



EAST BAY  
INNOVATION  
ACADEMY

# Financial Update SY 2017-18

EBIA, November 2017

# Agenda

- 16-17 audited financials
- Jul-Oct actuals (1<sup>st</sup> Interim)
- Current forecast for FY 2017-18
  - Budget re-approval
  - Development
- Cash update



# FY 16-17: No findings

	Unaudited Actuals	Final audited financials	Change (adjustment)
Revenues	\$4.7 M	\$4.7M	
Expenses	\$4.64M	\$4.68M	\$33K
Change in net assets	\$57K	\$24K	-\$33K
Ending net assets	\$498K	\$465K	-\$33K

Adjustments: lagging expenses from 16-17, including Comcast early termination fee



# FY 17-18 YTD (Jul-Oct): First Interim

- Revenues: state/fed revenues on track, SB740 for Mountain campus confirmed, Giving Drive helping cash position
- Expenses: compensation and benefits on track, SPED (NPS, Seneca, other) invoices rolling in
- YTD, -\$570K operating income, 29% of forecast spent

	Actual YTD	Budget YTD	Variance (YTD less Budget)
<b>SUMMARY</b>			
<b>Revenue</b>			
LCFF Entitlement	865,802	846,511	19,291
Federal Revenue	10,444	7,596	2,848
Other State Revenues	55,921	45,953	9,968
Local Revenues	53,656	9,931	43,725
Fundraising and Grants	51,076	60,070	(8,994)
<b>Total Revenue</b>	<b>1,036,900</b>	<b>970,061</b>	<b>66,839</b>
<b>Expenses</b>			
Compensation and Benefits	1,033,950	1,062,532	28,582
Books and Supplies	132,103	136,399	4,296
Services and Other Operating Expenditures	441,153	438,824	(2,329)
Depreciation	-	-	-
<b>Total Expenses</b>	<b>1,607,205</b>	<b>1,637,755</b>	<b>30,550</b>
<b>Operating Income</b>	<b>(570,306)</b>	<b>(667,694)</b>	<b>97,388</b>

# Action item: approve current forecast as revised budget

- Closing the gap: decrease expenses, increase revenue
- Intersession and Quest budgets revised down (combined \$48K)
- Plan for additional fundraising development (\$150K)

	Approved Budget	Previous Month's Forecast	Current Forecast	(Previous vs. Current Forecast)	Variance (Budget vs. Current Forecast)
<b>SUMMARY</b>					
<b>Revenue</b>					
LCFF Entitlement	3,876,091	3,827,002	3,840,102	13,099	(35,989)
Federal Revenue	356,007	284,055	299,520	15,465	(56,487)
Other State Revenues	409,285	600,935	602,853	1,918	193,568
Local Revenues	179,434	164,702	166,498	1,796	(12,936)
Fundraising and Grants	465,350	463,250	612,900	149,650	147,550
<b>Total Revenue</b>	<b>5,286,166</b>	<b>5,339,944</b>	<b>5,521,872</b>	<b>181,928</b>	<b>235,706</b>
<b>Expenses</b>					
Compensation and Benefits	3,477,931	3,538,777	3,477,487	61,290	444
Books and Supplies	219,533	245,928	243,086	2,842	(23,553)
Services and Other Operating Expenditures	1,554,613	1,779,514	1,800,448	(20,934)	(245,835)
Depreciation	-	-	-	-	-
<b>Total Expenses</b>	<b>5,252,077</b>	<b>5,564,219</b>	<b>5,521,021</b>	<b>43,198</b>	<b>(268,944)</b>
<b>Operating Income</b>	<b>34,090</b>	<b>(224,275)</b>	<b>851</b>	<b>225,126</b>	<b>(33,239)</b>

\* Current projection assumes 50% of the Seneca contract will be expended.

## Action Item: short-term and long-term development

- Short-term: form a working group of staff/board/volunteers to concentrate efforts on meeting operating needs via targeted asks
  - Giving Drive
  - Private donations (foundations)
  - Potential fundraising events
- Long-term: achieve sustainability through scale, co-location, strategic initiatives



## Cash expected to be tight over next few months

- Aging has begun – vendor management
- Ending Oct: \$174K

	Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Projected	Dec Projected	Jan Projected	Feb Projected	Mar Projected	Apr Projected	May Projected	Jun Projected
<b>Beginning Cash</b>	399,540	387,492	215,785	275,562	174,378	221,599	65,684	54,769	33,901	65,883	70,306	289,856
<b>Total Revenue</b>	11,128	203,899	439,527	382,346	494,975	319,762	387,147	438,132	505,078	437,910	616,652	410,663
<b>Total Expenses</b>	235,328	462,142	429,482	480,254	496,243	487,912	458,211	477,482	491,579	443,635	415,584	473,361
<b>Operating Cash Inflow (Outflow)</b>	(224,200)	(258,242)	10,045	(97,908)	(1,269)	(168,149)	(71,063)	(39,350)	13,500	(5,726)	201,068	(62,698)
Revenues - Prior Year Accruals	329,290	99,493	686	17,501	38,341	2,085	-	-	-	-	-	-
Expenses - Prior Year Accruals	(838)	(0)	-	(1,882)	-	-	-	-	-	-	-	-
Accounts Receivable - Current Year	-	-	-	-	-	-	50,000	-	-	-	-	-
Accounts Payable - Current Year	(88,497)	(25,579)	37,215	(19,010)	-	-	-	-	-	-	-	-
Summerholdback for Teachers	(73,542)	12,622	11,832	8,448	18,482	18,482	18,482	18,482	18,482	18,482	18,482	18,482
Loans Payable (Current)	-	-	-	-	-	-	-	-	-	-	-	-
Loans Payable (Long Term)	-	-	-	(8,333)	(8,334)	(8,334)	(8,334)	-	-	(8,334)	-	-
Capital Leases Payable	-	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure & Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Other Balance Sheet Changes	45,740	-	-	-	-	-	-	-	-	-	-	-
<b>Ending Cash</b>	387,492	215,785	275,562	174,378	221,599	65,684	54,769	33,901	65,883	70,306	289,856	245,640