

East Bay Innovation Academy

February Financials and 17-18 Budget

edtec

Business and Development Specialists
for Charter Schools

March 15, 2017

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Financial Presentation

Agenda



- February Financials
- 16-17 Current Forecast
- 17-18 Budget Update

1. February

Holding steady in February

YTD 63% of forecast spent



- Revenues: LCFF and state revenues on track
 - Still no child nutrition reimbursements
 - Waiting on SVS funds
- Expenses: measured spending in every category
 - SPED expected to increase with additional NPS

	Dec	Jan	Feb	Actual YTD	Budget YTD	Variance (YTD less Budget)
SUMMARY						
Revenue						
LCFF Entitlement	267,470	229,376	158,118	1,626,655	1,681,330	(54,675)
Federal Revenue	0	15,640	-	22,277	19,273	3,004
Other State Revenues	19,163	71,107	24,147	180,204	141,440	38,764
Local Revenues	(128,848)	3,774	61,641	82,554	10,373	72,181
Fundraising and Grants	82,744	6,309	1,411	414,714	615,182	(200,468)
Total Revenue	240,529	326,207	245,317	2,326,404	2,467,598	(141,194)
Expenses						
Compensation and Benefits	250,911	261,987	260,459	1,898,218	1,917,620	19,402
Books and Supplies	11,803	26,817	8,725	183,268	240,840	57,571
Services and Other Operating Expenditures	78,927	89,149	91,328	743,116	775,481	32,365
Depreciation	-	-	-	-	-	-
Total Expenses	341,641	377,953	360,512	2,824,602	2,933,941	109,339
Operating Income	(101,112)	(51,746)	(115,196)	(498,198)	(466,342)	(31,856)

Balance Sheet as of February 28

Waiting for revenues to catch up with expenses



		2/28/2017	6/30/2016	YTD Change
Assets				
	Cash Balances	\$ 218,641	\$ 391,575	\$ (172,935)
	Accounts Receivable	\$ 267	\$ 550,975	(550,708)
	Prepays and Other Assets	\$ -	\$ 27,880	(27,880)
	Fixed Assets, Net	\$ -	\$ -	-
	Investments	\$ -	\$ -	-
	Due to/from other	\$ -	\$ -	-
	Total Assets	218,908	970,430	(751,522)
Liabilities & Equity				
	Accrued Expenses	\$ 118,132	\$ 129,792	\$ (11,659)
	Due to Grantor Governments/Others	\$ -	\$ -	-
	OPEB Liability	\$ -	\$ -	-
	Deferred Revenue	\$ -	\$ 200,000	(200,000)
	Loans and other payables	\$ 158,337	\$ 200,002	(41,665)
	Beginning Net Assets - Audited	\$ 440,636	\$ 34,377	406,259
	Other Restatements	\$ -	\$ -	-
	Net Income (Loss) to Date	\$ (498,198)	\$ 406,259	(904,457)
	Total Liabilities & Equity	218,908	970,430	(751,522)

- Cash expected to be positive throughout 16-17 (P-1 certified at 407.19 ADA)

2. 16-17 Current Forecast

Current outlook at break-even for 2016-17, uncertainty remains with SPED



- ADA slightly down, but YTD within range of forecast (403.4)
- Child nutrition reimbursements removed for now (-\$19K, sales adjusted -\$6K)
- SPED Selpa rates slightly improved (+\$9K combined)
- Compensation: substitutes pro-rated, benefits adjusted based on actuals (-\$8K)
- Noncapitalized equipment, membership dues, janitorial, utilities, repairs re-allocated to cover overages in legal, consultants, and professional development (net change +\$1K)

	Approved Budget	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Forecast Remaining
SUMMARY					
Revenue					
LCFF Entitlement	3,329,153	3,151,162	3,151,162	-	1,524,507
Federal Revenue	304,213	183,236	165,036	(18,200)	142,759
Other State Revenues	385,027	423,523	431,414	7,891	251,210
Local Revenues	38,318	33,933	27,933	(6,000)	(54,621)
Fundraising and Grants	503,500	713,270	713,270	-	298,556
Total Revenue	4,560,212	4,505,124	4,488,815	(16,309)	2,162,411
Expenses					
Compensation and Benefits	2,952,284	3,018,179	3,009,839	8,341	1,111,621
Books and Supplies	288,783	235,444	231,794	3,650	48,526
Services and Other Operating Expenditures	1,312,232	1,242,272	1,247,164	(4,892)	504,048
Depreciation	-	-	-	-	-
Total Expenses	4,553,299	4,495,895	4,488,797	7,098	1,664,195
Operating Income	6,913	9,229	19	(9,210)	498,216

3. 17-18 Budget Update

Reflections on 2016-17 Budget



- Growing pains: 9th grade ADA, co-location challenges
- Cash flow much improved
- Operational challenges:
 - Special Education budget – NPS placements and reimbursements
 - Legal fees – SPED and labor agreements
 - Child nutrition reimbursements

3-Year Budget: First Draft

Operating at two locations; FY 17-18 assumes gradual 9th grade growth to achieve structural balance



