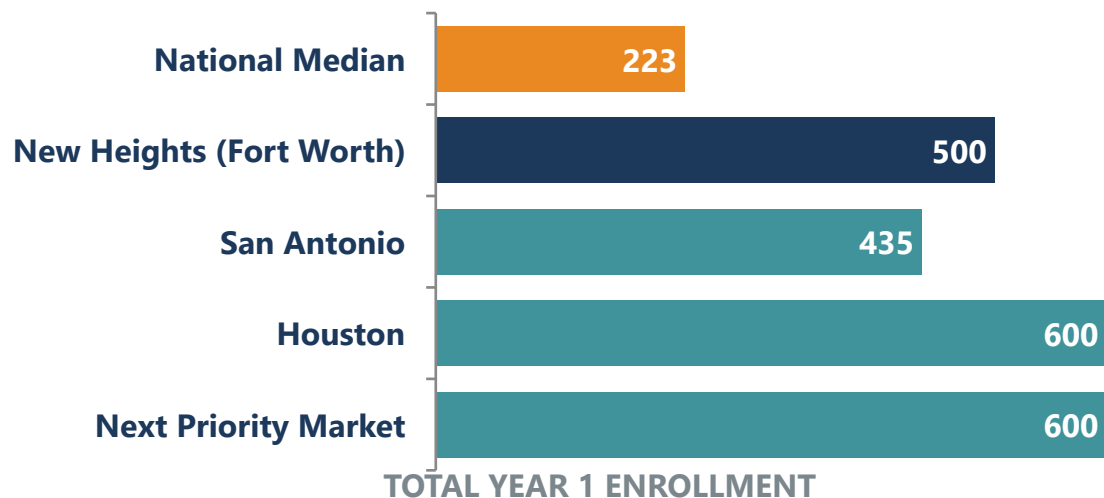
	26/27	27/28	28/29	29/30	30/31	31/32
District Summary	Current Year	1st Year	2nd Year	3rd Year	4th Year	5th Year
Net Income:	(\$492,860)	(\$1,689,942)	\$391,271	\$787,623	\$1,802,594	\$2,845,961
CapEx Investments	Current Year	1st Year	2nd Year	3rd Year	4th Year	5th Year
Exploration Center Expansion	(\$1,500,000)					
Houston	(\$1,850,000)					
South Austin	(\$1,000,000)					
Total:	(\$4,350,000)	\$0	\$0	\$0	\$0	\$0
TEA prior year receivable	\$3,500,000	\$2,000,000	\$4,000,000	\$4,500,000	\$5,000,000	\$6,000,000
TEA current year receivable	(\$2,000,000)	(\$4,000,000)	(\$4,500,000)	(\$5,000,000)	(\$6,000,000)	(\$6,000,000)
ADD Depreciation	\$50,000	\$642,857	\$771,786	\$771,786	\$993,214	\$993,214
Net Cash Flow:	(\$3,292,860)	(\$3,047,085)	\$663,056	\$1,059,409	\$1,795,809	\$3,839,175
Cash Balance						
Beg Bal	\$5,000,000	\$1,707,140	(\$1,339,945)	(\$676,889)	\$382,520	\$2,178,329
End Balance	\$1,707,140	(\$1,339,945)	(\$676,889)	\$382,520	\$2,178,329	\$6,017,504
1x Day Cash	\$46,812	\$62,097	\$73,367	\$83,045	\$99,113	\$107,198
Days Cash	36	(22)	(9)	5	22	56
FIRST Rating Days Cash	75					
Cash deficit to FIRST rating	\$1,803,794	\$5,997,222	\$6,179,376	\$5,845,875	\$5,255,136	\$2,022,309

| Cash Considerations

- **Delayed cash inflows, built into model**
 - TEA uses traditional school attendance to estimate our monthly FSP payments
 - As of June 30, 2026 - \$3.5M receivable, typically pays in October
- **Charter FIRST rating impact**
 - Days Cash on Hand Indicator 7– minimum 60 days for maximum points
 - Houston expansion will decrease cash in 26/27 by \$1.37M (29 days)
 - Change in Net Assets Indicator 6 – Greater than 25% decrease to fund balance?
 - If yes, then 75 days cash on hand need to earn maximum points

Built for Texas Demand

Year 1 enrollment sized for local demand



35%

Projected Y1-2 enrollment growth in Texas, ahead of the **31% national median** and consistent across new campuses.

Rationale for a Larger Launch

Texas demand is already proven

Norwood has reached **800+ enrollment** in **6 of the last 8 years**, dipping only during COVID and a leadership transition.

Larger markets, larger launches

Houston & San Antonio are two of the state's **highest-need regions** for adult education. New Heights in Fort Worth planned 350 and opened at 500 in 2024.

Sized to Capacity & Demand

Year 1 enrollment is sized to **classroom capacity** and calibrated to Norwood's **proven demand pattern**.

| Starting Costs

About \$1.8M of startup capital per campus

Startup capital, per campus	Amount	% of total
Building improvements	\$1,000,000	54%
Furniture, supplies & technology	\$850,000	46%
Total per campus	\$1,850,000	100%

Not included above: operating losses until the campus reaches breakeven, working capital to bridge the state payment cycle, and lease deposits. Detail included in the appendix.

CASH MODEL

- The accrual view understates the opening year. Interior buildout depreciates over ten years at \$100K a year; the cash goes out in one year.
- Depreciation added back. The cash model adds \$642,857 of depreciation back in 27/28, rising to \$993,214 once all campuses are open.
- A full buildout of a second-generation shell runs \$1.85M: \$1.0M interior construction plus furniture, technology and equipment.

| Path to Breakeven

A new campus carries itself by Year 4

New Campus	27/28	28/29	29/30	30/31	31/32
Enrolled	600	810	1,013	1,113	1,214
Average daily enrollment	360	486	608	668	735
Revenue (\$M)	4.14	5.74	7.11	7.91	8.70
Expenses (\$M)	5.84	6.24	7.42	7.83	8.49
Net income (\$M)	(1.70)	(0.50)	(0.31)	0.08	0.22
Cumulative cash (\$M)	(2.35)	(2.13)	(1.71)	(0.91)	0.02

TWO BREAKEVEN POINTS

- Net income turns positive in Year 4 (30/31) at \$78K.
- Cumulative cash turns positive in Year 5 (31/32). Peak cash need is \$2.35M, reached at the end of Year 1.

GROUNDING IN DEMONSTRATED DEMAND

- Year 1 of 600 is set to classroom capacity, against Norwood's history of 800+ enrolled in 6/8 years.

| Core Staffing Model

- Leadership Team
 - Campus Director
 - Program Coordinators
 - Night School
 - Student Success
 - College & Career
 - Exploration Center
- Teachers & Instructional Support:
 - English / Social Studies / Math / Science
 - Career & Technical Education / English as a Second Language / Special Education
- Coaches & Student Supports:
 - Admissions & Recruitment / Student Success / College & Career Navigator
 - Student Mental Health Counselor
- Administrative Assistant

| Discussion

☆ Guiding Questions:

Based on the preliminary picture, what does the board need to understand about the financials to be comfortable recommending authorization to negotiate today?

What is the board's appetite for operating closer to Charter FIRST thresholds during the Houston ramp in exchange for a campus of this scale and a partner of this commitment?

What financial questions does the board want answered before it votes on the expansion amendment in November?

| **Executive Session**

Under Texas Gov't Code pursuant to any and all purposes permitted by Sections 551.001-551.084, including, but not limited to: 551.071; 551.072; 551.074

| Executive Session Topics

- Houston Pro Forma / MOU / Lease

Reconvene

Action related to Executive Session

| Adjourn

Motion: Adjourn the meeting

| Supplemental Materials

| Defining Student Counts

- **Total Enrollment (TE)**
 - Number of unique students enrolled during the school year
 - Used for board reporting and measuring mission impact
- **Average Daily Enrollment (ADE)**
 - Average number of students enrolled each school day
 - Used for staffing decisions, performance goals, calculating space requirements
- **Refined Average Daily Attendance (RADA)**
 - Sum of each student's % of year enrolled
 - Used for calculating Foundation School Program (FSP) revenue

Financial Snapshot

Figures below are drawn from the draft Growth Plan Financial Model, Years 1 – 5.

	Start-Up 26/27	Yr 1 27/28	Yr 2 28/29	Yr 3 29/30	Yr 4 30/31	Yr 5 31/32	Total
Total Enrolled	0	600	810	1,013	1,113	1,214	4,750
Avg. Daily Enrollment	0	360	486	608	668	735	n/a
Total Revenue	\$7.6K	\$4.14M	\$5.74M	\$7.11M	\$7.91M	\$8.70M	\$33.61M
Total Expenses	\$0.52M	\$5.84M	\$6.24M	\$7.42M	\$7.83M	\$8.49M	\$36.35M
Net Income	(\$0.52M)	(\$1.70M)	(\$0.50M)	(\$0.31M)	+\$0.08M	+\$0.22M	(\$2.73M)
CapEx Investments	(\$1.85M)	—	—	—	—	—	(\$1.85M)
GWH Contribution	\$1.00M	\$0.50M	\$0.50M	\$0.50M	\$0.50M	\$0.50M	\$3.50M
Add: Depreciation	\$0	\$0.22M	\$0.22M	\$0.22M	\$0.22M	\$0.22M	\$1.11M
Net Cash Flow	(\$1.37M)	(\$0.98M)	\$0.22M	\$0.41M	\$0.80M	\$0.94M	+\$0.02M
Cumulative Net Cash Flow	(\$1.37M)	(\$2.35M)	(\$2.13M)	(\$1.71M)	(\$0.91M)	+\$0.02M	—

- Net income turns positive in Year 4 (FY30–31, +\$77,724) and grows to +\$215,403 in Year 5.

Financial Snapshot

Preliminary figures: Houston Only

Detailed 5-year pro forma reviewed at 9/11 (GEB) and 9/22 (Audit & Finance Committee)

\$1.85M	\$2.35M	1,214	Year 4
Buildout + FF&E	Peak Cumulative Cash Need	Annual Enrollment at Year 5	Projected Net Income Positive
Capital cost, 26/27	End of Year 1 (27/28), net of GWH Support	Reached by Year 5 (31/32)	30/31, near full enrollment

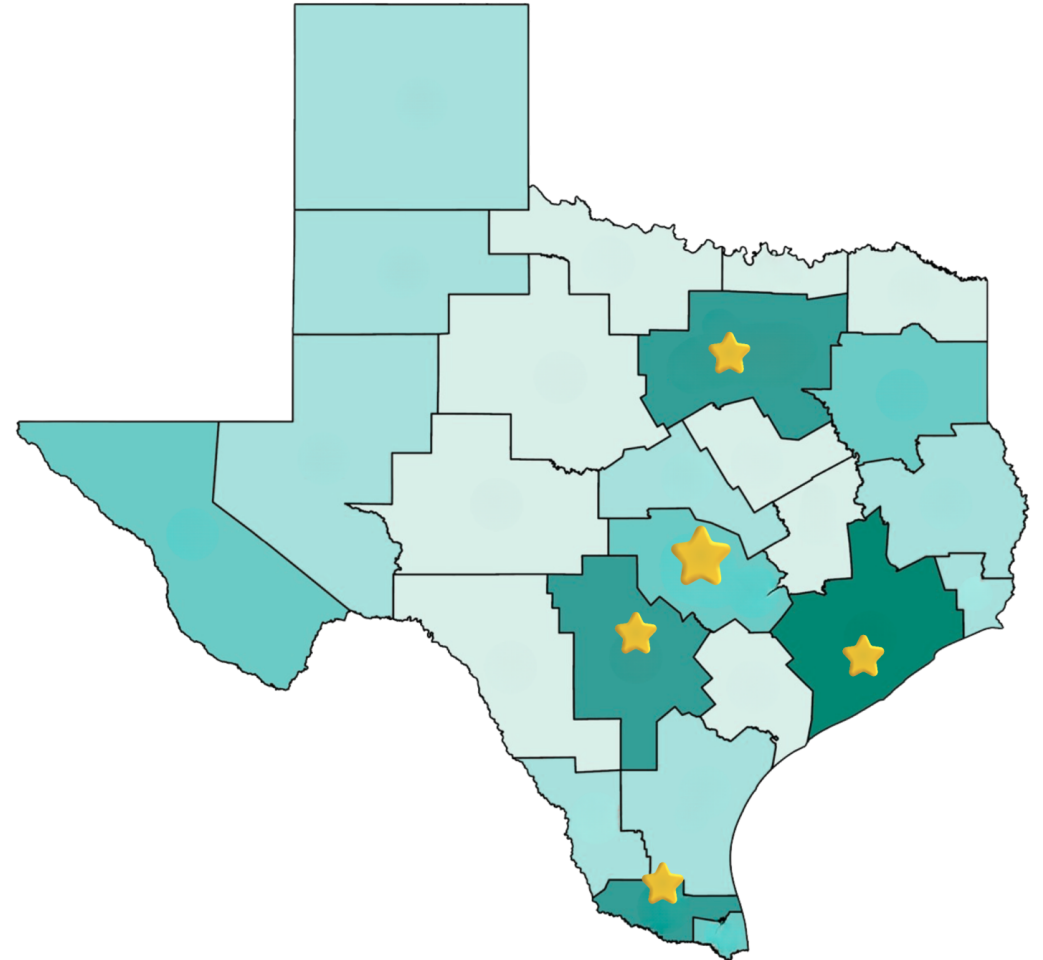
Funding the Launch

Buildout: \$1.85M in 26/27. GWH's \$1M startup contribution covers just over half; the ~\$850k balance comes from external fundraising + Excel's fund balance.

