

East Bay Innovation Academy

March Financials, 16-17 Draft Budget



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Financial Presentation Agenda



- March Financials
- 15-16 Forecast Update
- Cash Flow Update
- 16-17 Draft Budget

1. March Financials

March: P-1 Apportionments Beginning to Arrive, Helping Cash Position



- Monthly state aid revenue will reflect P-1 apportionments, will match expenses better
- Preliminary P-2 available: 331.65 (3 above previous forecast)
- Expenses generally tracking behind forecast (67% spent YTD)

	Jan	Feb	Mar	Actual YTD	Budget YTD	Variance (YTD less Budget)
SUMMARY						
Revenue						
General Block Grant	219,079	154,229	313,611	1,438,449	1,422,755	15,694
Federal Revenue	36,665		70,459	109,552	19,814	89,738
Other State Revenues	67,248	89,321	27,257	231,351	192,046	39,305
Local Revenues	(44,630)	961	920	10,105	12,494	(2,389)
Fundraising and Grants	17,878	8,617	51,472	166,811	114,000	52,811
Total Revenue	296,240	253,128	463,719	1,956,269	1,761,109	195,159
Expenses						
Compensation and Benefits	158,641	175,734	161,392	1,253,533	1,396,258	142,725
Books and Supplies	10,245	31,363	12,267	178,769	195,595	16,826
Services and Other Operating Expenditures	73,158	100,302	87,444	589,810	517,480	(72,331)
Capital Outlay	-	-	-	-	-	-
Total Expenses	242,044	307,400	261,102	2,022,112	2,109,333	87,221
<i>Operating Income (including Depreciation)</i>	<i>54,196</i>	<i>(54,272)</i>	<i>202,617</i>	<i>(65,844)</i>	<i>(348,224)</i>	<i>282,380</i>
Fund Balance						
Beginning Balance (Unaudited)	(234,197)	(180,001)	(234,273)	34,187	34,187	
Audit Adjustment				190	190	
Beginning Balance (Audited)				34,377	34,377	
Operating Income (including Depreciation)	54,196	(54,272)	202,617	(65,844)	(348,224)	
Ending Fund Balance (including Depreciation)	(180,001)	(234,273)	(31,656)	(31,466)	(313,847)	

2. 15-16 Forecast Update

EBIA's 15-16 Expected Operating Income Revised to \$364K, Expected Fund Balance at \$399K



- Revenues:
 - Preliminary P-2 ADA impact on LCFF funding: +\$24K
 - Special Education NPS Reimbursements: +\$94K pending CDE approval of facilities
 - Local revenues/donations decreased by \$21K on net, based on actuals and expectations

- Expenses: many budgets were adjusted based on actuals for remainder of the year
 - Salaries: +\$13K including substitutes, clerical support
 - Benefits: -\$755 including workers comp, unemployment
 - Books and Supplies: -\$22K including textbooks, office supplies, food services, computers
 - Services: +\$87K including legal fees, Special Education NPS expenses, Non-instructional consultants

EBIA's 15-16 Expected Operating Income and Fund Balance Trending Higher



	Approved Budget	Previous Month's Forecast	Current Forecast	(Previous vs. Current Forecast)	Forecast Remaining
SUMMARY					
Revenue					
General Block Grant	2,442,430	2,480,578	2,504,312	23,734	1,065,863
Federal Revenue	217,059	189,356	298,628	109,272	189,076
Other State Revenues	363,730	377,230	379,849	2,619	148,499
Local Revenues	17,849	17,849	17,850	0	7,744
Fundraising and Grants	200,000	200,295	179,218	(21,078)	12,407
Total Revenue	3,241,069	3,265,309	3,379,857	114,547	1,423,588
Expenses					
Compensation and Benefits	1,836,101	1,784,278	1,797,243	(12,965)	543,710
Books and Supplies	223,721	234,457	212,679	21,778	33,910
Services and Other Operating Expenditures	882,728	918,349	1,005,352	(87,003)	415,541
Capital Outlay	-	-	-	-	-
Total Expenses	2,942,550	2,937,084	3,015,274	(78,190)	993,161
<i>Operating Income (including Depreciation)</i>	298,519	328,225	364,583	36,357	430,427
Fund Balance					
Beginning Balance (Unaudited)	34,187	34,187	34,187		
Audit Adjustment	190	190	190		
Beginning Balance (Audited)	34,377	34,377	34,377		
Operating Income (including Depreciation)	298,519	328,225	364,583		
Ending Fund Balance (including Depreciation)	332,896	362,603	398,960		

