



East Bay Innovation Academy

December Actuals & Forecast Update

edtec

Business and Development Specialists
for Charter Schools

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Agenda



- State budget update
- P-1 and CALPADS attendance update
- Review of December actuals
 - Updated forecast
- Review of cash flow status



State Budget Update

2015-16 California State Budget

Governor Brown released his 15-16 budget proposal on January 9th; proposal bodes well for K-12 education



- Proposition 98 (primary legislation mandating spending on education) funding increased by \$7.8B, to a total of \$65.7B
- Funding increase will primarily be used for faster LCFF implementation and to pay down deferrals
 - Allocating additional \$4B for LCFF implementation to close approximately 32% of remaining gap towards schools' target rates (*won't likely have impact on EBIA*)
 - Eliminating remaining June deferral
- Spending increases on other K-12 programs also proposed
 - Funding for SB 740 program to permanently lower FRPM eligibility threshold to 55%
 - \$1.1B for one-time Common Core implementation grant (\$180/ADA)
 - \$100M for internet connectivity and infrastructure
 - \$320M for school energy efficiency grants
- Just the first step in iterative process involving Governor and Legislature that will result in final budget being approved in June
 - At this time, no recommendation to make any changes to previous assumptions for 15-16 planning purposes



P-1 ADA

Forecast Update: Average Daily Attendance

P-1 ADA was 210.7; 6.5 above budgeted ADA projection



- P-1 ADA is average number of students who attended school each day from first day of school until approximately holiday break – used to establish spring payment schedule

- P-1 ADA of **210.74** was **6.5 above budgeted** ADA of 204.3
 - Enrollment was 1 student higher than budgeted (216 v. 215)
 - Attendance percentage of **97.6%** was much higher than budgeted 95%

- P-2 is final ADA measure for all funding except Lottery (P-Annual)
 - P-2 is average of approximately first 8 months of year (inclusive of P-1)
 - Typically see a drop in P-2, but could also see an increase – no historical data for EBIA!

- Funding per ADA is between \$7,500 and \$8,000, so each ADA counts
 - Under current funding assumptions, budget impact is **~\$48,500**

Forecast Update: Unduplicated Count

CALPADS data submitted in December;
Unduplicated count of 30 below budgeted projection



- **Unduplicated count** is component of Local Control Funding Formula
 - Some funding allocated to schools based on Free or Reduced Price Meal, English Language Learner, or Foster Youth student count, with *no student counted twice*
- CALPADS is formal source of data, and first deadline for submission was December 19
 - Opportunity to make corrections in next few months if data was not complete
- Submitted number of unduplicated students was 30, 2 less than Nov budget and 35 less than original budget
 - Under current assumptions, budget impact of **-\$2,800** (**-\$43,000** from original budget)

Charter School(s)							
School Code	School Name	Total Enrollment	Total Unduplicated Eligible Free/Reduced	EL Funding Eligible (3)	Unduplicated FRPM/EL Eligible Count	Foster Family Maintenance (1)	Unduplicated FRPM/EL/Foster Youth Total (4)
0129932	East Bay Innovation Academy	216	30	7	30	0	30
TOTAL - Selected Schools		216	30	7	30	0	30
TOTAL LEA		216	30	7	30	0	30

2014-15 December Actuals

December Actuals: Summary

Revenue and expenses were as expected in December, with rent invoice booked one month prior to expectation



As of December 31, 2015		Actual			Budget vs. Actual		
		Oct	Nov	Dec	Actual YTD	Forecast YTD	Variance (YTD less Forecast)
SUMMARY							
Revenue							
	General Block Grant	567,798	-	-	567,798	597,632	(29,834)
	Federal Revenue	18,725	-	-	45,000	45,000	-
	Other State Revenues	-	-	-	-	-	-
	Local Revenues	278	0	1,109	1,387	555	832
	Fundraising and Grants	2,950	3,627	23,742	30,503	18,075	12,428
	Total Revenue	589,751	3,627	24,851	644,688	661,262	(16,574)
Expenses							
	Compensation and Benefits	126,898	104,166	105,817	550,052	555,288	5,236
	Books and Supplies	7,413	6,113	5,323	144,085	155,292	11,208
	Services and Other Operating Exp.	97,335	41,609	65,467	358,212	323,901	(34,310)
	Capital Outlay	-	-	-	-	-	-
	Total Expenses	231,646	151,887	176,606	1,052,348	1,034,482	(17,866)
	Operating Income (excluding Depreciation)	358,105	(148,260)	(151,755)	(407,661)	(373,220)	(34,440)