Operating Ramp: Losses of \$0.25M (26/27) and \$1.70M (27/28) push the cumulative cash need to \$2.35M by the end of Year 1 after GWH's \$500k annual support and depreciation add-back. Net cash flow turns positive in Year 2 and the cumulative position recovers by Year 5.

Houston Opportunity

- Top Growth Region
- Largest Scale Opportunity: 630k+
- Community School: Day / Night Programming + Exploration Center



| Guiding Principles

Greenlighting Framework

GCT Guiding Principles

Principle	Summary Description
Organizational Readiness	Strong campuses, systems, leadership, and finances in place
Geography	Protect growth in territory and align with external growth strategy
Mission Alignment	Advances mission and leverages the Excel Center model
Partnerships & Compliance	Trusted partners and full legal and territorial compliance
Financial & Operational Stability	Financially sustainable and operationally viable
Risk Mitigation	Formal due diligence and Board approval required

Greenlighting Scorecard

Criteria	Rating	What Is Open
GCT Guiding Principles		
All six principles	3 Aligned 3 Conditional	Organizational Readiness and Partnerships & Compliance conditional on items below. Financial & Operational Stability conditional on district-wide days cash on hand.
Internal Readiness		
Model Fidelity & Readiness	1 Go, 1 Discuss	All schools met topline KPI goals in 25/26. Growth Playbook & training plan still in development.
Talent & Leadership Pipeline	1 Go, 2 Discuss	All Campus Director roles filled. Leadership bench and central office capacity still building; Houston Director posts in November.
Sustainable Systems & Partnerships	2 Discuss	Core systems scale with modification and investment, not as they stand.
Facility & Community Strategy	2 Go, 2 Discuss 1 Pending	Site identified; occupancy cost ~\$1,056 per pupil. MOU and lease unsigned; documented community support not yet on file.
Financial Sustainability & Growth Capital	1 Discuss	District-wide days cash on hand dips into the 70s during initial years, near the Charter FIRST 75-day threshold.
Opportunity Prioritization		
Impact	4 Go	Need, strategic alignment, scale, and campus financial viability all meet the Go standard.
Feasibility	4 Go, 1 Discuss 1 Pending	Specific partner commitments, clear regulatory path, open Houston market, Beaumont precedent. Open: sequencing vs. concurrent projects, community support evidence.

12
Go

9
Discuss

2
Pending

0
No-Go

| Guiding Principle Discussion

Principle	Board Guiding Question
Organizational Readiness	What is the board's comfort level with pursuing Houston while these readiness initiatives are still in progress?
Geography	Does the board see Houston as consistent with the Geography principle, or are there aspects of how it fits the broader growth plan worth discussing?
Mission Alignment	Does the board view this replication as fully consistent with Mission Alignment, or are there aspects of expanding outside GCT's home territory worth discussing?
Partnerships & Compliance	What is the board's comfort level with the GWH partnership given the current stage of negotiation?
Financial & Operational Stability	What specific aspects of the financial model does the board want to understand further? <i>*Note that the full model will be presented at the 9/11 GEB and 9/22 Audit & Finance Committee meeting, ahead of the 9/25 Charterholder meeting.</i>
Risk Mitigation	Does the board see this staged approach as appropriate, or are there items the board wants addressed sooner?

Business Case: Houston '27

Component	Summary
Community Need	630k+ adults; Highest regional need
Current System Performance (Accountability Rating)	Charter FIRST Rating: Superior Adult CSPF Rating: Pending
Financial Conditions & Pro Forma Budget	Initial Complete; Final in development
Facilities & Capital Plan	Draft Lease; Full plan in development
Staffing & Operational Capacity	Final in development
Proposed Campus Details	Final in development

Proposed MOU & Lease

Key Terms of the proposed GCT / GWH partnership and 1316 Washington Ave Lease

\$1.0M

STARTUP FUNDING

Buildout, FF&E, technology, permitting and launch costs

\$500K

ANNUAL SUPPORT

Begins first year of operations (27/28); cannot be reduced or suspended

37,268 SF

EDUCATION BUILDING

3.77-acre site with parking and ball field; landlord Trinity Lutheran Church

\$17.00 / SF

YEAR 1 BASE RENT

~\$633.6K annually, triple-net; 3.0% escalation to \$22.18/SF by Year 10

MOU: GCT / GWH Partnership

- GCT retains exclusive control of academics, staffing, charter compliance, budgeting and operations, and operates and licenses the Exploration Center. GWH has no governance authority.
- 10-year initial term with automatic 5-year renewals (365 days' notice to decline). No without-cause termination during the initial term.
- GCT is GWH's exclusive Excel Center provider in its territory. Lease Support Agreement required before or at lease signing.

Lease: 1316 Washington Avenue

- 10-year initial term with two 5-year renewal options at Fair Market Rate; positions Excel for the New Instructional Facilities Allotment.
- Access at signing; Base Rent and Operating Expenses begin four months later. As-is delivery, no tenant-improvement allowance, one-month deposit.
- **Still under negotiation:** final Operating Expense budget and the 4% property-management fee; allocation of roof, HVAC, elevator and parking costs; shared-use procedures.

| Proposed Facility



1316 Washington Ave

Houston, Texas 77002

37,268 SF | School Campus | Creative Office

Risks: Houston Partnership

	Risk	Mitigation
	Partnership Reliability: GWH could reduce support or exit the partnership	MOU bars without-cause termination during 10-year initial term; failure to fund is a material breach; Lease Support Agreement adds a financial backstop
	Financial Exposure: Buildout funding gap, early-year operating losses, and tightened district liquidity in order to maintain required days of cash on hand	External fundraising underway, Excel's fund balance as backstop + dedicated pro forma review with the Audit & Finance Committee on 9/22
	Facility & Lease Terms: Operating Expense budget, property-management fee, and major building-system cost allocation remain under negotiation	Actively negotiated ahead of lease execution; board reviews final negotiated package before approval
	Execution Timeline: Delays in lease execution or facility readiness could push back opening timeline	Staged decision-gate process gives board 6 touchpoints through November to reassess before final approval

Expansion Project Phases: Houston 2027



Evaluate

Opportunity
Assessment

Greenlighting
Review

Business Case

Authorize

GEB
Recommendation

GCT Approval

TEA Approval

Execute

Facility

Staffing &
Systems

Opening
August 2027

Decision Gates: Houston



Phase	Step & Components	Group Responsible
Evaluate	Greenlighting Review & Opportunity Assessment	Management Conducts Management Provides Updates to GEB & GCT
	Partner Agreement (MOU)	Management Drafts & Recommends * <i>Board Info Session on Terms</i> GEB Assesses Detail & Recommends GCT Assesses Strategic Impact & Approves
	New Campus Business Case	Management Drafts GEB Assesses & Recommends GCT Assesses & Approves
Authorize	Expansion Amendment <i>*Includes Final Business Case</i>	Management Drafts GEB Assesses & Recommends GCT Assesses & Approves TEA Reviews & Determines
Execute	Facility Agreement <i>*May occur prior to final authorization</i>	Management Recommends GEB Assesses Detail & Recommends GCT Assesses Strategic Impact & Approves

Next Steps: Houston

Phase	Step & Components	Group Responsible	Projected Date
Evaluate	Greenlighting Review & Opportunity Assessment	Management Conducts Management Provides Updates to GEB & GCT	Initial: 8/7/2026 Update: 9/1/2026
	Partner Agreement (MOU)	Management Drafts & Recommends * Board Info Session on Terms GEB Assesses Detail & Recommends GCT Assesses Strategic Impact & Approves	Terms: 9/1/2026 Request Approval to Negotiate: 9/11 & 9/25
	New Campus Business Case	Management Drafts GEB Assesses & Recommends GCT Assesses & Approves	Initial: 9/11 – 9/22 - 9/25 Final: 11/6 & 11/13
Authorize	Expansion Amendment <i>*Includes Final Business Case</i>	Management Drafts GEB Assesses & Recommends GCT Assesses & Approves TEA Reviews & Determines	Request for Approval: 11/6 & 11/13
Execute	Facility Agreement <i>*May occur prior to final authorization</i>	Management Recommends GEB Assesses Detail & Recommends GCT Assesses Strategic Impact & Approves	Request Approval to Negotiate: 9/11 & 9/25

Strategic Plan



Mission

Transforming lives through the power of education and work



Vision

To be the **model of excellence** for adult high schools in Texas



1-Year Focus

Stabilize, standardize, and strengthen our school system so we can grow with quality

Strategic Plan

10-YEAR VISION

Exceptional graduate outcomes

Proven, scalable operating model

Defining best practice as the industry leader

3-YEAR GOALS 26-29

ACADEMICS

Rigorous and relevant instruction

Instructional framework at every campus by '27
EOC mastery up to 15% by '29

SUPPORT

Student persistence and belonging

Persistence up 10% year over year by '29
Belonging and safety up 10%

ADVANCEMENT

Graduate success and economic mobility

65% employed or enrolled within six months by '29
80% earn a credential aligned to their pathway by '28

TALENT

Strong leadership and talent

Districtwide coaching cycles in place by '27
90% retention in leadership roles by '29

SYSTEMS

Scalable systems and readiness for growth

Network operating model at all campuses by '27
Core systems standardized by '28

GROWTH

Empower Texans through education pathways

Norwood Exploration Center to 100 children by '28
One additional Community School open by '29

