

Urban Montessori Charter School Board Financial Update

ALEJANDRA RODRIGUEZ

MARCH 25TH, 2021



Contents



1. **2020-21 Financial Update**
2. **State Budget & Federal Stimulus Update**
 - A. LCAP Update
3. **2021-22 Budget Development**
 - A. Draft Budget
 - B. Budget Considerations
4. **Exhibits**
 - A. YTD Financials
 - B. Cash Flow
 - C. Balance Sheet
 - D. Budget Draft

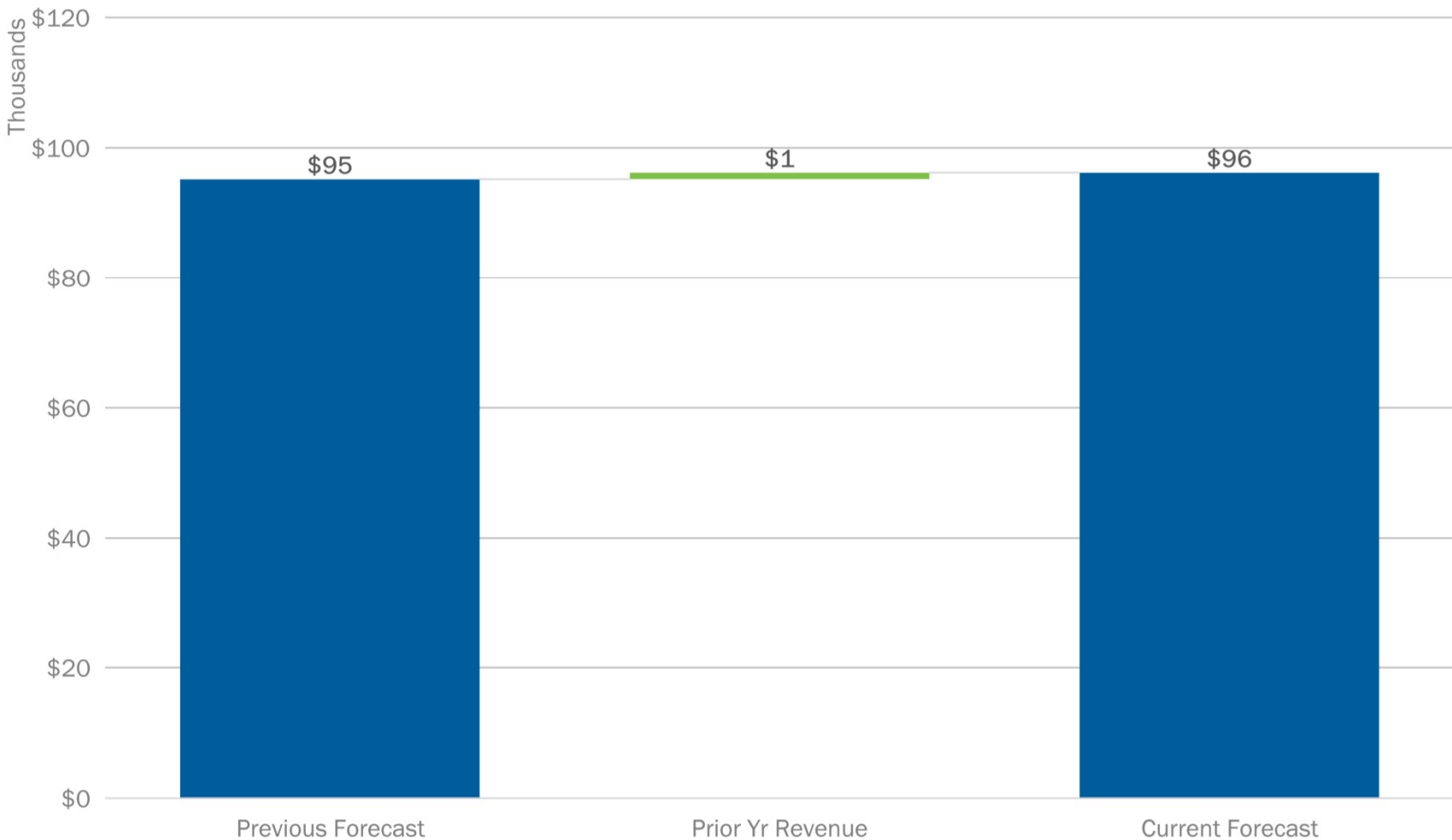
2020-21 Financial Update



2020-21 Forecast Update

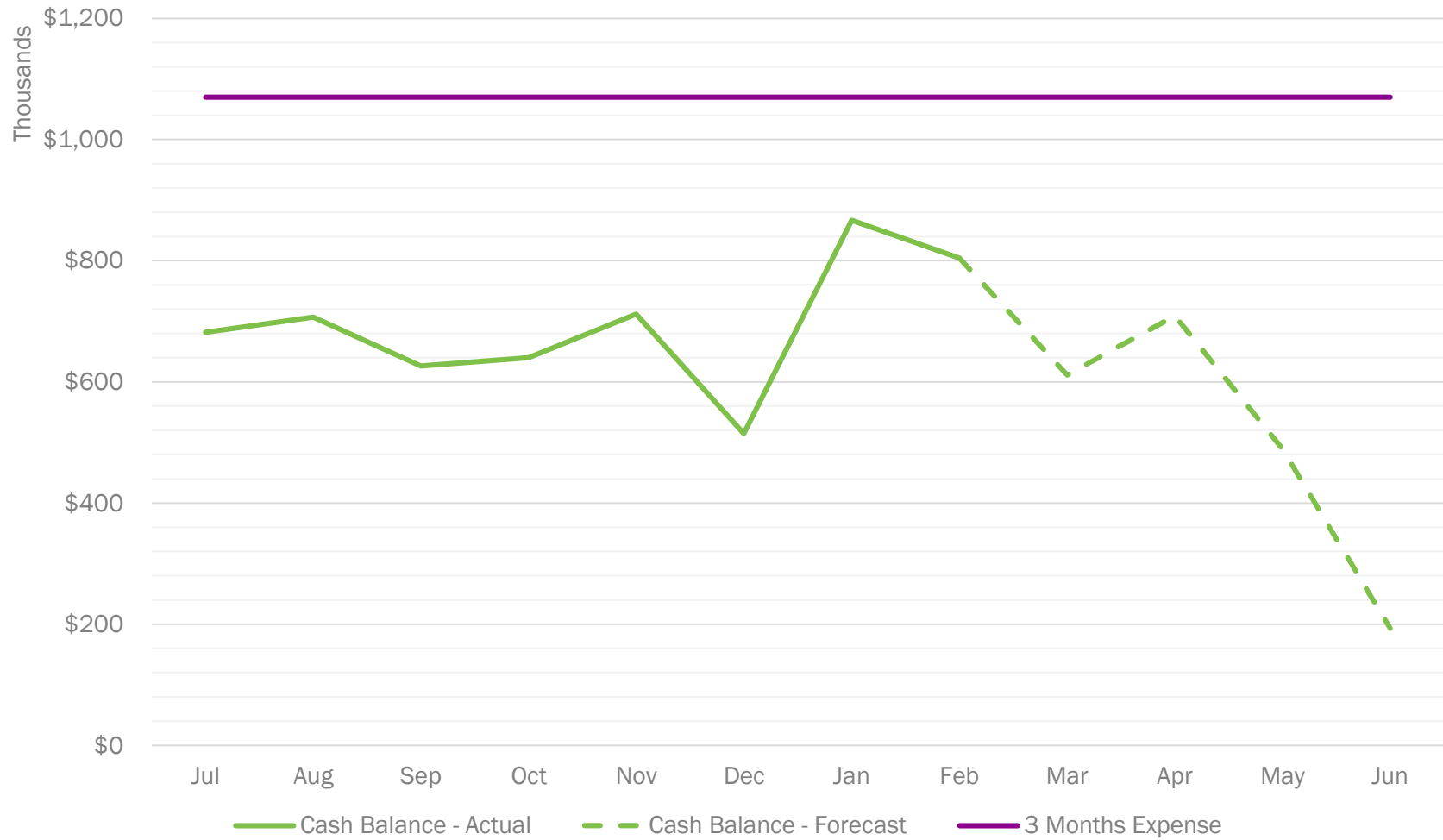


No significant change to operating income from prior month



2020-21 Monthly Cash Balance

Cash balance slightly higher due to P1 certification



State Budget & Federal Stimulus Update



\$2B In-Person Instruction



\$4.6B Expanded Learning Opportunities



- Supplemental instruction & supports
- 85% for in-person instruction
- 10% for paraprofessionals
- Up to 15% on remote activities
- Board approved narrative & expense plan by June 1
- Spend by August 31, 2022
- TBD audit requirements, audit finding → payback of funds

