

East Bay Innovation Academy

May Financials and 17-18 Budget

edtec

Business and Development Specialists
for Charter Schools

June 12, 2017

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Financial Presentation

Agenda



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

1. May Financials

May: big revenue month

YTD 88% of expense forecast spent



- Revenues
 - \$300K Silicon Valley Schools grant received; fundraising target expected to be met
- Expenses: uptick in services
 - OUSD facility costs: janitorial, utilities

| | Mar | Apr | May | Actual YTD | Budget YTD | Variance (YTD less Budget) |
|---|----------------|-----------------|----------------|------------------|------------------|----------------------------|
| SUMMARY | | | | | | |
| Revenue | | | | | | |
| LCFF Entitlement | 377,214 | 273,232 | 270,792 | 2,547,893 | 2,566,183 | (18,290) |
| Federal Revenue | 63,392 | 2,814 | - | 88,483 | 188,340 | (99,857) |
| Other State Revenues | 81,268 | 32,445 | 38,446 | 332,364 | 274,545 | 57,819 |
| Local Revenues | 7,608 | 4,100 | 300,993 | 395,255 | 16,332 | 378,923 |
| Fundraising and Grants | 53,564 | 2,943 | 19,199 | 490,419 | 683,366 | (192,947) |
| Total Revenue | 583,045 | 315,534 | 629,430 | 3,854,413 | 3,728,766 | 125,648 |
| Expenses | | | | | | |
| Compensation and Benefits | 276,658 | 253,109 | 272,112 | 2,700,097 | 2,704,742 | 4,644 |
| Books and Supplies | 18,638 | 15,455 | 12,576 | 229,937 | 276,797 | 46,860 |
| Services and Other Operating Expenditures | 173,296 | 86,748 | 189,964 | 1,193,124 | 1,112,726 | (80,398) |
| Depreciation | - | - | - | - | - | - |
| Total Expenses | 468,592 | 355,312 | 474,653 | 4,123,158 | 4,094,265 | (28,894) |
| Operating Income | 114,453 | (39,778) | 154,777 | (268,745) | (365,499) | 96,754 |

Balance Sheet as of May 31

16-17 revenues catching up with expenses



| | | 5/31/2017 | 6/30/2016 | YTD Change |
|---------------------------------|---------------------------------------|----------------|----------------|------------------|
| Assets | | | | |
| | Cash Balances | \$ 443,062 | \$ 391,575 | \$ 51,486 |
| | Accounts Receivable | \$ 6,022 | \$ 550,975 | (544,953) |
| | Prepays and Other Assets | \$ - | \$ 27,880 | (27,880) |
| | Fixed Assets, Net | \$ - | \$ - | - |
| | Investments | \$ - | \$ - | - |
| | Due to/from other | \$ - | \$ - | - |
| | Total Assets | 449,084 | 970,430 | (521,346) |
| Liabilities & Equity | | | | |
| | Accrued Expenses | \$ 127,188 | \$ 129,792 | \$ (2,603) |
| | Due to Grantor Governments/Others | \$ - | \$ - | - |
| | OPEB Liability | \$ - | \$ - | - |
| | Deferred Revenue | \$ - | \$ 200,000 | (200,000) |
| | Loans and other payables | \$ 150,004 | \$ 200,002 | (49,998) |
| | Beginning Net Assets - Audited | \$ 440,636 | \$ 34,377 | 406,259 |
| | Other Restatements | \$ - | \$ - | - |
| | Net Income (Loss) to Date | \$ (268,745) | \$ 406,259 | (675,004) |
| | Total Liabilities & Equity | 449,084 | 970,430 | (521,346) |

- Cash position will hold through 17-18

2. 16-17 Current Forecast

16-17 Outlook improved through additional revenue

Expected operating income \$19K



- Rogers Family Foundation +\$50K
- \$37K of education software reduced, uncategorized expenses categorized (-\$14K)
- Actuals exceeding budget: student food services (+\$5K), materials and supplies (+\$1K), utilities (+\$22K), legal fees (+\$10K), professional development (+\$2K), substitutes (+\$5K), technology services (+\$6K), Other (+\$3K)

| | Approved Budget | Previous Month's Forecast | Current Forecast | (Previous vs. Current Forecast) | Forecast Remaining |
|---|------------------|---------------------------|------------------|---------------------------------|--------------------|
| SUMMARY | | | | | |
| Revenue | | | | | |
| LCFF Entitlement | 3,329,153 | 3,155,733 | 3,155,733 | - | 607,840 |
| Federal Revenue | 304,213 | 229,923 | 231,667 | 1,744 | 143,184 |
| Other State Revenues | 385,027 | 435,598 | 435,653 | 56 | 103,289 |
| Local Revenues | 38,318 | 39,229 | 37,986 | (1,243) | (357,269) |
| Fundraising and Grants | 503,500 | 788,133 | 838,133 | 50,000 | 347,714 |
| Total Revenue | 4,560,212 | 4,648,615 | 4,699,172 | 50,556 | 844,758 |
| Expenses | | | | | |
| Compensation and Benefits | 2,952,284 | 2,974,251 | 2,974,251 | - | 274,154 |
| Books and Supplies | 288,783 | 322,456 | 294,009 | 28,448 | 64,071 |
| Services and Other Operating Expenditures | 1,312,232 | 1,379,769 | 1,411,728 | (31,960) | 218,605 |
| Depreciation | - | - | - | - | - |
| Total Expenses | 4,553,299 | 4,676,476 | 4,679,988 | (3,512) | 556,830 |
| Operating Income | 6,913 | (27,861) | 19,184 | 47,044 | 287,928 |