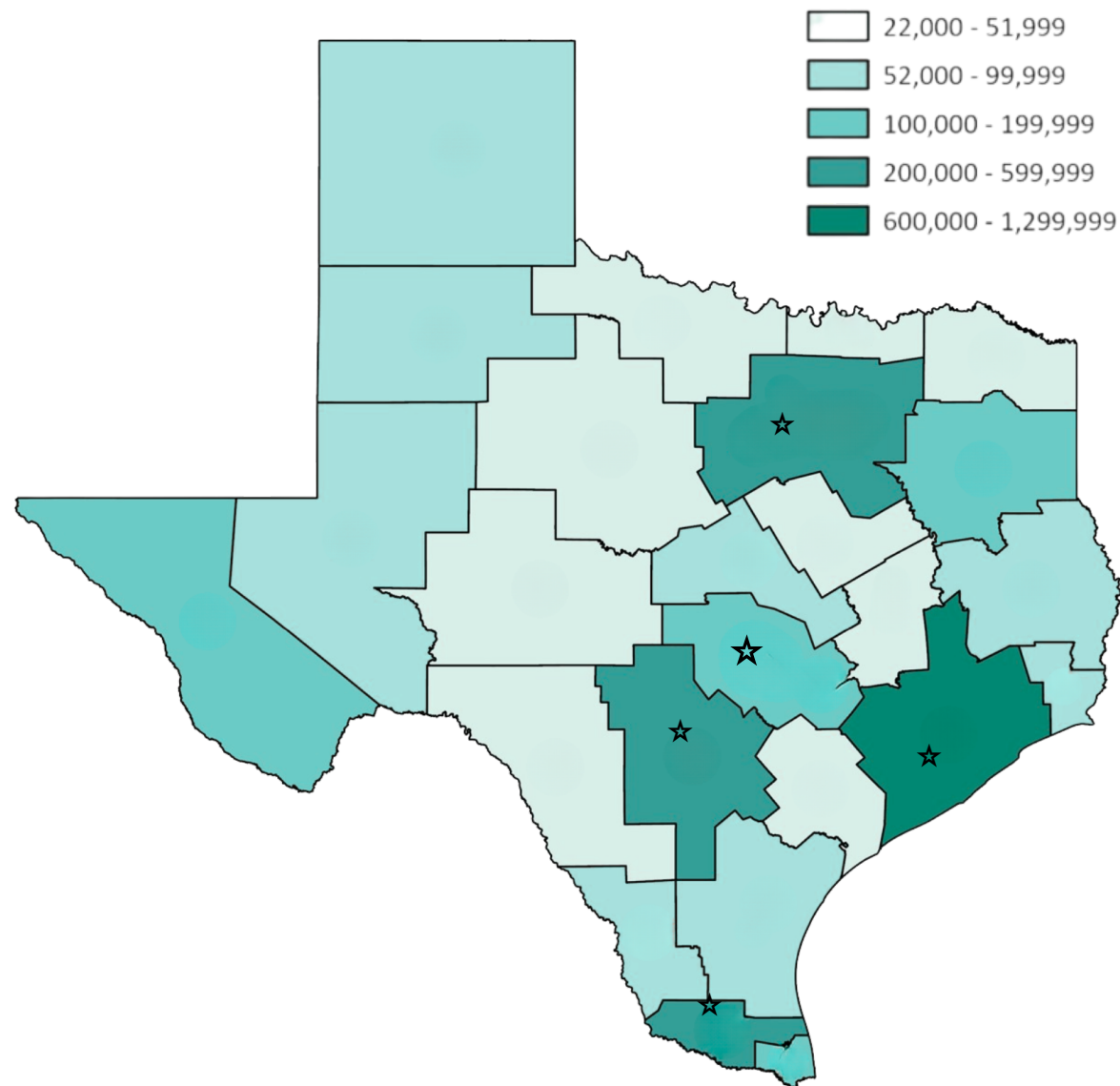
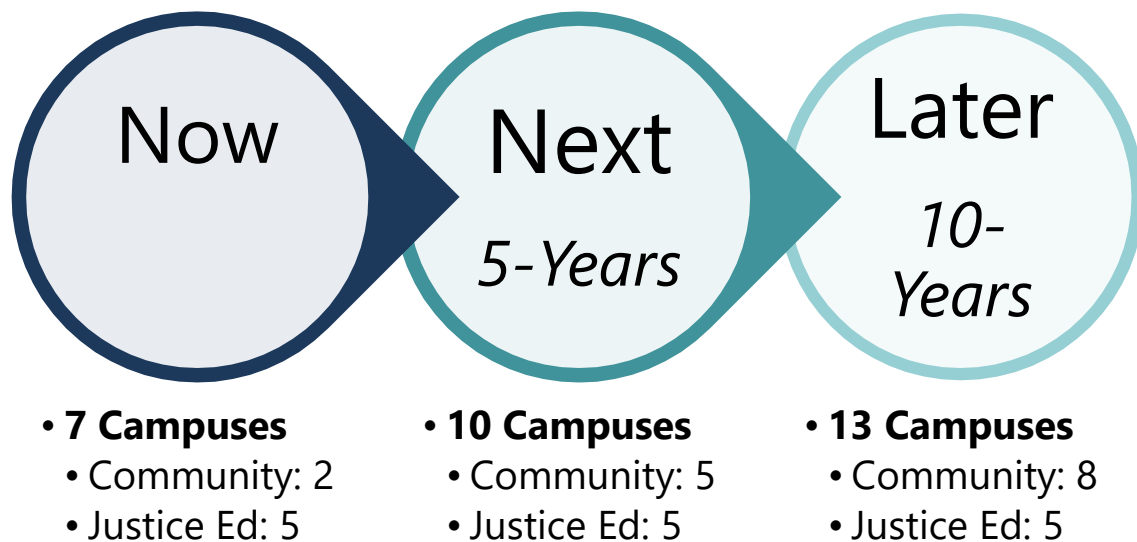
1-YEAR FOCUS 26-27

Stabilize, standardize, and strengthen our school system so we can grow with quality

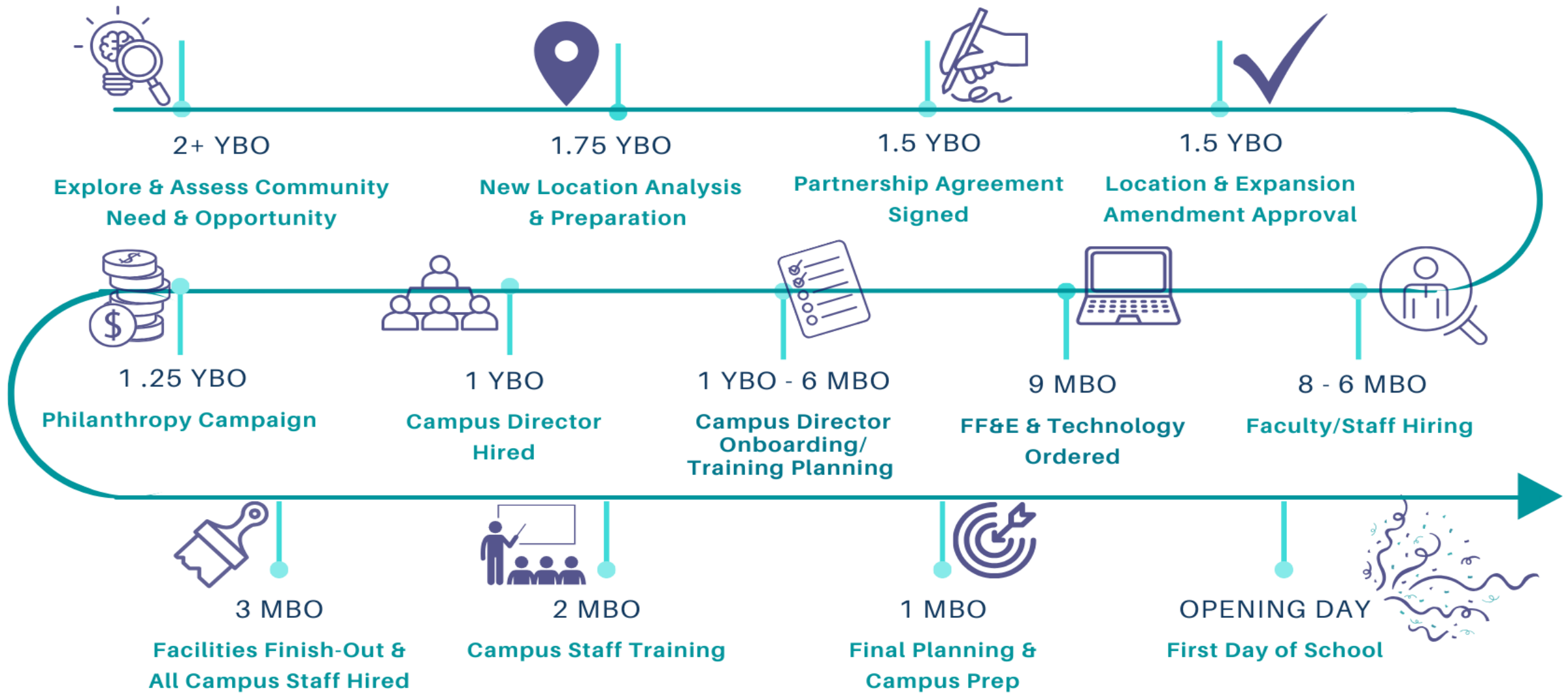
Strategic Priorities: 26/27 SY

Priority Area	Initiatives	Status
Academics	Instructional Framework Curriculum Adoption	On Track: Developing
Supports	Coaching & Student Support Framework Exploration Center Growth Plan Optimized Student & Client Experience	On Track: Developing
Advancement	Advising Framework Tracking Graduate Outcomes	On Track: Developing
Talent	Staff & Leadership Development Program Overhaul Employee Journey Processes Clarify roles & responsibilities + Align with PD scope & sequence	On Track: Developing
Systems	Centralized Operating Model & Network Structure Growth Playbook Fundraising, Marketing & Communications Strategy	On Track: Developing
Growth	Expand Norwood Exploration Center Relocate South Austin Campus	On Track: Developing

Growth Plan



New Campus Opening - Milestones Timeline



School Model



School Site Selection Criteria

- 
- ☐ 10-Year Lease or Purchase
 - ☐ ~ 30,000 sq ft
 - ☐ 12 classrooms + Labs
 - ☐ Support spaces
 - ☐ Exploration Center
 - ☐ Min: 1 drop-in room
 - ☐ Proximity to public transportation
 - ☐ Visibility & access

District Health Assessment

Updated as of 08/2026

Academic	Student Supports	Talent	Leadership	External Engagement	Governance	Operations	Finance
↑ Instructional Vision & Coherence ★	Wraparound Supports & Barrier Removal	Talent Philosophy	↑ Organizational Structure	Government Relations	Accountability for Network Success	Technology and Data Infrastructure	Financial Health & Management
Curriculum & High-Quality Instructional Materials ★	Coaching ★	Recruitment, Hiring, Onboarding ★	Decision-Making Structures ★	Program and Service Partnerships	Superintendent Support and Evaluation	Physical Environment & Facilities Plan ★	Strategic Financial Planning
Instructional Practice & Cognitive Rigor ★	Student Engagement & Persistence ★	Professional Development and Coaching ★	Meeting Structures ★	Community Partnerships	Board Structures	Daily Building Logistics	Fundraising ★
Assessment, Progress Monitoring, and Outcomes	Postsecondary & Career Transitions ★	Staff Culture	Internal Communications	External Communication and Public Relations ★	Engagement in the Sector	Student Recruitment & Enrollment	
Academic Systems ★	Systems, Capacity, and Coordination ★	Evaluation, Promotion, and Succession ★	↑ Strategic Planning			Compliance	

★ 26/27 Strategic Initiative

Key
Strength
Emerging strength
Some progress needed
Significant progress needed
Not rated



Summary of Bids Responsive to RFP

	HCS	S. Watts Group	Sullivan Contracting Services	Trimbuilt Construction, Inc.
Total Bid Proposal	\$2,640,800.00	\$2,480,535.00	\$2,827,810.00	\$2,305,000.00
Center for Good	\$1,071,400.00	\$990,268.00	\$2,123,812.00	\$727,066.50
Exploration Center	\$1,569,400.00	\$1,490,267.00	\$703,998.00	\$1,577,933.50
Travis County Track Record	\$15M over 5 yrs, 80% of work	\$160M total, 30% non-profit/charter/K-12	\$17.9M over 5 yrs, 15% of work	\$173.7M over 5 yrs, 7% of work
Relevant Experience	Robust public school district experience	No recent K-12 public school district experience; previously worked with NoackLittle	Significant experience: public school district, higher ed, civic	No recent K-12 public school district experience; primarily civic works (incl. prior GCTA project)

7. Selection Criteria

In accordance with Sections 2269.153, 2269.155, and 2269.055 of the Texas Government Code, which are applicable to TEC, GCT/TEC will evaluate proposals on the basis of the following selection criteria:

