



East Bay Innovation Academy

April Financials, 16-17 Draft Budget

May 18, 2016

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Financial Presentation Agenda



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

1. April Financials

April Update: Cash Position Good through the end of the year



- 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)

	Feb	Mar	Apr	Actual YTD	Budget YTD	Variance (YTD less Budget)
SUMMARY						
Revenue						
General Block Grant	154,229	313,611	276,135	1,714,584	1,695,272	19,312
Federal Revenue	-	70,459	46,495	156,047	27,965	128,082
Other State Revenues	89,321	27,257	40,613	271,964	233,225	38,739
Local Revenues	961	920	3,306	13,412	14,279	(868)
Fundraising and Grants	8,617	51,472	3,728	170,539	142,667	27,872
Total Revenue	253,128	463,719	370,278	2,326,546	2,113,408	213,138
Expenses						
Compensation and Benefits	175,734	161,392	164,093	1,417,626	1,568,815	151,189
Books and Supplies	31,363	12,267	5,870	184,639	202,377	17,739
Services and Other Operating Expenditures	300,302	87,444	58,834	648,644	564,869	(83,776)
Capital Outlay	-	-	-	-	-	-
Total Expenses	307,400	261,102	228,796	2,250,908	2,336,060	85,152
<i>Operating Income (including Depreciation)</i>	<i>54,272</i>	<i>202,617</i>	<i>141,481</i>	<i>75,638</i>	<i>(222,653)</i>	<i>298,291</i>
Fund Balance						
Beginning Balance (Unaudited)	(180,001)	(234,273)	(31,656)	34,187	34,187	
Audit Adjustment				190	190	
Beginning Balance (Audited)				34,377	34,377	
Operating Income (including Depreciation)	(54,272)	(202,617)	141,481	75,638	(222,653)	
Ending Fund Balance (including Depreciation)	(234,273)	(31,656)	109,825	110,015	(188,275)	

2. 15-16 Forecast Update

EBIA's 15-16 Expected Operating Income Revised to \$374K, Expected Fund Balance at \$399K



- Revenues:
 - Special Education NPS Reimbursements: SELPA has increased reimbursements to 100% for 15-16; \$11,188 in fundraising may be optimistic but we have donations from Springfest and Seussical coming in.

- Expenses: NPS placement is still a risk area as CDE has not approved placement facility

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	2,504,312	2,502,921	(1,391)	788,337
Federal Revenue	217,059	298,628	298,628	-	142,581
Other State Revenues	363,730	379,849	379,849	-	107,855
Local Revenues	17,849	17,850	17,850	-	4,438
Fundraising and Grants	200,000	179,218	181,727	2,509	11,188
Total Revenue	3,241,069	3,379,857	3,380,975	1,118	1,054,429
Expenses					
Compensation and Benefits	1,836,101	1,797,243	1,780,243	17,000	362,617
Books and Supplies	223,721	212,679	242,419	(29,740)	57,781
Services and Other Operating Expenditures	882,728	1,005,352	977,618	27,734	328,974
Capital Outlay	-	-	-	-	-
Total Expenses	2,942,550	3,015,274	3,000,280	14,994	749,371
<i>Operating Income (including Depreciation)</i>	298,519	364,583	380,695	16,112	305,057
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	364,583	380,695		
Ending Fund Balance (including Depreciation)	332,896	398,960	415,073		