December Actuals: Detail

Almost all revenue came from donations; Expenses as expected, with 2nd invoice for OUSD rent hitting books



- **25K revenue in Dec (645K YTD, 30% of forecast)**
 - 13K donations from parents
 - 10K private donations
 - 600 fundraising

- **177K expenses in Dec (1.1M YTD, 49% of forecast)**
 - 106K in Comp & Benefits – expected run rate
 - 5K in Books & Supplies – instructional materials, technology, student food
 - 65K in Services & Other Operating Expenses
 - 29K rent to OUSD (2nd of 4 payments)
 - 10K communications expenses (internet, storage, Comcast)
 - 9K EdTec invoice
 - 5K instructional consultants
 - 5K custodial services
 - 2K special education contractors (Teach Speech, Maxim)
 - 2K PG&E

2014-15 Forecast Update

ADA increased revenue by 57K, but increased expenses and corrections of 76K drove overall decrease in operating income, now 27K



		2013/14	2014/15	2014/15	2014/15
		Startup Budget	Reapproved Budget (Nov)	Current Forecast	Variance (Budget vs. Forecast)
SUMMARY					
Revenue					
	General Block Grant	-	1,512,277	1,557,796	45,520
	Federal Revenue	125,600	326,445	325,953	(492)
	Other State Revenues	-	126,873	137,278	10,405
	Local Revenues	207	278	1,387	1,109
	Fundraising and Grants	66,069	151,434	152,029	595
	Total Revenue	191,876	2,117,307	2,174,444	57,137
Expenses					
	Compensation and Benefits	11,064	1,198,310	1,246,419	(48,109)
	Books and Supplies	13,145	194,729	197,316	(2,587)
	Services and Other Op Exp	145,254	678,848	703,868	(25,020)
	Capital Outlay	-	-	-	-
	Total Expenses	169,463	2,071,887	2,147,603	(75,716)
Operating Income (excl Depreciation)		22,414	45,419	26,841	(18,579)
Fund Balance					
	Beginning Balance (Unaudited)		22,414	22,414	
	Operating Income	22,414	45,419	26,841	
Ending Fund Balance		22,414	67,833	49,255	
Required Reserve Level (3%)			62,157	64,428	
Ending Fund Balance as a % of Exp		13.2%	3.3%	2.3%	

2014-15 Forecast update: Variance

95K total change based on three main factors



Revenue	Expenses: Salary and Benefits	Expenses: Operations
<ul style="list-style-type: none">46K Gen Purp Funds due to ADA / unduplicated count4K SpEd and Lottery due to ADA change6K for new Mental Health funding from SELPA2K in local funds from unexpected reimbursements and fundraising	<ul style="list-style-type: none">-37K error in excluding prior ED salary-7K additional funding for tutors/Instructional Assistants-8K additional funding for front office support-16K additional benefits and fees for above personnel changes¹	<ul style="list-style-type: none">-4K additional fees based on increased revenue (EdTec, OUSD)-1K payroll fees due to actual overage-3K additional funds for staff recruiting for next year (not in budget)

Total Δ
= -19K

57K

-68K

-7K

Note: Numbers and calculations may not be exact due to rounding

¹ Current assumption is that new full-time staff will take health insurance, but may go down if employee opts out

Review Cash Flow Status

Recall: December's Cash Flow Projection

Private loan in December expected to cover temporary shortfall with payback in January, additional shortfalls expected in Feb and Mar