Selection Criteria Weight Table	
Detailed Methodology for Scoring	Criteria Weight
Price – Proposed Price Proposers will receive an assigned share of the total available points for this criterion based on the total monetary value of the Proposal according to banded point categories shown in the “Table of Awarded Points,” below. A formula will be used as follows to determine the award band for proposals based on each proposer’s percentage above the low bid: Percentage Above Low Bid=(Your combination of fees and general conditions/lowest proposed combination of fees and general conditions. The result of the formula will be used to proportion the points awarded based on the “Table of Awarded Points,” below.	35
Proposer’s Experience & Reputation The Owner will consider the proposer’s experience and reputation and the proposer’s answers to the Questionnaire, including, but not limited to, the record of past performance, general reputation of the proposer, and the proposer’s knowledge, reliability, character, integrity, skill, and stability; the proposer’s experience with the scopes of work for this Project, including in Travis County, the proposer’s experience with GCT/TEC, and the proposer’s reputation for handling warranty work. Proposer’s references (listed in proposer’s A305) will be reviewed and evaluated (5 of the 15 points will be allocated for references; 1 point for each positive reference will be given, up to a maximum of 5 points).	35
Quality of Proposer’s services Proposer demonstrates consistent and average past and current workload to staff ratio, showing ability to adequately staff the work and company stability. Proposer shows no or limited past history of claims, suits, and failure to perform. Proposer shows ability to maintain cost with no cost increases. Proposer has a record of timely completion of work, compliance with laws, and warranty service. Owner will consider the answers to the Questionnaire which relate to the quality of the Proposer’s services and other relevant information.	5
Whether Proposer’s financial capability is appropriate to the size and scope of the project Proposer’s financial and technical resources will be evaluated. Proposer has a positive asset to liability ratio and adequate bonding capacity. Evaluation of Proposer’s responses to Financial Information Questionnaire of this RFP will be considered.	5
Proposer’s Proposed Personnel Proposer’s <u>individual personnel</u> proposed for the work in the RFP demonstrate similar project experience by showing high proportion of Travis County nonprofit/similar entity work, the proposer’s experience with similar projects, projects of comparable cost, complexity, and timeframe to the work in the RFP. Organizational approach to the project is clear. Owner will review and evaluate the answers to the Questionnaire and resumes in proposer’s A305 as well as other relevant information.	5
Proposer’s Safety Record Owner will consider the safety record of the proposer in determining to whom to award a contract resulting from this procurement solicitation. Failure to provide all required and/or relevant information relating to proposer’s safety record will result in 0 points.	5
Proposer’s Ability to Complete Project on Time Proposer’s ability to complete project on time; Proposer’s proposed construction schedule meets or exceeds the Substantial Completion and Final Completion dates set forth herein.	5
Proposer’s Performance in Responding to Warranty Proposer has a positive demonstrated performance in responding to warranty claims.	5
Total	100

HOUSTON EXCEL CENTER PARTNERSHIP

Board Term Sheet — Key Terms of Draft Memorandum of Understanding

BOARD DISCUSSION DRAFT — Summary of the current proposed MOU. The final agreement remains subject to negotiation, approval by the governing boards of GCT and GWH.

\$1.0M STARTUP FUNDING	\$500K ANNUAL SUPPORT	10 YEARS INITIAL TERM	GCT SOLE SCHOOL OPERATOR
----------------------------------	---------------------------------	---------------------------------	------------------------------------

1	PROJECT STRUCTURE
Project	GCT will establish and operate The Excel Center and an Exploration Center within the GWH service territory.
GCT role	Exclusive authority over academics, charter compliance, staffing, student matters, budgeting, facility selection, and educational design.
GWH role	Financial, workforce-development, community-engagement, and student-support partner; no authority over school governance or operations.
Facility	GCT will identify and lease the campus from an unaffiliated landlord and will be the sole tenant under the Lease Agreement.

2	FUNDING AND LEASE COMMITMENTS
Startup contribution	GWH will provide \$1,000,000 for buildout, construction or renovation, FF&E, technology, design and engineering, permitting, signage, launch marketing, and other agreed startup costs. A written funding schedule is required before lease execution.
Annual operating support	GWH will provide \$500,000 per year beginning with the first fiscal year of operations and continuing throughout the MOU term. The amount may not be reduced or suspended because of enrollment, performance, fundraising, budget conditions, or changes in state funding.
Budget / overruns	GCT is not required to commence or continue development without sufficient funding. Neither party must contribute above its express commitment without a separate written agreement.
Lease support	A separate Lease Support Agreement is required before or at lease signing. It will provide commercially reasonable assurance for GWH’s agreed lease-related commitments and may use a limited guaranty, payment support, letter of credit, reimbursement, or similar credit support.

BOARD TAKEAWAY: GCT retains full control of the school and assumes the tenant role; GWH provides defined startup funding, annual operating support, and negotiated lease credit support.

3 OPERATING, STRATEGIC, AND LEGAL TERMS	
Exploration Center	Developed as part of the campus and operated and licensed by GCT. GWH's startup and annual support may fund both The Excel Center and the Exploration Center.
Student / workforce services	GWH will collaborate on workforce development, employer connections, student supports, and community engagement. Detailed service levels, certifications, and shared services will be documented separately.
GWH campus rights	One approximately 15' × 20' mobile donation center, subject to landlord and governmental approvals and mutually agreed placement; up to three community events annually with at least 30 days' notice.
Exclusivity / growth	GCT is GWH's exclusive provider of The Excel Center model in its territory. GWH may not support a competing adult charter or diploma program without GCT consent. GCT receives a 90-day exclusive negotiation period for future similar opportunities.
Intellectual property	GEI retains ownership of The Excel Center name, model, and related intellectual property. GCT retains its licensed rights and independently developed operating materials; GWH receives no independent ownership or license.
Term / renewal	Ten-year initial term, followed by automatic five-year renewals unless either party gives 365 days' notice of non-renewal.
Termination / remedies	No without-cause termination during the initial term except by mutual agreement. After the initial term, either party may terminate on 365 days' notice. Failure to fund is a material breach; GCT may seek specific performance and other remedies.
Coordination / approvals	Quarterly coordination and periodic performance reporting; GWH has no school-governance authority. Effectiveness requires both governing boards and any required TEA, GII, GEI, or regulatory approvals. Texas law applies; venue is Travis County, with executive negotiation and mediation before litigation.

4 IMPLEMENTATION DOCUMENTS STILL TO BE FINALIZED	
• Lease Agreement	• Lease Support Agreement
• Funding Agreement	• Shared Services Agreement
• Student Services & Wraparound SLA	• Industry-Based Certifications SLA
• Exploration Center Addendum	• Other implementation agreements, as needed

5 PROPOSED SHARED SERVICES (To be finalized in a Service Level Agreement)
Shared services may include, without limitation: 1. marketing support; 2. community outreach; 3. workforce development coordination; 4. employer engagement; 5. information technology support; 6. facilities coordination; 7. security coordination; 8. maintenance coordination; and 9. such other services as the Parties may mutually agree.



Houston Greenlighting Scorecard

The Excel Center Houston Community Campus

Reference Material | Goodwill Education Board | September 11, 2026 | Confidential

This scorecard applies the board-approved Greenlighting Framework to the proposed Houston campus. It records a rating and the supporting evidence for each metric in the framework. Ratings use the framework bands: Go, Discuss, and No-Go. Where the evidence required by a metric is not yet on file, the metric is marked Pending rather than rated.

Summary

No metric rates No-Go. Across 23 measures, 9 rate Go, 11 rate Discuss, and 3 are Pending.

- **The strategic case rates Go throughout.** Market need, strategic alignment, scale of impact, occupancy cost, authorizer posture, market context, and partner commitments all meet the Go standard.
- **The Discuss ratings cluster in three areas.** Capacity to grow (central office staffing, systems scalability, internal leadership bench), financial margin, and the unsigned MOU and lease.
- **The Pending items require external evidence.** Documented Houston community support, which appears in both scorecards, and a scan of the Houston adult-education competitive landscape.

Part 1: GCT Guiding Principles

Houston cleared Guiding Principles screening at the August 7 Charterholder session. The assessments below record the basis for that screening.

Principle	Assessment	Basis
1. Organizational Readiness	Conditional	All schools met topline KPI goals in 25/26 and every Campus Director role is filled. The 26/27 readiness initiatives (Staff & Leadership Development, employee journey overhaul, centralized operating model) are underway rather than complete. The board has agreed readiness need not be perfect before growth continues.
2. Geography	Aligned	Houston is one of five priority growth zones named in the 2026 Strategic Plan. Two in-territory investments (Exploration Center expansion, South Austin relocation) are proceeding concurrently, so in-territory growth is not being deferred.
3. Mission Alignment	Aligned	Houston replicates the existing Excel Center model, including the Exploration Center and Night Program, and serves the same adult population GCT already serves.

Principle	Assessment	Basis
4. Partnerships & Compliance	Conditional	A negotiated term sheet with GWH sets specific commitments and governance separation. The MOU is unsigned, and GCT has no prior formal partnership record with GWH. Effectiveness requires both governing boards and any required TEA, GII, and GEI approvals.
5. Financial & Operational Stability	Conditional	The five-year model reaches cumulative break-even in Year 5 with funding identified: the GWH commitment, external fundraising, and the GCT fund balance as backstop. The margin is thin and no downside case is modeled.
6. Risk Mitigation	Aligned	The opportunity is moving through the board-approved decision gates, with formal due diligence and board action required at each stage before final authorization.

Part 2: Internal Readiness

Metric	No-Go	Discuss	Go	Rating	Evidence
1. Model Fidelity & Readiness					
Core model documentation	Not codified, no training plan	Codified, no training plan	Fully codified with training plan in place	Discuss	The model runs at seven campuses. The Growth Playbook and the Staff & Leadership Development Program are both at Developing status in the 26/27 strategic initiatives. Codified in practice; training plan not yet complete.
Performance against core KPIs	One or more schools missing topline KPIs by more than 10%	All schools within 10% of topline goals	All schools meeting topline goals	Go	All schools met topline goals for graduations, enrollment, and Exploration Center enrollment in 25/26.
2. Talent & Leadership Pipeline					
Campus Director role stability	Hiring 3 or more CDs, or significantly behind timeline	On track to hire 1 to 2 existing CD roles	All CD roles returning or candidates identified	Go	All Campus Director roles are currently filled. The Houston Campus Director role will be posted in November, following board approval.
Ready-now internal leaders	None	1 to 2 candidates informally developed	3 or more candidates and a formal development program in place	Discuss	The Staff & Leadership Development Program is at Developing status, not yet embedded. Houston launch leadership has a defined plan and timeline rather than an identified internal candidate.
Central office capacity	Gaps in critical supports with unclear plans to address	Some gaps identified, with a plan in place	Central office staffed to support growth	Discuss	The Centralized Operating Model & Network Structure initiative is underway, which is the plan the band requires. Gaps are identified and being addressed rather than closed.

THEGOODWILL
EXCEL
CENTER
ADULT HIGH SCHOOL

Metric	No-Go	Discuss	Go	Rating	Evidence
3. Sustainable Systems & Partnerships					
Central office capacity	Gaps in critical supports with unclear plans to address	Some gaps identified, with a plan in place	Central office staffed to support growth	Discuss	Same evidence as above.
Scalability of core operational systems	Systems not scalable, require replacement	Systems can scale with modification and investment	Current systems fully scalable	Discuss	Scalable systems were named an unresolved condition at the August 7 session. HR, student data, and finance systems can scale with modification and investment rather than as they stand.
4. Facility & Community Strategy					
Status of Goodwill partnership MOUs	No MOUs in place or in negotiation	MOUs drafted and in negotiation and approval phase	Fully executed MOUs in place	Discuss	Matches the Discuss band exactly: the MOU is drafted and in the negotiation and approval phase. Converts to Go on execution, which requires both governing boards.
Progress toward securing facilities	No viable options identified less than 12 months before launch	Viable options identified, lease or purchase not final	Lease or purchase signed 12 or more months before launch	Discuss	A viable site is identified at 1316 Washington Avenue, core rent terms are aligned, and lease execution is in process against an August 2027 opening. Converts to Go on signature.
Community support evaluation	Significant organized community opposition	Neutral or mixed feedback; no strong advocates	Demonstrated public support from key stakeholders	Pending	GWH is a committed partner and local champion. The metric asks for documented breadth of support: letters from community leaders, employer partners, or positive media. No such record is yet on file.
Authorizer and political support	No	—	Yes	Go	No identified red flags on charter law, authorizer posture, or political support. The expansion amendment follows the standard TEA pathway.
Occupancy expense per pupil	More than \$3,000	\$2,500 to \$3,000	Less than \$2,500	Go	Year 1 base rent of approximately \$633,556 across 600 enrolled students is roughly \$1,056 per pupil, or about \$1,760 on an ADA basis of 360. Both sit well inside the Go band. Operating Expenses are not yet budgeted, but the headroom is substantial.
5. Financial Sustainability & Growth Capital					
Projected days cash on hand	Fewer than 60 days	60 to 90 days	More than 90 days	Discuss	District-wide days cash on hand dips into the 70s during the build years, inside the Discuss band and near the 75-day net assets floor that caps a Charter FIRST rating. To be confirmed against the current system-wide model at the joint GEB and Audit & Finance meeting on 9/22.