ESSER II & III



ESSER II

- CRRSA Act – December 2020
- Spend by Sept 30, 2023

ESSER III

- American Rescue Plan – March 2021
- Spend by Sept 30, 2024
- 20% spent on learning loss mitigation
- Reopening plan with public comment

Eligible Expenses

- Learning loss, facility repairs & improvements, tech, programs, mental health, PPE, cleaning supplies

COVID Funding Recap

Different basis for funding shown across eligible fiscal years

	2020-21	2021-22	2022-23	2023-24	2024-25
LLM	\$199K				
ESSER I		\$38K			
ESSER II			\$139K		
AB/SB 86 In-person Instruction		\$110K			
AB/SB 86 Expanded Learning		\$233K			
ESSER III			\$323K		

LCAP Input & Adoption Timeline

July 1, 2021 Deadline for the 2021-2024 LCAP 3-Year Plan

Stakeholder Engagement

- Engage all stakeholders while preparing the LCAP: Parents, students, teachers, other staff, administrators, etc.

Public Hearing

- Public hearing with option for public comment must occur on a date prior to board approval
- Agenda to be posted 72 hrs. prior & state where to access draft

Board Approval

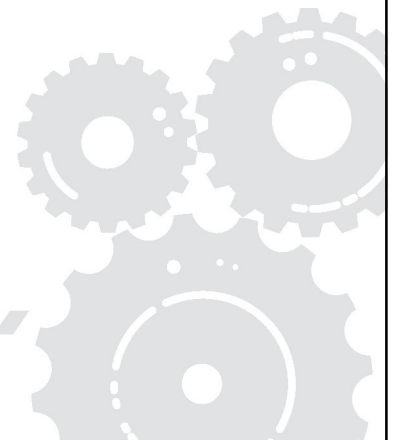
- LCAP must be approved by the school's board BEFORE it can approve the budget (can occur at same meeting)
- Local Indicators approved by school's board at same meeting as LCAP; posted to Dashboard in Fall

Submission & Posting

- **LCAP must be Board-approved by July 1, 2021 and submitted to the county office & authorizer within 5 days of approval**
- LEAs are also required to post the LCAP on their website within 5 days of approval

2021-22 Budget Development

edtec 



Updated 2021-22 Budget Draft

Updated budget has more conservative revenue & expense assumptions

		2021-22	2021-22	Variance
		Prior Budget Draft	Current Budget Draft	
Revenue	LCFF Entitlement	3,486,352	3,486,352	-
	Federal Revenue	292,555	292,555	0
	Other State Revenues	356,412	356,396	(16)
	Local Revenues	77,700	77,700	-
	Fundraising and Grants	203,000	178,000	(25,000)
	Total Revenue	4,416,019	4,391,003	(25,016)
Expenses	Compensation and Benefits	3,184,971	3,184,971	-
	Books and Supplies	257,353	258,846	(1,493)
	Services and Other Operating Expenditures	871,774	880,269	(8,496)
	Depreciation	8,967	8,967	-
	Other Outflows	4,335	4,335	-
	Total Expenses	4,327,399	4,337,387	(9,988)
	Operating Income	88,621	53,616	(35,004)
	Beginning Balance	387,061	388,095	1,033
	Operating Income	88,621	53,616	(35,004)
	Ending Fund Balance (incl. Depreciation)	475,682	441,711	(33,971)
	Ending Fund Balance as % of Expenses	11.0%	10.2%	-0.8%

Operating Income & Cash Goals

Goal is to have 3 months worth of cash on hand

% of Yearly Expense	Operating Income	Years to Build Cash
3%	\$130K	5 years
4%	\$173K	4 years
5%	\$217K	3 years

A 3-5% operating income, in addition to strong reserves, allows for school to weather unforeseen fiscal challenges