3. 17-18 Budget Update

EBIA 3-Year Outlook

Gaining scale, monitoring growth



| | | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|---------------------|---|------------------|--------------------|--------------------|--------------------|
| | | Current Forecast | Preliminary Budget | Preliminary Budget | Preliminary Budget |
| SUMMARY | | | | | |
| Revenue | | | | | |
| | LCFF Entitlement | 3,155,733 | 3,876,091 | 4,892,306 | 6,038,735 |
| | Federal Revenue | 231,667 | 356,007 | 378,806 | 406,468 |
| | Other State Revenues | 435,653 | 409,285 | 481,356 | 560,144 |
| | Local Revenues | 37,986 | 179,434 | 271,168 | 375,674 |
| | Fundraising and Grants | 838,133 | 465,350 | 212,450 | 72,200 |
| | Total Revenue | 4,699,172 | 5,286,167 | 6,236,086 | 7,453,220 |
| Expenses | | | | | |
| | Compensation and Benefits | 2,974,251 | 3,477,931 | 4,076,586 | 4,801,938 |
| | Books and Supplies | 294,009 | 219,533 | 316,872 | 463,297 |
| | Services and Other Operating Expenditures | 1,411,728 | 1,554,613 | 1,783,191 | 1,898,991 |
| | Depreciation | - | - | - | - |
| | Total Expenses | 4,679,988 | 5,252,077 | 6,176,649 | 7,164,226 |
| | Operating Income | 19,184 | 34,091 | 59,437 | 288,994 |
| Fund Balance | | | | | |
| | Beginning Balance (Unaudited) | 477,576 | 459,820 | 493,911 | 553,348 |
| | Audit Adjustment | (36,940) | - | - | - |
| | Beginning Balance (Audited) | 440,636 | 459,820 | 493,911 | 553,348 |
| | Operating Income | 19,184 | 34,091 | 59,437 | 288,994 |
| | Ending Fund Balance (including Depreciation) | 459,820 | 493,911 | 553,348 | 842,342 |
| | Ending Fund Balance as a % of Expenses | 10% | 9% | 9% | 12% |

Revenue: Enrollment & LCFF

Enrollment and attendance critical to meeting revenue forecasts



| Variable | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--------------------|--|---|---|---|
| LCFF per ADA | \$7,809 | \$8,151 | \$8,533 | \$8,892 |
| Enrollment | <u>419</u> 6 th : 116 7 th : 118 8 th : 125 9 th : 60 | <u>501</u> 6 th : 124 7 th : 124 8 th : 118 9 th : 70 10 th : 65 | <u>607</u> 6 th : 124 7 th : 124 8 th : 124 9 th : 110 10 th : 65 11 th : 60 | <u>722</u> 6 th : 124 7 th : 124 8 th : 124 9 th : 110 10 th : 105 11 th : 75 12 th : 60 |
| ADA (attendance) | 403.9 (96%) | 475.6 (95%) | 573.3 (94%) | 679.1 (94%) |
| Unduplicated Count | 90 (21%) | 108 (21%) | 131 (21%) | 156 (21%) |

Revenue: Other

Local funds and fundraising are key to covering expenses



| Variable | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Special Ed per ADA | \$127 Federal \$507 State | \$125 Federal \$514 State | \$125 Federal \$514 State | \$125 Federal \$514 State |
| Special Ed Mental Health | \$66K | \$66K | \$66K | \$66K |
| Special Ed NPS Reimbursement | \$155K | \$270K | \$275K | \$281K |
| Title (NCLB) | \$18K | \$17K | \$21K | \$26K |
| Lottery per ADA | \$189 | \$189 | \$189 | \$189 |
| Oakland Measures | \$12K | \$152K | \$238K | \$336K |
| Philanthropy | \$658K | \$290K | | |
| Donations per Student | \$330 | \$350 | \$350 | \$100 |

Expenses: Academic Staff

Upper Level DESEL added



| Staff | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|-----------------------------|--------------------|--------------------------------------|--------------------|----------------------|
| Core Teachers | 16 | 16 | 20 | 24 |
| Specialty Teacher | 5.5 | 6.5 (Art, Coding, Spanish, PE) | 6.5 | 7.5 |
| Special Education | 3 RSP 4.4 Aides | 3.5 RSP 4.4 Aides | 4 RSP 5.1 Aides | 4.5 RSP 5.1 Aides |
| Certificated Administrators | 3 | 4 (Upper DESEL) | 4 | 4 |

Expenses: Support Staff

Operational leadership consideration



| Staff | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|----------------|---|---|---|---|
| Intersession | 1 | 1 | 1 | 1 |
| Front Office | 1 Office Lead 2 Office Asst | 1 COO/CFO 2.5 Office Asst | 1 COO/CFO 2.5 Office Asst | 1 COO/CFO 2.5 Office Asst |
| Other Supports | Lunch After School | Lunch After School 0.5 Tech | Lunch After School 0.5 Tech | Lunch After School 0.5 Tech |
| Contractors | Janitorial Back office Special ed | Janitorial Back office Special ed | Janitorial Back office Special ed | Janitorial Back office Special ed |

Highlights of 17-18 books and supplies, services

(See MYP DRAFT for line-item budgets)



□ Facilities

- 17-18 prop 39 offer (\$195K for both sites)
- Janitorial: \$150K (including Roosevelt)
- Utilities \$104K (including Roosevelt)

□ Books & Supplies

- Curriculum and materials
 - Education software purchase in 16-17 (\$37K)
- Computers
 - Students: \$58K – chromebooks for new students plus replacements
 - Staff: \$9K

□ Services

- Intersession: \$275/student
- SPED NPS (3 placements): \$380K
- SPED contractors: \$122K
- Back office: \$84K