Part 3: Opportunity Prioritization

Metric	No-Go	Discuss	Go	Rating	Evidence
1. Impact					
Market Need	Limited or anecdotal evidence of unmet need	Some evidence, but demand size or population fit requires validation	Clear, data-supported unmet need aligned to adult learners Excel serves	Go	An estimated 630,000 adults age 25 and older in the Houston metro lack a high school diploma or equivalent, roughly 14.5% of that age group (Census ACS 5-year estimates).
Strategic Alignment	Does not clearly advance mission or strategic priorities	General alignment, but competes with higher priority work	Strong alignment with mission, graduate profile, and growth strategy	Go	Houston is one of five priority growth zones named in the 2026 Strategic Plan. Planned growth rather than an opportunistic inquiry, replicating the existing model.
Breadth & Depth of Impact	Limited reach and marginal outcome improvement	Moderate reach, with tradeoffs between scale and depth	Meaningful increase in students served or significant outcome improvement	Go	4,750 enrollments across the first six years, reaching 1,214 students at Year 5, plus an Exploration Center and Night Program. The largest scale opportunity in the current portfolio.
Financial Impact	Creates structural deficits or long-term risk without a path to sustainability	Financially viable with tradeoffs or reliance on time-limited funding	Financially sustainable or accretive with a clear long-term funding plan	Discuss	Viable but thin. Net income turns positive in Year 4 and cumulative cash flow breaks even in Year 5 at \$24,239, after a \$2.35M trough. GWH support runs the full MOU term rather than being time-limited, but the model carries no downside case.
2. Feasibility					
Alignment to Current Capabilities	Requires capabilities or political capital GCT does not have and cannot build in time	Stretches current capacity but feasible with targeted investment or partnerships	Strong fit with existing leadership, systems, and relationships	Discuss	GCT has no operating presence or leadership bench in Houston, and the launch Campus Director will be hired externally. The GWH partnership supplies local credibility, funding, and community reach.
Competition	Saturated landscape with no clear differentiator	Moderate competition with a plausible value proposition	Clear competitive advantage or whitespace	Pending	Requires a scan of the Houston adult-education landscape. The MOU exclusivity provision removes GWH as a competitor and gives GCT a 90-day first look at future opportunities in the territory.
Risk / Opportunity Cost	High risk with low upside or significant distraction from core priorities	Manageable risks, but timing or opportunity cost warrants careful sequencing	Risks understood and manageable, with strong upside and acceptable opportunity cost	Discuss	The model cannot be piloted; opening a campus is a full commitment. Houston runs alongside the Exploration Center expansion, the South Austin relocation, and San Antonio in evaluation. Sequencing and executive bandwidth warrant deliberate attention.



Metric	No-Go	Discuss	Go	Rating	Evidence
Market Context	Active political or regulatory conflict, or unfavorable authorizer environment	Mixed or evolving dynamics requiring active management	Stable or navigable environment with a clear path to authorization	Go	Texas charter law provides a defined authorization pathway through the expansion amendment. No regulatory conflict or organized opposition has been identified. TEA review is a gate rather than a risk.
Community Support	Organized opposition from influential stakeholders, or no credible local champions	Mixed or limited support; advocacy not yet strong	Demonstrated support from influential leaders with active champions	Pending	Same evidence gap as the Internal Readiness measure. GWH is an influential local champion, but breadth of support among employers, community leaders, and prospective students is not yet documented.
Strategic Partner Readiness	No anchor partner, or partner unproven with unstable leadership	Partner interest present but commitments informal or partial	Established partner with clear commitments, stable leadership, and shared outcomes	Go	GWH commitments are specific rather than informal: \$1.0M startup funding, \$500K annually that may not be reduced for enrollment, performance, fundraising, or state-funding changes, negotiated lease credit support, territorial exclusivity, and no without-cause termination for ten years. Governance separation is explicit. Partner leadership stability is not addressed in the current materials.

Open Items

- **Documented community support.** Letters from Houston community leaders, employer partners, or prospective students would move two Pending metrics. This is the highest-value item to close.
- **Competitive scan.** A summary of adult diploma and equivalency providers in the Houston metro would rate the Competition metric.
- **Days cash on hand.** Confirm the build-year projection against the current system-wide model before the 9/22 joint GEB and Audit & Finance meeting.
- **Downside case.** A sensitivity run on Year 1 enrollment would test how much of the Year 5 break-even margin survives a slower ramp.

Ratings that convert on execution: Status of Goodwill partnership MOUs and Progress toward securing facilities both move from Discuss to Go once the MOU and lease are signed.

Houston Expansion: Reference Workbook for 9/22 Joint GEB + Audit & Finance

Sources: Growth Plan Financial Model, DRAFT Houston MOU v1, GICT-Excel MOU (effective 6/12/2026), 2026-06 Norwood and Central Office financial statements, approved 26/27 budget, TEA charter application financial plan (comparator), public reporting on Texas adult charters. Prepared 9/15/2026; district cash forecast restated by Finance 9/16/2026.

Section A lists every tab. Section B maps the 9/11 GEB requests to where each is answered. Tab names are links.

Workbook contents				
#	Tab	What it contains	Primary source	Notes
1	Index	This page: contents and board-request tracker.		
2	5 Yr Snapshot	Six-year Houston summary: enrollment, ADE, operating and contribution revenue, expense, net income, capex, depreciation, net and cumulative cash flow.	Growth Plan Financial Model, Houston tab	
3	Risks & Mitigations	Five board-facing risks with mitigations: partnership reliability, financial exposure, facility and lease terms, execution timeline, enrollment shortfall (staged response with proposed thresholds).	MOU v1; model; management	Enrollment thresholds proposed for board discussion
4	1 Staffing	FTE by staff type and year, ratios to ADE, salary by role with staff type tag, salary subtotals by type.	Model Houston tab rows 110-176	
5	2 Enrollment	Enrollment, ADE, refined ADA, graduates by year; Subchapter G first-year reference (New Heights, TexasWorks, Restore TECH); Year 1 revenue sensitivity at 90/80/70% of plan.	Model; public reporting	TexasWorks per-campus enrollment not published
6	3 Budget by Category	Expense by category and year tied to model total; revenue and net income; Norwood FY26 actuals benchmark per enrolled student; benefits load and Central Office cost per student.	Model; 2026-06 Norwood and Central Office statements; GICT-Excel MOU Exhibit A	Norwood facilities shown under the GICT MOU; different market and landlord structure than Houston
7	3a Line Items	Line items behind each category, reference only.	Model Houston tab	
8	3b Start-Up Benchmark	External comparator: TEA charter application financial plan (K-12 replication applicant). Start-up and Year 1 ratios and five-year shape.	Sample Charter Start-Up Budget (TEA workbook, Comparator is applicant projections, not actuals 12/2024)	
9	4 Cash vs Fund Balance	Definitions of cash and fund balance, Charter FIRST tests, Houston increment (cash and fund balance), and system context linked from tab 6.	Model; Charter FIRST	
10	5 Fund Balance Options	Four funding scenarios for the \$2.35M peak need: reserves, GCT support, external fundraising, blend. Inputs in blue; reserve draw in days cash and recovery year calculate.	Tabs 4 and 6	Inputs in blue can be adjusted live
11	6 District Cash Forecast	Entire school system: base case from the approved 26/27 budget (net income including GWH, capex, timing adjustments, ending cash, days cash vs 75-day target) and the funded case with the fundraising target sized to hold 75 days.	Finance restatement 9/16/2026 from the approved 26/27 budget	Entire school system, not Houston alone
B. Board requests from 9/11 GEB				
#	Request	Answered in	Status	
1	Staffing ratios for the first five years	1 Staffing	Complete	
2	Shared services expected from Goodwill Houston	MOU Article X; deck slide	Pending final MOU / SLAs	
3	Enrollment projections, three-year targets	2 Enrollment	Complete	
4	Budget by category, not line by line	3 Budget by Category (3a detail)	Complete	
5	Benchmarking on new-build deficits	3b Start-Up Benchmark; deck slide	Complete	
6	Cash vs. fund balance: draw, duration, recovery	4 Cash vs Fund Balance	Complete	
7	Fundraising constraints and timing	5 Fund Balance Options; deck slide	MOU pending clarification of GWH fundraising	
8	Fund balance use options at 2-3 ranges	5 Fund Balance Options	Four scenarios for discussion	
9	Current cash forecast and Charter FIRST risk	6 District Cash Forecast	Complete	
10	Bridge plan for shortfalls	Risks & Mitigations; deck slide	Enrollment-shortfall steps proposed; MOU 5.7 covers buildout only	

	Start-Up 26/27	Yr 1 27/28	Yr 2 28/29	Yr 3 29/30	Yr 4 30/31	Yr 5 31/32	Total	Definition
Total Enrolled	-	600	810	1,013	1,113	1,214	4,750	
Avg. Daily Enrollment	-	360	486	608	668	735	n/a	
Operating Revenue	\$7.6K	\$4.14M	\$5.74M	\$7.11M	\$7.91M	\$8.70M	\$33.61M	
Contribution Revenue (GWH)	\$1.00M	\$500.0K	\$500.0K	\$500.0K	\$500.0K	\$500.0K	\$3.50M	Goodwill Houston support per draft
Total Expenses	\$524.4K	\$5.84M	\$6.24M	\$7.42M	\$7.83M	\$8.49M	\$36.35M	
Net Income	\$483.3K	(\$1.20M)	\$0.7K	\$192.7K	\$577.7K	\$715.4K	\$767.1K	Operating revenue plus GWH
CapEx Investments	(\$1.85M)	\$0.0K	\$0.0K	\$0.0K	\$0.0K	\$0.0K	(\$1.85M)	
Add: Depreciation	\$0.0K	\$221.4K	\$221.4K	\$221.4K	\$221.4K	\$221.4K	\$1.11M	
Net Cash Flow	(\$1.37M)	(\$0.98M)	\$222.1K	\$414.1K	\$799.2K	\$936.8K	\$24.3K	
Cumulative Net Cash Flow	(\$1.37M)	(\$2.35M)	(\$2.13M)	(\$1.71M)	(\$0.91M)	\$24.3K		Running sum of net cash flow.

Risk	Mitigation
Partnership Reliability: GWH could reduce support or exit the partnership before Houston reaches full sustainability.	MOU bars without-cause termination during the 10-year initial term; failure to fund is a material breach GCT can enforce; the Lease Support Agreement adds a financial backstop.
Financial Exposure: With Goodwill Houston support counted as revenue, net income turns positive in Year 2, but cumulative net cash flow stays negative through Year 4, bottoming at (\$2.35M) at the end of Year 1 after the \$1.85M buildout. Cash break-even arrives in Year 5 with a margin under \$25K, and the model carries	Goodwill Houston's \$500K per year is built into the model. The GEB and Audit & Finance Committee reviews the full pro forma, cash-on-hand levels, and investment need on 9/22, before the Charterholder vote on 9/25.
Facility & Lease Terms: Operating Expense budget, property-management fee, and major building-system cost allocation remain under negotiation with Trinity.	Actively negotiated ahead of lease execution; the board reviews the final negotiated package before any signature.
Execution Timeline: Delays in lease execution or facility readiness could push back the opening timeline.	The staged decision-gate process gives the board multiple touchpoints through November to reassess before final commitment.
Enrollment Shortfall: Year 1 revenue is funded on attendance (360 ADE, 270 refined ADA planned). A 20% miss is roughly \$830K of revenue with staffing largely committed before the first student enrolls (see 2 Enrollment sensitivity).	Staged response tied to leading indicators: 1. Track the enrollment pipeline against plan at 90, 60, and 30 days before opening, then ADE at each six-week checkpoint. 2. At 80-90% of plan: hold open positions and hire teachers to actual sections; defer non-essential supplies and technology; redirect marketing with Goodwill Houston. 3. At 70-80%: Defer the Exploration Center and open a drop-in center only, about \$300K of margin improvement; rephase support staff; apply GWH annual support and any external funds to the operating gap first. 4. Below 70% for two consecutive checkpoints: bring a restructured plan to the board (slower ramp, smaller footprint, or revised timeline) through the decision-gate process. Thresholds are proposed for board discussion on 9/22.