3. Cash Flow

Cash position strong for remainder of 15-16, and into 16-17; May need cash in the fall months



Mar Actual	Apr Projected	May Projected	Jun Projected	Jul Projected	Aug Projected	Sep Projected	Oct Projected	Nov Projected
55,361	242,251	258,351	303,697	259,003	278,965	143,454	(74,842)	275,147
313,611	301,979	241,311	241,311	-	128,007	164,207	481,419	213,519
70,459	18,704	913	913	-	-	1,548	1,548	1,548
27,257	29,458	26,704	19,341	-	7,955	8,017	19,025	14,382
920	7,128	308	308	14,167	14,167	15,767	15,767	15,767
51,472	13,389	22,913	22,913	-	-	54,000	84,000	-
463,719	370,658	292,148	284,786	14,167	150,129	243,538	601,758	245,215
161,392	185,443	160,906	196,954	83,234	135,195	274,219	264,593	262,989
12,267	13,938	11,641	8,131	60,436	66,765	36,869	13,979	13,979
87,444	156,857	84,270	129,699	60,925	57,304	157,113	85,577	85,577
-	-	-	-	-	-	-	-	-
261,102	356,238	256,817	334,784	204,596	259,264	468,200	364,149	362,545
202,617	14,420	35,331	(49,998)	(190,429)	(109,135)	(224,662)	237,609	(117,330)
3,294	-	-	-	280,742	45,418	-	106,013	-
-	-	-	-	(20,279)	(25,043)	-	-	-
-	-	-	-	-	-	-	-	-
(24,235)	-	-	-	-	-	-	-	-
5,213	10,014	10,014	5,305	(50,072)	(46,751)	14,700	14,700	14,700
-	-	-	-	-	-	-	-	-
-	(8,333)	-	-	-	-	(8,333)	(8,333)	(8,333)
-	-	-	-	-	-	-	-	-
242,251	258,351	303,697	259,003	278,965	143,454	(74,842)	275,147	164,183

4. 16-17 Draft Budget

Reflections on 2016-17 Budget



- Year of growth: ADA started strong and continued to climb through the year
- Cash flow challenges due to growth: fall months were impacted by increased expenses and lagging revenues
- Lessons learned in managing:
 - Special Education budget – NPS placements and reimbursements
 - Technology – asset management
 - Legal fees – higher-than-expected utilization, due to SPED and labor
 - Child nutrition reimbursements

3-Year Budget: First Draft

Operating at two locations, as well as the launch of high school expected to stretch budget; greatest impact in 16-17, outer years better with additional ADA



		2015/16	2016/17	2017/18	2018/19
		Current Forecast	Preliminary Budget	Preliminary Budget	Preliminary Budget
SUMMARY					
Revenue					
	General Block Grant	2,504,312	3,336,257	4,073,105	5,094,910
	Federal Revenue	298,628	296,917	316,722	327,011
	Other State Revenues	379,849	368,931	346,138	384,999
	Local Revenues	17,850	103,318	188,812	282,997
	Fundraising and Grants	179,218	535,000	492,000	536,000
	Total Revenue	3,379,857	4,640,423	5,416,778	6,625,917
Expenses					
	Compensation and Benefits	1,797,243	2,981,175	3,526,289	4,365,629
	Books and Supplies	212,679	274,192	296,239	343,492
	Services and Other Operating Expenditures	1,005,352	1,347,354	1,428,236	1,621,005
	Capital Outlay	-	-	-	-
	Total Expenses	3,015,274	4,602,721	5,250,764	6,330,127
Operating Income (excluding Depreciation)		364,583	37,702	166,014	295,790
<i>Operating Income (including Depreciation)</i>		364,583	37,702	166,014	295,790
Fund Balance					
	Beginning Balance (Unaudited)	34,187	398,960	436,662	602,676
	Operating Income (including Depreciation)	364,583	37,702	166,014	295,790
Ending Fund Balance (including Depreciation)		398,960	436,662	602,676	898,466
Ending Fund Balance as a % of Expenses		13%	9%	11%	14%

