

Business Operations/Finance Committee Update

- Cash balance (period end 5/31/2021) = \$4.6M.
- \$895K in Investments (\$565k internally designated as restricted funds; \$329k in unrestricted funds)
- Middle Campus mortgage refinance – no update.
- CARES Act funding breakdown:
 - Following is a breakdown of funding available to ANCS. The School has not drawn down any of these funds at present. The funds are to be used for any category of expenses connected to COVID response, mitigation, or academic recovery.

Funding Round	MC	ED	Total
CARES Act I	91,363.29	155,831.76	247,195.05
CARES Act II	357,222.00	609,287.00	966,509.00
CARES Act III	802,268.85	1,368,371.98	2,170,640.83
	1,250,854.14	2,133,490.74	3,384,344.88

- Discussion of summer facilities/grounds enhancements and **vote on vendor contracts.**

ATLANTA NEIGHBORHOOD CHARTER SCHOOL
Budget to Actual FY2021
May 2021

	YTD FY2021		YTD REVISED		YTD		YTD		FY2020	% of Annual	Variance
	Actual	Budget	\$Variance	% Variance	Revised Budget	Budget	Explanation				
Income											
APS Allocation Payment	\$ 11,263,133	11,057,490	\$ 205,644	2%	A	\$ 11,057,490	102%				
Local/State Funding	-	155,832	(155,832)	0%	B	155,832	0%				
Grants	116,049	170,031	(53,982)	-32%	B	170,031	68%				
Title 2 Funding	-	1,000	(1,000)	0%		1,000	0%				
Contributions & Fundraising	124,579	95,645	28,935	30%	C	105,000	119%				
Program Income	83,706	478,677	(394,971)	-83%	D	511,773	16%				
Nutrition Income	25,408	92,724	(67,316)	-73%	E	101,000	25%				
Other Income	1,878,464	21,450	1,857,014	8657%	F	21,841	8600%				
Interest & Dividend Income	8,777	8,680	97	1%		9,130	96%				
Total Income	\$ 13,500,116	\$ 12,081,528	\$ 1,418,588	12%		\$ 12,133,097	111%				
Expenditures											
Salaries and Benefits	\$9,610,524	\$ 8,870,076	\$ (740,448)	-8%	G	\$ 10,143,660	95%				
Professional Development	\$11,004	\$ 10,000	(1,004)	-10%		12,000	92%				
Curriculum & Classroom Expenses	303,126	\$ 548,958	245,832	45%	H	641,888	47%				
Program Expenses	2,567	\$ 30,000	27,433	91%	D	30,000	9%				
Building & Grounds	603,462	\$ 521,498	(81,964)	-16%	I	602,903	100%				
Fixed Asset Expenditures	13,592	\$ 27,407	13,815	50%		31,407	43%				
Professional Services	52,208	\$ 65,500	13,293	20%		69,500	75%				
Gen&Admin/Insurance/Interest Expense	313,204	\$ 394,084	80,880	21%	J	429,084	73%				
Nutrition Program Purchases	122,776	\$ 103,122	(19,654)	-19%		109,000	113%				
Equipment Rental (Copiers)	28,785	\$ 33,788	5,003	15%		37,955	76%				
Fundraising Expenses	9,431	\$ 24,275	14,844	61%		25,700	37%				
Total Expenditures	\$ 11,070,680	\$ 10,628,709	\$ 441,971	4%		\$ 12,133,097	91%				
Operating Income/(Loss)	\$ 2,429,437	\$ 1,452,820	\$ 976,617	67%		\$ 0					
Net Other Rev.(Exp) - CREATE	\$ (97,247)					\$ (0)					
Net Revenue	\$2,332,190					\$ 0					

EXPLANATIONS OF BUDGET TO ACTUAL VARIANCES

A - APS Allocation Payment income is above YTD budget because the monthly APS Allocation in February 2021 and April 2021 increased as compared to \$1.1 million received monthly from APS since the beginning of the year. ANCS recognizes APS allocation formula revisions may occur based on confirmed student enrollment.

B - Local/ State Funding and Grant Income are both under YTD revised budget amount by \$155K and \$54K, respectively.

Local / State Funding is \$155K under YTD revised budget based on delayed receipt of grant funds from APS for CSP (Charter School Program). The CSP Grant was provided to APS schools for preparation of remote / hybrid instructional needs as a result of COVID-19 protocols (e.g. computers, software/internet access, virtual instruction materials, etc.).

Grant Income is \$54K under YTD revised budget based on delayed receipt for facility related grant.

C - Contributions & Fundraising income reflects recent December 2020 fundraising efforts, resulting in \$12K in cash receipts in May 2021. As a result, actual income of \$124K is \$28K greater than YTD revised budget.

D - Program income and Program expense are \$394K and \$27K under YTD revised budget, respectively, consistent with the prior month. As noted in the previous month, the Business Office reclassified \$240K for CREATE grant funding previously recorded under Program Income. The Business Office noted the \$88K revenue is properly reflected in Net Other Rev/(Exp) - CREATE YTD balance.

E - Nutrition Income is \$67K under YTD revised budget due to the campus closure during the COVID-19 restrictions, consistent with the previous month.

F - Other Income reflects the recognition of income earned when ANCS obtain notification of full forgiveness of the 2020 PPP Loan in the amount of \$1.85 million coupled with a reduction of the Notes Payable balance (see "Cash Balance" schedule tab).

G - Salaries and Benefits expense is \$740K over the YTD revised budget. This change is attributed to the increase of Stipends (e.g. employee bonuses) totaling \$171K paid during April 2021. There was an increase of 124K for the month of May 2021 in the areas of Salaries, Teacher Retirement System, and Health Insurance Premiums.

H - Curriculum & Classroom expenses actual YTD amount is \$245K less than revised budgeted amounts. The fluctuation is based on substantially less instructional supplies and materials needed for the approximately 60% of students returning to campus during February and March. It appears the investment in materials prior to students return, the reliance on technology, and slower "burn or use" rate of certain supplies is contributing to reduced expenses.

I - Building & Grounds expense actual YTD amount is \$82K more than revised budgeted amount based on continued enhancements completed in January 2021 in anticipation of students return to the classroom. There was a slight increase in expenses in May compared to last month.

J - General Admin expense actual YTD amount is \$88K less than revised budgeted amount. This YTD fluctuations reflects multiple PCA (post closing adjustments) recorded in April and May from G&A to respective expense accounts.