Staffing Plan: Years 1 to 5

FTE from Houston tab rows 172-176; salary by role from rows 110-144. Ratios computed from ADE.

	Start-Up 26/27	Y1 27/28	Y2 28/29	Y3 29/30	Y4 30/31	Y5 31/32
Average daily enrollment	-	360	486	608	668	735
Teachers / paras FTE	-	18	23	28	31	33
Coaches / counselors FTE	-	4	5	6	6	7
Support staff FTE	-	14	10	14	11	12
Administration FTE	-	2	2	2	2	2
Total FTE	-	38	40	50	50	54
ADE per classroom FTE	-	20	21	22	22	22
ADE per total FTE	-	9	12	12	13	14

Year 1 support staff includes the Drop-In Center team. The Drop-In Center converts to a full Exploration Center in Year 2, charged through the Exploration Center allocation rather than campus headcount.

Salary by role (model, \$)

Role	Staff type	Start-Up 26/27	Y1 27/28	Y2 28/29	Y3 29/30	Y4 30/31	Y5 31/32
Campus Director	Administration	\$80,763	\$96,915	\$99,822	\$102,817	\$105,902	\$109,079
Administrative Asst	Administration	\$33,858	\$40,629	\$41,848	\$43,103	\$44,396	\$45,728
Student Records Specialist	Support	\$43,849	\$52,619	\$54,198	\$55,823	\$57,498	\$59,223
Teacher - English	Teachers / paras	-	\$148,154	\$152,599	\$157,177	\$242,838	\$250,123
Teacher - Math	Teachers / paras	-	\$66,389	\$136,761	\$140,864	\$145,090	\$224,164
Teacher - STEM	Teachers / paras	-	\$67,681	\$139,423	\$143,606	\$147,914	\$152,351
Teacher - Social Studies	Teachers / paras	-	\$62,846	\$129,463	\$133,347	\$137,347	\$141,467
Teacher - ESL	Teachers / paras	-	\$69,691	\$71,782	\$147,870	\$152,306	\$156,876
Teacher - CTE	Teachers / paras	-	\$63,092	\$64,985	\$133,869	\$137,885	\$142,021
Teacher - Sped	Teachers / paras	-	\$67,651	\$69,681	\$71,771	\$147,848	\$152,284
Teacher - Bridge	Teachers / paras	-	\$57,637	\$59,366	\$122,294	\$125,963	\$129,742
Paraprofessional	Teachers / paras	-	\$38,007	\$39,147	\$80,643	\$83,063	\$85,554
Student Success Coordinator	Coaches / counselors	\$17,001	\$68,003	\$70,043	\$72,144	\$74,309	\$76,538
Student Success Coach	Coaches / counselors	-	\$168,969	\$232,051	\$298,765	\$307,728	\$380,352
College & Career Coordinator	Coaches / counselors	-	\$67,941	\$69,979	\$72,079	\$74,241	\$76,468
College & Career Navigator	Coaches / counselors	-	-	\$57,961	\$59,700	\$61,491	\$63,336
Mental health Counselor	Coaches / counselors	-	\$62,594	\$64,472	\$132,812	\$136,796	\$140,900
Drop In Center Coordinator	Support	\$15,752	\$189,027	-	-	-	-
Drop In Center Staff	Support	-	\$86,664	-	-	-	-
Night Program Coordinator	Administration	-	\$70,000	\$72,100	\$74,263	\$76,491	\$78,786
Night Administrative Asst	Support	-	\$20,315	\$20,924	\$21,552	\$22,199	\$22,865
Night Teacher - English	Teachers / paras	-	\$26,310	\$27,099	\$55,825	\$57,499	\$59,224
Night Teacher - Math	Teachers / paras	-	\$33,145	\$34,139	\$70,327	\$72,437	\$74,610
Night Teacher - STEM	Teachers / paras	-	\$33,840	\$34,855	\$35,901	\$73,956	\$76,174
Night Teacher - Social Studies	Teachers / paras	-	\$31,423	\$32,366	\$33,337	\$34,337	\$70,734
Night Teacher - ESL	Teachers / paras	-	\$34,845	\$35,890	\$36,967	\$38,076	\$39,218
Night Teacher - CTE	Teachers / paras	-	\$31,546	\$32,492	\$33,467	\$34,471	\$35,505
Night Teacher - Sped	Teachers / paras	-	-	\$34,833	\$35,878	\$36,954	\$38,062
Night Teacher - Bridge	Teachers / paras	-	-	\$29,683	\$30,573	\$31,490	\$32,435
Night Paraprofessional	Teachers / paras	-	\$19,003	\$19,573	\$20,160	\$20,765	\$21,388
Night Student Success Coach	Coaches / counselors	-	\$28,162	\$29,007	\$29,877	\$30,773	\$31,697
Night College & Career Navigator	Coaches / counselors	-	\$28,137	\$57,962	\$89,552	\$92,238	\$126,674
Night Drop In Center Staff	Support	-	\$28,888	\$29,755	\$45,971	-	-
Total salaries		\$191,222	\$1,860,123	\$2,044,259	\$2,582,334	\$2,804,301	\$3,093,579

Salary by staff type (SUMIF on column B)

Staff type	Start-Up 26/27	Y1 27/28	Y2 28/29	Y3 29/30	Y4 30/31	Y5 31/32
Teachers / paras	-	\$851,260	\$1,144,136	\$1,483,874	\$1,720,239	\$1,881,934
Coaches / counselors	\$17,001	\$423,806	\$581,475	\$754,929	\$777,577	\$895,965
Support	\$59,601	\$377,513	\$104,877	\$123,347	\$79,697	\$82,088
Administration	\$114,620	\$207,544	\$213,770	\$220,183	\$226,789	\$233,593
Total (ties to row 51)	\$191,222	\$1,860,123	\$2,044,259	\$2,582,334	\$2,804,301	\$3,093,579
Check vs row 51	-	-	-	-	-	-

Staff type follows the four FTE groups in rows 6-9. Night Program Coordinator is Administration; Night Administrative Asst is Support. The FTE table above (row 9) carries Administration at 2 from the model; the salary-by-type subtotal reflects the role tagging.

Teachers / paras includes all day and night teachers, Bridge, and paraprofessionals. Coaches / counselors includes Student Success, College & Career, and Mental Health roles. Drop-In Center roles sit in Support (see note above row 16).

Request 3: Enrollment projections

Houston tab rows 10-16, 26. Capacity 1,214 total enrolled (11 classrooms).

	Start-Up 26/27	Y1 27/28	Y2 28/29	Y3 29/30	Y4 30/31	Y5 31/32
Total enrolled	-	600	810	1,013	1,113	1,214
Day ADE	-	216	292	365	401	441
Night ADE	-	144	194	243	267	294
Total ADE	-	360	486	608	668	735
Refined ADA (funding basis)	-	270	365	456	501	551
Graduates	-	61	83	103	114	125

Three-year targets requested by the board: 600 / 810 / 1,013 enrolled (360 / 486 / 608 ADE). Year 1 is sized to classroom capacity against Norwood history of 800+ enrolled in 6 of 8 years.

Subchapter G reference: first-year enrollment at other Texas adult charter high schools

School	Operator	Location	Opened	Year 1 plan	Year 1 reported	Year 2 reported	Notes
The Excel Center (Norwood)	Goodwill Central Texas	Austin	2014 (state pilot)	150 learner cap (pilot)	Capped by pilot	See notes	The 2013 pilot capped enrollment at 150 learners; 48 graduates in year 1 and 61 in year 2. Norwood has since enrolled 800+ in 6 of 8 years, the basis for Houston sizing.
New Heights High School	New Heights (CEO Traci Berry) with Tarrant County College	Fort Worth, Stop Six (TCC Opportunity Center)	Sept 2024	350	500 at opening	~1,500 planned across 2 campuses	Opened 43% above plan; 1,400+ more adults were in the enrollment pipeline three weeks after opening (WFAA 9/26/2024). Leased a former Fort Worth ISD school on McCart Ave in 2025 with 700-800 seats (Fort Worth Report 8/26/2025). Closest comparator: single urban campus, community college partner, day and night classes.
TexasWorks	ResponsiveEd (Premier High Schools network)	23 campuses statewide, growing to 43	2024-25 / 2025-26	Not published	Not published	Not published	Network of small campuses with in-person and online options (ResponsiveEd, 5/14/2025). Per-campus enrollment is not publicly reported.
Restore TECH Academy	Restore Education	San Antonio, East Side	Aug 17, 2026	400 seats (lottery)	Opening term underway		Charter granted March 2026 after three application cycles; fifth adult charter in Texas. Parent nonprofit reported 6,000+ program applications July 2025 to June 2026 (San Antonio Report 7/6/2026). Relevant to the San Antonio expansion as well.
Houston (this plan)	Goodwill Central Texas with Goodwill Houston	Houston, 1316 Washington Ave	27/28	600	Plan: 360 ADE	810	Year 1 plan of 600 enrolled sits above New Heights' opening class (500) in a metro roughly three times the size of Tarrant County, and below Norwood history. Year 1 is sized to classroom capacity (11 classrooms).

Sources: Texas Tribune, WFAA, Fort Worth Report, ResponsiveEd newsroom, San Antonio Report.

Year 1 sensitivity: revenue if enrollment lands below plan (expenses held at plan)

% of plan	Total enrolled	ADE	Revenue	Revenue vs plan	Net income
100%	600	360	\$4,141,805	-	(\$1,202,646)
90%	540	324	\$3,727,624	(\$414,180)	(\$1,616,826)
80%	480	288	\$3,313,444	(\$828,361)	(\$2,031,007)
70%	420	252	\$2,899,263	(\$1,242,541)	(\$2,445,187)

State funding follows attendance (refined ADA, 75% of ADE in the model), so operating revenue scales with enrollment; GWH support is held constant. Each 10% miss on the Year 1 plan is roughly \$414K of revenue. Response steps are on the Risks & Mitigations tab.

Request 4: Budget by category

Houston tab recurring expense, rolled to categories. Ties to model total expense.

Category	Start-Up 6/27	Y1 27/28	Y2 28/29	Y3 29/30	Y4 30/31	Y5 31/32
Salaries	\$191,222	\$1,860,123	\$2,044,259	\$2,582,334	\$2,804,301	\$3,093,579
Benefits	\$65,207	\$634,302	\$697,092	\$880,576	\$956,267	\$1,054,910
Facilities (rent, NNN, utilities, maintenance)	\$167,956	\$1,026,370	\$1,057,161	\$1,088,876	\$1,121,542	\$1,155,188
Security	-	\$85,325	\$87,885	\$90,521	\$93,237	\$96,034
Marketing	\$100,000	\$80,000	\$82,400	\$84,872	\$87,418	\$90,041
Other services (copier, evaluations)	-	\$18,800	\$19,364	\$19,945	\$20,543	\$21,160
Supplies and technology	-	\$349,800	\$461,955	\$595,165	\$662,193	\$748,069
Student events and travel	-	\$83,830	\$104,963	\$134,975	\$147,097	\$165,282
PD, travel, other	-	\$62,100	\$70,531	\$84,480	\$89,845	\$98,864
Depreciation	-	\$221,429	\$221,429	\$221,429	\$221,429	\$221,429
Central Office allocation	-	\$882,372	\$941,886	\$1,054,749	\$971,309	\$997,737
Exploration Center allocation	-	\$540,000	\$450,522	\$580,524	\$656,947	\$744,524
Total expense	\$524,385	\$5,844,451	\$6,239,447	\$7,418,445	\$7,832,127	\$8,486,818
Operating revenue (state funding on attendance)	\$7,649	\$4,141,805	\$5,740,124	\$7,111,130	\$7,909,851	\$8,702,221
GWH contribution revenue	\$1,000,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Total revenue	\$1,007,649	\$4,641,805	\$6,240,124	\$7,611,130	\$8,409,851	\$9,202,221
Net income	\$483,264	(\$1,202,646)	\$678	\$192,685	\$577,724	\$715,403

Allocations: Central Office \$2,800 per ADE; Exploration Center \$1,500 per ADE above 250 (Houston new campus model tab). GWH contributions (\$1.0M capital in start-up, \$500K per year) are shown as contribution revenue so revenue and net income tie across tabs; net income turns positive in Year 2.