Revenue: Enrollment & LCFF

LCFF rate impacted by Unduplicated Count assumption;
Enrollment biggest driver of revenue



Variable	2015-16	2016-17	2017-18	2018-19
LCFF per ADA	\$7,555	\$7,991	\$8,424	\$8,830
Enrollment	<u>342</u> 6 th : 110 7 th : 132 8 th : 100	<u>450</u> 6 th : 115 7 th : 115 8 th : 120 9 th : 100	<u>530</u> 6 th : 110 7 th : 110 8 th : 110 9 th : 100 10 th : 90	<u>640</u> 6 th : 110 7 th : 110 8 th : 110 9 th : 110 10 th : 110 11 th : 90
ADA @ 95% (85% for grades 9-12)	328.3	417.5	483.5	577.0
Unduplicated Count	57 (16%)	68 (15)	80 (15%)	97 (15%)

Revenue: Other

PCSGP to sunset in 2015-16; Donation target set at \$500 per student



Variable	2015-16	2016-17	2017-18	2018-19
Implementation Grant (PCSGP)	\$150K	\$0	\$0	\$0
Special Education per ADA	\$125 Federal \$500 State	\$120 Federal \$500 State	\$120 Federal \$500 State	\$120 Federal \$500 State
Special Education NPS Reimbursement	\$95K (pending)	\$227K	\$234K	\$241K
Title (NCLB)	\$15K	\$11K	\$14K	\$17K
Lottery per ADA	\$162	\$162	\$162	\$162
Donations per Student	\$523	\$500	\$500	\$500

Expenses: Academic Staff

Core teachers include English, Math, Science, History;

Administrators include Head of School, DESEL, Dir of Instruction



Staff	2015-16	2016-17	2017-18	2018-19
Core Teachers	12	16	20	24
Specialty Teacher	2 (Art, Computer Skills)	5.5 (+ Spanish, Fitness)	6.5	8.5
Special Education	2 RSP 3 Aides	3 RSP 4.4 Aides	3 RSP 4.9 Aides	3.5 RSP 5.9 Aides
Certificated Administrators	3	4	4	4

Expenses: Support Staff

Lean staffing as we transition to two sites,
PT support additions to front office and lunch support



Staff	2014-15	2015-16	2016-17	2017-18
Intersession	1	1	1	2
Front Office	1 Office Lead 2.3 Office Asst	1 Office Lead 3 Office Asst	1 Office Lead 3 Office Asst	1 Office Lead 3.5 Office Asst
Other Supports	Lunch Support	Lunch Support	Lunch Support	Lunch Support
Contractors	Janitorial Back office Special ed	Janitorial Back office Special ed	Janitorial Back office Special ed	Janitorial Back office Special ed

2016-17 Highlights: Benefits, Books & Supplies

(See MYP DRAFT for line-item budgets)



□ **Benefits**

- STRS: 12.58%
- Health: \$5990 per FTE, growing at 3% each year

□ **Books & Supplies**

- Curriculum and materials
 - Textbooks at \$27/student, education software at \$144/student
 - Instructional materials at \$31/student
- Computers
 - Students: \$92K – chromebooks for new students plus replacement of 50% 1st year inventory
 - Staff: \$5K
- Other
 - Non-capitalized equipment: \$15K support tech
 - Classroom furniture: \$10K
 - Food: \$31K

2016-17 Highlights: Services & Op Expenses

(See MYP DRAFT for line-item budgets)



□ Services & Other Operating Expenses

□ Rent

- Increase from \$105K in 15-16 (~\$300 per student) to \$220K in 16-17 (~\$500 per student)

□ Facility-related budgets are increased/doubled to service two sites

- Janitorial: \$103K
- Utilities: \$79K
- Repairs: \$4K
- Tech services: \$15K
- Communications: \$20K

□ Intersession: \$135K (\$300 per student)

□ Back office: \$136K (Flat fee)

□ Legal fees: \$55K

□ SPED

- NPS placements: \$250K
- Contractor: \$100K