	2014/15											
	Projected											
	Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Actual	Dec Projected	Jan Projected	Feb Projected	Mar Projected	Apr Projected	May Projected	Jun Projected
Beginning Cash	16,264	187,401	14,239	62,000	190,767	47,015	4,532	40,382	(60,838)	(53,876)	89,958	45,948
Revenue												
General Block Grant	-	-	-	567,798	-	-	338,452	40,915	131,611	106,613	96,971	96,971
Federal Income	26,275	-	-	18,725	-	-	48,196	3,196	3,196	48,196	3,196	5,696
Other State Income	-	-	-	-	-	-	279	279	18,946	18,946	11,890	858
Local Revenues	0	0	0	278	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Fundraising and Grants	-	84	100	2,950	3,627	-	-	-	-	144,673	-	-
Total Revenue	26,275	84	100	589,751	3,627	(0)	386,927	44,390	153,753	318,428	112,057	103,525
Expenses												
Compensation & Benefits	27,509	81,170	104,493	126,898	104,166	105,224	113,386	106,318	106,318	104,971	104,971	101,784
Books & Supplies	87,288	26,516	11,432	7,413	6,113	15,894	11,044	5,644	8,250	5,644	6,044	6,250
Services & Other Operating E	71,974	51,298	30,530	97,335	41,609	44,604	95,053	37,053	35,628	67,384	48,458	44,590
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	186,771	158,983	146,454	231,646	151,887	165,721	219,482	149,015	150,196	177,999	159,473	152,624
Operating Cash Inflow (Outflow)	(160,496)	(158,899)	(146,354)	358,105	(148,260)	(165,722)	167,445	(104,625)	3,557	140,429	(47,416)	(49,099)
Revenues - Prior Year Accru	42,672	-	-	-	-	-	-	-	-	-	-	-
Expenses - Prior Year Accru	(28,791)	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable - Curre	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable - Current	63,852	(16,543)	(1,272)	(31,683)	(94)	(15,167)	-	-	-	-	-	-
Summerholdback for Teacher	-	2,280	3,519	2,346	4,603	3,405	3,405	3,405	3,405	3,405	3,405	3,405
Loans Payable (Current)	-	-	200,000	(200,000)	-	135,000	(135,000)	-	-	-	-	-
Loans Payable (Long Term)	250,000	-	-	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure & Deprec	-	-	-	-	-	-	-	-	-	-	-	-
Other Balance Sheet Change	3,901	-	(8,132)	-	-	-	-	-	-	-	-	-
Ending Cash	187,401	14,239	62,000	190,767	47,015	4,532	40,382	(60,838)	(53,876)	89,958	45,948	254

January Cash Flow Projection

Loan used in December and paid back in January;
220K windfall PCSGP payment plugged holes for remainder of year



	2014/15											
	Projected											
	Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Actual	Dec Actual	Jan Projected	Feb Projected	Mar Projected	Apr Projected	May Projected	Jun Projected
Beginning Cash	16,264	187,401	14,239	62,000	190,767	47,015	43,784	145,950	3,386	42,273	147,785	132,571
Revenue												
General Block Grant	-	-	-	567,798	-	-	259,049	-	164,294	139,000	128,554	128,554
Federal Income	26,275	-	-	18,725	-	-	222,596	3,196	3,196	3,196	3,196	5,696
Other State Income	-	-	-	-	-	-	270	2,439	21,120	19,539	12,259	876
Local Revenues	0	0	0	278	0	1,109	(0)	(0)	(0)	(0)	(0)	(0)
Fundraising and Grants	-	84	100	2,950	3,627	23,742	-	-	-	121,526	-	-
Total Revenue	26,275	84	100	589,751	3,627	24,851	481,924	5,635	188,610	283,261	144,008	135,126
Expenses												
Compensation & Benefits	27,509	81,170	104,493	126,898	104,166	105,817	123,326	109,289	109,623	108,507	108,507	107,601
Books & Supplies	87,288	26,516	11,432	7,413	6,113	5,323	21,185	5,681	8,296	5,681	6,081	6,296
Services & Other Operating E	71,974	51,298	30,530	97,335	41,609	65,467	79,613	36,634	35,209	66,965	48,039	46,221
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	186,771	158,983	146,454	231,646	151,887	176,606	224,124	151,605	153,128	181,154	162,627	160,118
Operating Cash Inflow (Outflow)	(160,496)	(158,899)	(146,354)	358,105	(148,260)	(151,755)	257,800	(145,970)	35,482	102,107	(18,619)	(24,993)
Revenues - Prior Year Accru	42,672	-	-	-	-	-	-	-	-	-	-	-
Expenses - Prior Year Accru	(28,791)	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable - Curren	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable - Current	63,852	(16,543)	(1,272)	(31,683)	(94)	58,872	(74,039)	-	-	-	-	-
Summerholdback for Teacher	-	2,280	3,519	2,346	4,603	4,652	3,405	3,405	3,405	3,405	3,405	3,405
Loans Payable (Current)	-	-	200,000	(200,000)	-	85,000	(85,000)	-	-	-	-	-
Loans Payable (Long Term)	250,000	-	-	-	-	-	-	-	-	-	-	-
Capital Leases Payable	-	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure & Deprec	-	-	-	-	-	-	-	-	-	-	-	-
Other Balance Sheet Change	3,901	-	(8,132)	-	-	-	-	-	-	-	-	-
Ending Cash	187,401	14,239	62,000	190,767	47,015	43,784	145,950	3,386	42,273	147,785	132,571	110,984

Cash flow more secure this year,
but same cash shortfall expected next year