One-Time Funding Considerations

One-time funding will support with increased costs for in-person return

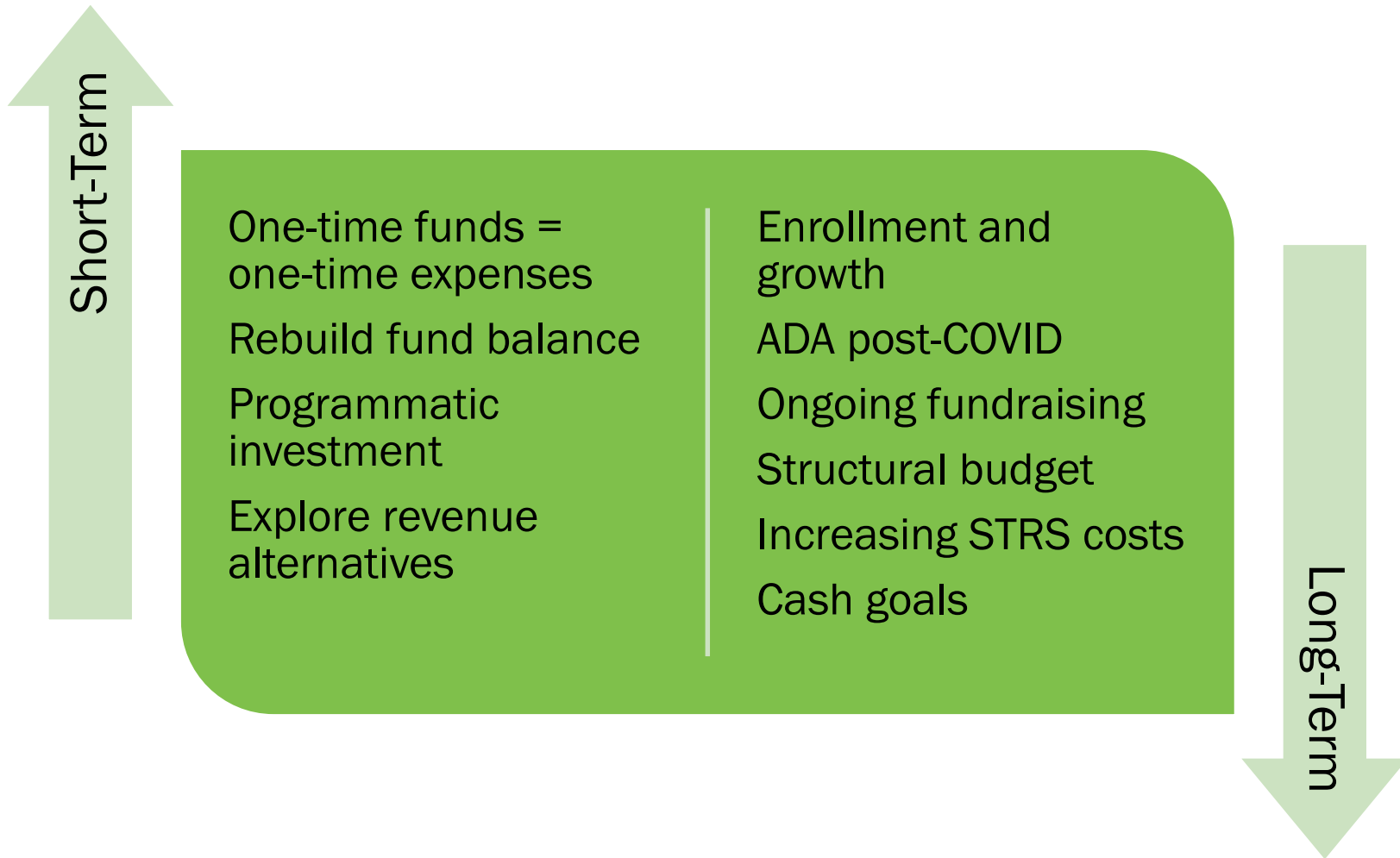
In Person Instruction Grant*	Extended Learning Grant*	ESSER II	ESSER III*
\$110K	\$233K	\$139K	\$323K
State Funding		Federal Funding	
Contingent on in-person learning by April 1 st (1% penalty for every day not open)	Can only be spent when school is in-person	Broad range of allowable uses	Broad range of allowable uses

UMCS will receive over \$1M of one-time funds

*projections; amounts not yet certified by CDE

Budget Considerations

Budgeting strategy is both about the long-term and short-term



Budget Development: Next Steps

Rough draft of budget; waiting to update one-time revenue and expense