3. Cash Flow

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



East Bay Innovation Academy															
Monthly Cash Forecast															
As of Apr close															
	2015/16 Actual & Projected						2016/17 Projected								
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Beginning Cash	\$ 242,251	\$ 394,964	\$ 422,340	\$ 371,104	\$ 359,720	\$ 228,309	\$ 71,415	\$ 373,308	\$ 259,482	\$ 141,854	\$ 193,048	\$ 134,436	\$ 312,521	\$ 373,077	\$ 361,428
Revenue															
General Block Grant	276,135	292,002	239,357	-	128,680	169,346	491,624	212,650	212,650	356,882	212,650	347,887	316,572	286,362	286,362
Federal Income	46,495	77,847	913	-	-	1,548	1,548	1,548	1,548	6,036	1,548	16,658	6,036	1,548	1,548
Other State Income	40,613	15,548	19,341	-	7,955	8,017	19,025	14,382	14,382	45,159	29,389	49,287	38,487	38,108	23,099
Local Revenues	3,306	4,130	308	14,167	14,167	15,767	15,767	15,767	15,767	1,986	1,986	1,986	1,986	1,986	1,986
Fundraising & Grants	3,728	2,279	2,913	-	-	114,550	82,425	-	70,000	148,520	14,850	70,000	44,550	7,425	77,425
Total Revenue	370,278	391,805	262,832	14,167	150,803	309,227	610,389	244,346	314,346	424,913	260,422	605,819	407,632	335,427	390,420
Expenses															
Compensation & Benefits	164,093	164,495	184,954	78,437	133,979	276,632	266,876	265,250	265,250	278,258	266,876	266,876	262,788	262,788	367,918
Books & Supplies	5,870	48,642	8,789	60,436	66,765	36,869	13,979	13,979	13,979	11,319	11,319	11,319	11,319	11,319	11,319
Services & Other Operating Expenses	58,834	161,308	125,630	62,539	57,924	159,014	85,336	85,336	159,137	90,536	90,536	164,265	87,695	87,695	161,496
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	228,796	374,444	319,373	201,412	258,669	472,514	366,191	364,565	438,366	380,113	368,731	442,460	361,802	361,802	540,734
Operating Cash Inflow (Outflow)	141,481	17,361	(56,541)	(187,245)	(107,865)	(163,287)	244,198	(120,219)	(124,021)	44,801	(108,309)	163,359	45,829	(26,375)	(150,314)
Revenues-Prior Year Accruals	2,957	-	-	256,458	48,207	-	51,302	-	-	-	43,304	-	-	-	520
Expenses-Prior Year Accruals	-	-	-	(30,525)	(25,029)	-	-	-	-	-	-	-	-	-	-
Accounts Receivable-Current Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable-Current Year	11,161	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Summerholdback for Teachers	5,530	10,014	5,305	(50,072)	(46,724)	14,726	14,726	14,726	14,726	14,726	14,726	14,726	14,726	14,726	14,726
Loans Payable (Current)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans Payable (Long Term)	(8,415)	-	-	-	-	(8,333)	(8,333)	(8,333)	(8,333)	(8,333)	(8,333)	-	-	-	-
Other Balance Sheet Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash	\$ 394,964	\$ 422,340	\$ 371,104	\$ 359,720	\$ 228,309	\$ 71,415	\$ 373,308	\$ 259,482	\$ 141,854	\$ 193,048	\$ 134,436	\$ 312,521	\$ 373,077	\$ 361,428	\$ 226,361

4. 16-17 Draft Budget

Reflections on 2016-17 Budget



- Implementation of May Budget revision and fundraising reduction led to ~\$13K operating loss. Therefore, eliminated Conference Fees, Field Trip Expense and Student Assessment for 16-17; reduced travel & Lodging by 50% and reduced Substitutes by \$10k
- Areas of Risk:
 - Special Education budget – NPS placements and reimbursement
 - Fundraising targets not met
 - Legal Fees trending higher than budget
 - Funding source receipt timing may trigger need to finance receivables for short term cash flow needs

3-Year Budget: Second Draft

Operating at two locations, as well as the launch of high school expected to stretch budget; greatest impact in 16-17, pending Measure N award, 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	2,502,921	3,329,153	4,046,966	5,071,208
	Federal Revenue	298,628	296,917	317,347	328,103
	Other State Revenues	379,849	384,735	357,443	402,052
	Local Revenues	17,850	103,318	188,812	282,997
	Fundraising and Grants	181,727	503,500	454,900	491,200
	Total Revenue	3,380,975	4,617,624	5,365,468	6,575,560
Expenses					
	Compensation and Benefits	1,780,243	3,001,184	3,539,332	4,364,401
	Books and Supplies	242,419	274,192	296,239	343,492
	Services and Other Operating Expenditures	977,618	1,317,412	1,430,246	1,623,223
	Capital Outlay	-	-	-	-
	Total Expenses	3,000,280	4,592,788	5,265,816	6,331,116
Operating Income (excluding Depreciation)		380,695	24,836	99,652	244,444
<i>Operating Income (including Depreciation)</i>		380,695	24,836	99,652	244,444
Fund Balance					
	Beginning Balance (Unaudited)	34,187	415,073	439,909	539,561
	Operating Income (including Depreciation)	380,695	24,836	99,652	244,444
Ending Fund Balance (including Depreciation)		415,073	439,909	539,561	784,005
Ending Fund Balance as a % of Expenses		14%	10%	10%	12%

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	\$7,551	\$7,880	\$8,201	\$8,559
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% (90% for grades 9-12)	331.7	422.5	493.5	592.5
Unduplicated Count	57 (16%)	68 (15%)	80 (15%)	97 (15%)

Revenue: Other

PCSGP to sunset in 2015-16; Donation target set at \$330 per student



Variable	2015-16	2016-17	2017-18	2018-19
Implementation Grant (PCSGP)	\$150K	\$0	\$0	\$0
Special Education per ADA	\$125 Federal \$505 State	\$120 Federal \$505 State	\$120 Federal \$505 State	\$120 Federal \$505 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	\$330	\$330	\$330	\$330

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 but due to trend reduced by~20%

□ 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 \$223K 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