Allocations: Central Office \$2,800 per ADE; Exploration Center \$1,500 per ADE above 250 (model Expense Assumptions). Both grow 3% per year.

Benchmark: Norwood campus FY26 actuals (July 2025 to June 2026) against the Houston model

Source: 2025-06 Norwood Financial Statements (Income Statement, year-to-date actual) and 2026-06 Central Office Financial Statements. Norwood enrollment is the 25/26 budget figure used for allocations (900: 540 day, 360 night).

Category	Norwood FY26 actual (facilities: FY27 MOU)	Norwood per enrolled student	Houston Y1 per enrolled student	Houston Y3 per enrolled student	Houston Y1 vs Norwood	Norwood mapping / notes
Salaries	\$2,315,690	\$2,573	\$3,100	\$2,549	20%	Regular wages - Adjusted for Houston market
Benefits	\$664,246	\$738	\$1,057	\$869	43%	Employer benefits \$469,340 + payroll taxes \$152,760 + workers comp \$42,146. TRS on-behalf in-kind (\$151,835) excluded; it is offset by in-kind revenue.
Facilities (rent, NNN, utilities, maintenance)	\$629,656	\$700	\$1,711	\$1,075	145%	Comparable in kind, not in market. Norwood occupancy under the GIC7-Excel MOU (effective 6/12/2026) is \$629,656 per year. \$1,480 sf at fair market value, all-in, \$20.00 per sf and \$700 per enrolled student, allocated by the charterholder on a building it owns. Houston is a third-party landlord for the new campus. Estimated security cost in new market
Security	\$59,336	\$66	\$142	\$89	116%	Estimated security cost in new market
Marketing	-	-	\$133	\$84	n/a	Student advertising rolls up to Central Office allocation (\$27,980 budget in FY26 - Systemwide, not at the campus. Houston set at \$100K for Marketing in Start-up Year
Other services (copier, evaluations)	\$100,381	\$112	\$31	\$20	(72%)	Professional fees \$27,810 + contract labor \$72,571
Supplies and technology	\$133,703	\$149	\$583	\$588	292%	Includes expected start-up for supply
Student events and travel	\$79,772	\$89	\$140	\$133	58%	Adjusted for new market
PD, travel, other	\$12,366	\$14	\$104	\$83	653%	Estimated to be higher in start-up years
Depreciation	\$29,496	\$33	\$369	\$219	1026%	Depreciation (\$7320). Houston carries \$221K per year on the \$1.85M buildout, depreciated over ten years.
Central Office allocation	\$1,837,223	\$2,041	\$1,471	\$1,041	(28%)	Central Office allocation - Norwood (46% of \$4.0M by budgeted enrollment). Houston model rate: \$2,800 per ADE (Houston new campus model tab), \$882K in Year 1.
Exploration Center allocation	\$519,011	\$577	\$900	\$573	56%	Family Services allocation - Norwood (nearest equivalent). Houston model rate: \$1,500 per ADE above 250 (Houston new campus model tab), \$540K in Year 1.
Total expense	\$6,380,880	\$7,090	\$9,741	\$7,323	37%	Norwood total = FY26 statement net loss of \$5,752,065 (campus revenue is booked at Central
Check vs Norwood statement	(\$1)					
Norwood budgeted enrollment 25/26	900	Central Office statements, Budget Enrollment tab (540 day + 360 night)				
Benefits load: Norwood FY26	28.7%					
Benefits load: Houston model Y1	34.1%					
Central Office FY26 total expense	\$4,210,805	Central Office Income Statement, total expenses; allocated 100% to campuses				
Central Office cost per budgeted enrolled student (1,955)	\$2,154	Houston model rate is \$2,800 per ADE (roughly \$1,680 per enrolled student at the 1.67 enrolled-to-ADE ratio); Year 1 allocation \$882K.				
GIC7 MOU charterholder services (system-level, FY27)	\$763,200	MOU Exhibit A total: \$629,656 occupancy plus \$133,544 executive, legal, HR, IT, finance, marketing, and development. New cash cost from 6/12/2026; the \$133,544 is a system cost, not Norwood-only.				

Central Office allocation: the Central Office budget is spread across the seven existing campuses by enrollment. Adding Houston at \$2,800 per ADE reduces the allocation carried by the other seven; at the system level Houston's \$882K Year 1 allocation is largely a reallocation of existing cost, not new spend, unless Central Office headcount grows to serve it.

Request 4 detail: line items behind each category

Houston tab, recurring expenses.

Line item	Start-Up 26/27	Y1 27/28	Y2 28/29	Y3 29/30	Y4 30/31	Y5 31/32
Facilities	\$167,956	\$1,026,370	\$1,057,161	\$1,088,876	\$1,121,542	\$1,155,188
Rent	\$105,593	\$633,556	\$652,563	\$672,140	\$692,304	\$713,073
Triple net	\$31,057	\$186,340	\$191,930	\$197,688	\$203,619	\$209,727
Janitorial	\$12,423	\$74,536	\$76,772	\$79,075	\$81,447	\$83,891
Lanscaping	\$6,211	\$37,268	\$38,386	\$39,538	\$40,724	\$41,945
Utilities (Water, Gas, Electric, Trash)	\$12,423	\$74,536	\$76,772	\$79,075	\$81,447	\$83,891
WiFi	\$250	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688
Maintenance	-	\$18,634	\$19,193	\$19,769	\$20,362	\$20,973
Security	-	\$85,325	\$87,885	\$90,521	\$93,237	\$96,034
Security Guard Day	-	\$50,400	\$51,912	\$53,469	\$55,073	\$56,726
Security Guard Night	-	\$26,425	\$27,218	\$28,034	\$28,875	\$29,742
Raptor	-	\$7,000	\$7,210	\$7,426	\$7,649	\$7,879
Intrado - Silent Alarm	-	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688
Services	\$100,000	\$98,800	\$101,764	\$104,817	\$107,961	\$111,200
Copier Maintenance	-	\$800	\$824	\$849	\$874	\$900
Sp Prog Evals	-	\$18,000	\$18,540	\$19,096	\$19,669	\$20,259
Marketing Strategy	\$100,000	\$80,000	\$82,400	\$84,872	\$87,418	\$90,041
Supplies	-	\$349,800	\$461,955	\$595,165	\$662,193	\$748,069
Classroom Supplies	-	\$90,000	\$125,145	\$161,257	\$182,485	\$206,812
Office Supplies	-	\$11,400	\$12,360	\$15,914	\$16,391	\$18,233
Staff Technology	-	\$68,400	\$74,160	\$95,481	\$98,345	\$109,399
Student Technology	-	\$180,000	\$250,290	\$322,514	\$364,971	\$413,624
Events	-	\$83,830	\$104,963	\$134,975	\$147,097	\$165,282
End of Term Celebration Expenses	-	\$21,600	\$30,035	\$38,702	\$43,796	\$49,635
End of Year Celebration Students	-	\$3,240	\$7,509	\$9,675	\$10,949	\$12,409
End of Year Celebration Staff	-	\$4,000	\$4,120	\$5,305	\$5,464	\$6,078
Staff Appreciation	-	\$4,000	\$4,120	\$5,305	\$5,464	\$6,078
Student Travel/Field Trips	-	\$9,000	\$12,515	\$16,126	\$18,249	\$20,681
Graduation	-	\$4,590	\$6,197	\$7,752	\$8,517	\$9,371
Convocation	-	\$32,000	\$32,960	\$42,436	\$43,709	\$48,622
Student Activity Groups(Prom, yearbook, Student Council)	-	\$5,400	\$7,509	\$9,675	\$10,949	\$12,409
Misc	-	\$283,529	\$291,960	\$305,908	\$311,273	\$320,293
PD Teachers	-	\$20,000	\$20,600	\$26,523	\$27,318	\$30,389
PD Directors	-	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688
PD Coaches	-	\$2,400	\$3,200	\$4,000	\$4,000	\$4,800
District Travel	-	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377
Staff Travel	-	\$19,000	\$19,570	\$20,157	\$20,762	\$21,385
Lead Tracking Software and Recruitment Swag	-	\$9,000	\$12,515	\$16,126	\$18,249	\$20,681
Large Format Printing	-	\$7,200	\$10,012	\$12,901	\$14,599	\$16,545
Depreciation	-	\$221,429	\$221,429	\$221,429	\$221,429	\$221,429
Allocations	-	\$1,422,372	\$1,392,408	\$1,635,273	\$1,628,256	\$1,742,261
Central Office	-	\$882,372	\$941,886	\$1,054,749	\$971,309	\$997,737
Exploration Center	-	\$540,000	\$450,522	\$580,524	\$656,947	\$744,524
Staffing	\$191,222	\$1,860,123	\$2,044,259	\$2,582,334	\$2,804,301	\$3,093,579

Fringe	\$65,207	\$634,302	\$697,092	\$880,576	\$956,267	\$1,054,910
TRS	\$19,122	\$186,012	\$204,426	\$258,233	\$280,430	\$309,358
SS/MC	\$3,442	\$33,482	\$36,797	\$46,482	\$50,477	\$55,684
Medical	\$34,420	\$334,822	\$367,967	\$464,820	\$504,774	\$556,844
Worker's Compensation	\$4,016	\$39,063	\$42,929	\$54,229	\$58,890	\$64,965
Long Term Disability	\$2,295	\$22,321	\$24,531	\$30,988	\$33,652	\$37,123
ER Life Insurance	\$1,912	\$18,601	\$20,443	\$25,823	\$28,043	\$30,936

Request 5: Start-up benchmark against a TEA charter application financial plan

Comparator: New Charter School Application Financial Plan Workbook, K-12 replication applicant (Mater Academy, San Antonio), dated 12/4/2024. Applicant projections, not actuals.

Read with care: the comparator is a K-8 to K-12 school funded on ADA at roughly \$10K per student in state aid plus a \$1.5M federal CSP grant. Houston is an adult campus funded on ADE with no federal start-up grant assumed. The cost structure is comparable; the revenue side is not.

Measure	Comparator start-up (Yr 0)	Comparator Year 1	Houston start-up 26/27	Houston Year 1 27/28	Houston vs comparator (Yr 1)	What it says
Students (enrolled headcount)		336	-	600	79%	Comparator ADA 306 (91%). Houston 360 ADE on 600 enrolled (60%); each enrolled adult generates about two-thirds the attendance funding of a K-12 student.
Total revenue	\$300,000	\$5,185,839	\$1,007,649	\$4,641,805	(10%)	Comparator Year 1 includes \$1.64M federal, of which \$1.4M is a CSP grant to the CMO; state aid is \$3.38M. Houston revenue is state funding on attendance plus GWH contribution revenue (\$500K in Year 1), so totals tie across tabs.
Total expense	\$277,804	\$3,963,764	\$524,385	\$5,844,451	47%	Houston start-up operating spend is nearly double the comparator, driven by the drop-in center and marketing; the comparator carries almost no pre-opening staff.
Net operating income	\$22,196	\$1,222,075	\$483,264	(\$1,202,646)		Strip the CSP grant and the comparator Year 1 is about a \$200K loss, then near break-even in Years 2-3. Houston runs (\$1.2M) in Year 1 after GWH support and is positive from Year 2.
Capital / buildout	-	-	(\$1,850,000)	-		The comparator operating plan carries no capex or depreciation (facility is leased, fit-out not shown). Houston carries \$1.85M buildout and FF&E in the start-up year.
Expense per enrolled student		\$11,797		\$9,741	(17%)	Per enrolled student Houston is 17% below the comparator. Per attending student (ADE) it is \$16.2K, because enrolled adults attend part time.
Revenue per enrolled student		\$15,434		\$7,736	(50%)	Comparator \$15.4K includes the CSP grant; state aid alone is \$10.1K per student. Houston \$7.7K per enrolled including GWH support (\$6.9K from state funding; \$11.5K per ADE).
Personnel incl. benefits, % of expense		61%	49%	43%	-18%	Comparator 61%. Houston 43% at the campus, but Central Office and Exploration Center allocations (24% of expense) are mostly people; on a like basis Houston is in the same range.
Benefits load (benefits / salaries)		26%	34%	34%	+8%	Comparator 26%, Norwood FY26 actual 29%, Houston model 34%.
Facilities, % of expense		18%	32%	18%	-0%	Both about 18%. Houston facility cost per enrolled student (\$1,711) is below the K-12 comparator (\$2,115) and above Norwood under the new GICT MOU (\$700 at \$20 per sf all-in). Rent burden is in the normal range for a Texas charter start-up.
Overhead: management fee or central allocations, % of expense		6%	-	24%	+18%	Comparator CMO fee 6%. Houston allocations 24% (Central Office \$882K, Exploration Center \$540K). The allocation carries HR, finance, IT, and childcare that a CMO fee does not, and Central Office cost is spread across the seven existing campuses, so Houston's share reduces theirs rather than adding system cost.
Marketing and recruitment	\$35,000	\$33,700	\$100,000	\$80,000	137%	Houston plans roughly 2.4x the comparator, consistent with New Heights-style adult recruitment and a new market.
Technology and supplies	\$6,100	\$148,000	-	\$349,800	136%	Comparator Year 1 technology plus classroom supplies. Houston is 2.4x, driven by student devices (\$180K).
Total FTE	2.0	37.0	-	38.0	3%	Comparator about 37 FTE for 336 students (9.1 per FTE). Houston 38 FTE for 360 ADE (9.5 per FTE). Staffing intensity per attending student is equivalent.