		2016/17	2017/18	2018/19	2019/20
		Current Forecast	Preliminary Budget	Preliminary Budget	Preliminary Budget
SUMMARY					
Revenue					
	LCFF Entitlement	3,151,162	3,728,146	4,646,136	5,663,732
	Federal Revenue	165,036	183,361	197,323	216,382
	Other State Revenues	431,414	389,415	451,431	519,222
	Local Revenues	27,933	278,058	357,639	456,699
	Fundraising and Grants	713,270	444,050	201,600	67,600
	Total Revenue	4,488,815	5,023,030	5,854,129	6,923,635
Expenses					
	Compensation and Benefits	3,009,839	3,419,922	3,991,273	4,714,535
	Books and Supplies	231,794	287,664	334,669	393,892
	Services and Other Operating Expenditure	1,247,164	1,299,139	1,438,218	1,596,333
	Depreciation	-	-	-	-
	Total Expenses	4,488,797	5,006,725	5,764,160	6,704,760
Operating Income		19	16,304	89,969	218,875
Fund Balance					
	Beginning Balance (Unaudited)	477,576	440,655	456,959	546,928
	Audit Adjustment	(36,940)	-	-	-
	Beginning Balance (Audited)	440,636	440,655	456,959	546,928
	Operating Income	19	16,304	89,969	218,875
Ending Fund Balance (including Depreciation)		440,655	456,959	546,928	765,803
Ending Fund Balance as a % of Expenses		10%	9%	9%	11%

Revenue: Enrollment & LCFF

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



Variable	2016-17	2017-18	2018-19	2019-20
LCFF per ADA	\$7,811	\$8,128	\$8,538	\$8,903
Enrollment	419	483	576	676
	6 th : 116	6 th : 120	6 th : 120	6 th : 120
	7 th : 118	7 th : 120	7 th : 118	7 th : 118
	8 th : 125	8 th : 118	8 th : 118	8 th : 118
	9 th : 60	9 th : 65	9 th : 100	9 th : 110
		10 th : 60	10 th : 100	10 th : 100
			11 th : 60	11 th : 60
				12 th : 60
ADA (attendance)	403.4 (96%)	458.7 (95%)	544.2 (94%)	636.2 (94%)
Unduplicated Count	90 (21%)	104 (21%)	124 (21%)	146 (21%)

Revenue: Other

Increasing reliance on Oakland local revenue



Variable	2016-17	2017-18	2018-19	2019-20
Special Ed per ADA	\$127 Federal \$507 State	\$127 Federal \$507 State	\$127 Federal \$507 State	\$127 Federal \$507 State
Special Ed Mental Health	\$62K	\$62K	\$62K	\$62K
Special Ed NPS Reimbursement	\$98K (pending)	\$98K	\$98K	\$98K
Title (NCLB)	\$18K	\$14K	\$16K	\$20K
Lottery per ADA	\$189	\$189	\$189	\$189
Oakland Measures	\$12K	\$255K	\$330K	\$424K
Philanthropy	\$575K	\$275K		
Donations per Student	\$330	\$350	\$350	\$100

Expenses: Academic Staff

Core teachers include English, Math, Science, History;
Administrators include Head of School, DESEL, Dir of Instruction



Staff	2016-17	2017-18	2018-19	2019-20
Core Teachers	16	16	20	24
Specialty Teacher	5.5 (Art, Coding, Spanish, PE)	6.5	6.5	7.5
Special Education	3 RSP 4.6 Aides	3.5 RSP 4.6 Aides	4 RSP 5.1 Aides	4.5 RSP 5.1 Aides
Certificated Administrators	3	3	3	3

Expenses: Support Staff

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



Staff	2016-17	2017-18	2018-19	2019-20
Intersession	1	1	1	1
Front Office	1 Office Lead 2 Office Asst	1 Office Lead 2.5 Office Asst	1 Office Lead 2.5 Office Asst	1 Office Lead 2.5 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

2017-18 Highlights: Benefits, Books & Supplies

(See MYP DRAFT for line-item budgets)



□ **Benefits**

- STRS: 14.43%
- Health: \$5604 per FTE, growing at 8% each year

□ **Books & Supplies**

- Curriculum and materials
 - Textbooks at \$28/student, education software at \$148/student
- Computers
 - Students: \$76K – chromebooks for new students plus replacements
 - Staff: \$8K
- Other
 - Non-capitalized equipment: \$12K
 - Classroom furniture: \$7K
 - Food: \$52K

2017-18 Highlights: Services & Op Expenses

(See MYP DRAFT for line-item budgets)



□ Services & Other Operating Expenses

- Rent
 - Similar per student rate as FY 16-17 (TBD)
- Facility-related budgets for two sites
 - Janitorial: \$97K
 - Utilities: \$72K
 - Repairs: \$19K
 - Tech services: \$26K
 - Communications: \$21K
- Intersession: \$300 per student
- Back office: \$134K (Flat fee)
- Legal fees: \$56K
- SPED
 - NPS placements: \$231K
 - Contractor: \$119K