Five-year shape (comparator net operating income)

	Yr 0	Year 1	Year 2	Year 3	Year 4	Year 5
Comparator net operating income	\$22,196	\$1,222,075	(\$87,783)	\$27,222	(\$391,184)	(\$321,861)
Comparator enrollment	-	336	477	676	1,213	1,535
Houston net income (tab 3)	\$483,264	(\$1,202,646)	\$678	\$192,685	\$577,724	\$715,403
Houston total enrolled (tab 2)	-	600	810	1,013	1,113	1,214

Request 6: Cash vs. fund balance: definitions, and Houston's effect on the school system

Houston is one campus inside one charter. State funding is paid to the charter holder, cash is pooled, and Charter FIRST rates the whole system. Rows 10-20 isolate Houston's increment; the system view is on tab 6.

Term	Definition	Impact of New Houston Campus
Cash (days cash on hand)	Cash and equivalents the school system can spend. Days cash on hand = cash divided by average daily operating expense (excluding depreciation). Capital spending reduces cash immediately; depreciation does not touch it.	Buildout and FF&E (\$1.85M) leave in 26/27, before any revenue. Operating loss in Year 1, then positive net income from Year 2 with GWH support counted as revenue. Peak cumulative draw of \$2.35M at end of Year 1, recovered in Year 5.
Fund balance (net assets)	Accumulated surplus: total assets less liabilities, the charter equivalent of retained earnings. Moves with net income (revenue less expense, including depreciation) plus contributions received. Capital spending does not reduce it; the asset is depreciated over ten years.	Falls with the Year 1 operating loss only. Low point of \$0.72M below start at end of Year 1, recovered in Year 4. Houston only; excludes the approved 26/27 district deficit budget, which is in the system view on tab 6.
Why the board tracks both	Charter FIRST tests both. Indicator 6 requires net assets above 75 days of operating expense (pass/fail; a miss caps the rating at 89, a B). Indicator 7 awards full points at 60 days cash on hand and Indicator 9 protects solvency points at 40 days. The model targets 75 days cash because the margin indicator also awards full points at that level despite a negative margin.	Houston's capex draw lowers days cash without lowering net assets; its operating loss lowers both. Tab 6 shows the system holding 75 days cash through the ramp only if the fundraising target is met, and negative days cash from 27/28 to 30/31 without it.

Houston increment only (model)							
	Start-Up 26/27	Y1 27/28	Y2 28/29	Y3 29/30	Y4 30/31	Y5 31/32	
Net income (after GWH contribution revenue)	\$483,264	(\$1,202,646)		\$678	\$192,685	\$577,724	\$715,403
CapEx (buildout + FF&E)	(\$1,850,000)	-	-	-	-	-	-
GWH contribution (now in net income)	-	-	-	-	-	-	-
Add back depreciation	-	\$221,429	\$221,429	\$221,429	\$221,429	\$221,429	\$221,429
Net cash flow	(\$1,366,736)	(\$981,217)	\$222,106	\$414,113	\$799,152	\$936,832	
Cumulative cash	(\$1,366,736)	(\$2,347,953)	(\$2,125,847)	(\$1,711,734)	(\$912,581)	\$24,250	
Change in fund balance (Houston only)	\$483,264	(\$1,202,646)	\$678	\$192,685	\$577,724	\$715,403	
Cumulative fund balance (Houston only)	\$483,264	(\$719,382)	(\$718,704)	(\$526,019)	\$51,704	\$767,108	

System context (tab 6, growth plan funded case)							
	26/27	27/28	28/29	29/30	30/31	31/32	
System ending cash, all campuses, fundraising met	\$3,510,934	\$4,658,849	\$5,499,906	\$6,228,395	\$8,024,203	\$11,863,378	
System days cash on hand, fundraising met	75.0	75.0	75.0	75.0	81.0	110.7	
System days cash on hand, no fundraising	32.8	(39.3)	(24.2)	(30.9)	(7.8)	28.6	

Fund balance treatment: GWH capital and annual support are treated as cash and recognized in the year received. Starting net assets: \$7.9M at 6/30/2026.

Charter FIRST Indicator 6: net assets vs 75 days of expense							
	26/27	27/28	28/29	29/30	30/31	31/32	
System net assets at 6/30/2026	\$7,900,000						
Indicator 6 threshold: 75 days of daily expense (tal	\$3,510,934	\$4,657,277	\$5,502,488	\$6,228,395	\$7,433,464	\$8,039,813	
Net assets: start plus Houston increment only	\$8,383,264	\$7,180,618	\$7,181,296	\$7,373,981	\$7,951,704	\$8,667,108	
Headroom over threshold, Houston only	\$4,872,330	\$2,523,342	\$1,678,808	\$1,145,586	\$518,240	\$627,294	
Net assets: system, growth plan, fundraising met	\$9,210,934	\$12,640,992	\$13,210,263	\$15,516,966	\$17,319,560	\$20,165,521	
Net assets: system, growth plan, no fundraising	\$7,234,295	\$5,544,353	\$5,935,624	\$6,723,247	\$8,525,841	\$11,371,802	
Headroom over threshold, system, no fundraising	\$3,723,361	\$887,076	\$433,136	\$494,852	\$1,092,377	\$3,331,989	

Request 8: Funding scenarios for the Houston expansion

The need is the peak cumulative cash draw of \$2.35M at end of Year 1 (tab 4), after Goodwill Houston's \$1.0M capital and first \$500K annual support. Three sources can cover it, alone or blended. Blue cells are inputs.

Peak cumulative cash need (tab 4)	\$2,347,953
Gross need before any GWH support (reference)	\$3,847,953
System daily expense 27/28 (tab 6)	\$62,097
Buildout gap (capex less GWH capital)	\$850,000

Scenario	Excel Center fund balance (reserves)	GCT support	External fundraising	Total	Reserve draw in days of system cash	Houston cash recovered	Considerations
1. Reserves only	\$2,347,953	-	-	\$2,347,953	38	Year 5	Simplest and fully in the board's control. Draws about a month of system cash at the low point and keeps the growth-plan fundraising target intact for other sites. Capex portion does not reduce net assets; the operating ramp does.
2. GCT funds the buildout gap; reserves carry the operating ramp	\$1,497,953	\$850,000	-	\$2,347,953	24	Year 5	GCT covers the \$850K buildout gap (\$1.85M less GWH capital). Structure matters: a grant adds to net assets, a repayable advance is a liability.
3. External fundraising covers buildout gap plus half the Year 1 loss	\$647,953	-	\$1,700,000	\$2,347,953	10	Year 4	Fastest recovery, smallest reserve draw. Timing matters: buildout cash goes out in 26/27, so reserves bridge until external funds land.
4. Blend: one-third each	\$781,953	\$783,000	\$783,000	\$2,347,953	13	Year 4	Shares the load and limits any single dependency. Reserve draw under two weeks of cash.

Reserve draw in days uses the model 27/28 system daily expense. "Houston cash recovered" is the year Houston's cumulative cash flow, plus GCT and external funds, returns to zero (tab 4 row 17).
Charter FIRST lens: reserves spent on buildout reduce cash but not net assets (Indicator 6); reserves spent on operating losses reduce both. External gifts restricted to capital add to net assets when received.

Request 9: District cash forecast and Charter FIRST (entire school system)

Consolidated Cash Flow tab, all campuses in the growth plan. Funded case assumes fundraising targets are met.

Scope: this forecast covers the entire school system, every campus in the growth plan, not Houston alone. Houston's increment is isolated on tab 4.

Base case: approved 26/27 budget, no new fundraising	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
Net income (includes GWH contribution revenue)	(\$665,705)	(\$1,689,942)	\$391,271	\$787,623	\$1,802,594	\$2,845,961	\$3,011,450	\$2,849,172	\$2,890,431
CapEx total	\$4,350,000	\$925,000	-	\$1,850,000	-	-	-	-	-
Timing adjustment (TEA receivable and other)	\$1,500,000	(\$2,000,000)	(\$500,000)	(\$500,000)	(\$1,000,000)	-	-	-	-
Add depreciation	\$50,000	\$642,857	\$771,786	\$771,786	\$993,214	\$993,214	\$993,214	\$993,214	\$750,357
Net cash flow	(\$3,465,705)	(\$3,972,085)	\$663,057	(\$790,591)	\$1,795,808	\$3,839,175	\$4,004,664	\$3,842,386	\$3,640,788
Ending cash	\$1,534,295	(\$2,437,790)	(\$1,774,733)	(\$2,565,324)	(\$769,516)	\$3,069,659	\$7,074,323	\$10,916,710	\$14,557,498
Daily expense (1x day cash)	\$46,812	\$62,097	\$73,367	\$83,045	\$99,113	\$107,198	\$114,342	\$119,989	\$125,148
Days cash on hand	32.8	(39.3)	(24.2)	(30.9)	(7.8)	28.6	61.9	91.0	116.3
Charter FIRST target days cash	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75
Margin to 75 days	(42.2)	(114.3)	(99.2)	(105.9)	(82.8)	(46.4)	(13.1)	16.0	41.3
Opening cash 7/1/2026	\$5,000,000								
Funded case: fundraising target sized to hold 75 days cash	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35
Fundraising target	\$1,976,639	\$5,120,000	\$178,000	\$1,519,080	-	-	-	-	-
Net cash flow, funded	(\$1,489,066)	\$1,147,915	\$841,057	\$728,489	\$1,795,808	\$3,839,175	\$4,004,664	\$3,842,386	\$3,640,788
Ending cash, funded	\$3,510,934	\$4,658,849	\$5,499,906	\$6,228,395	\$8,024,203	\$11,863,378	\$15,868,042	\$19,710,429	\$23,351,217
Days cash on hand, funded	75.0	75.0	75.0	75.0	81.0	110.7	138.8	164.3	186.6
Margin to 75 days, funded	(0.0)	0.0	(0.0)	(0.0)	6.0	35.7	63.8	89.3	111.6
Total fundraising target	\$8,793,719								

Net income includes GWH contributions as revenue. 26/27 CapEx reflects the \$1.0M South Austin buildout in the approved 26/27 budget (an earlier model version carried \$1.85M). Opening cash is 7/1/2026. The timing adjustment row carries the TEA receivable and other year-end timing items, which must be included for valid fiscal-year-end figures.

Charter FIRST: two indicators depend on days cash. One awards maximum points above 60 days; the margin indicator awards maximum points despite a negative margin if the district holds 75 days cash. The fundraising target is sized to hold exactly 75 days through 29/30.

Houston alone reduces 26/27 cash by \$1.37M (about 29 days at the 26/27 daily expense) and is fully included in every row above.