



February 2023 Financials

PREPARED MAR'23 BY

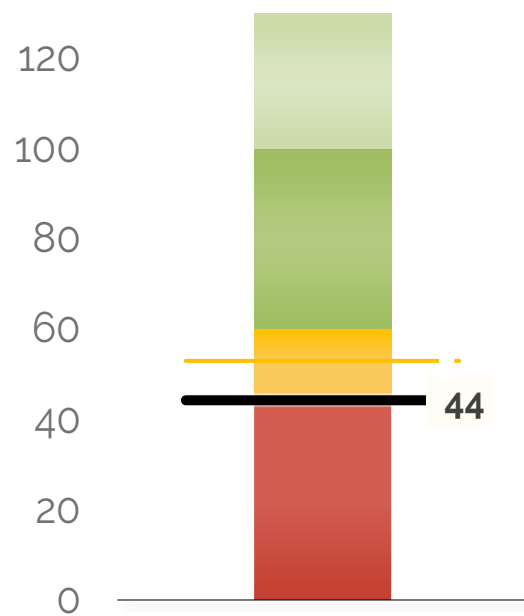


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- The FY22-23 December financials result in a net income of **6K** , which is **5K** less than the budgeted amount of **\$1,020K**.
- The variance from the budget is primarily driven by differences in the state, local and federal revenues. The variance in the State and Local revenue results from a lower than budgeted student enrollment. Additionally, we've discovered that a portion of our federal grant was wrongly allocated to another school with a similar name. IHSNO is working with the LDOE on the issue.
- As of February 28,2023, the cash balance in the checking account is **\$558K** and **\$80K** in the clearing account for a total cash and cash equivalents balance of **\$638K**.
- Forecasted net cash flow is **\$852K** which is **\$176K** less than budgeted. The change in cash flow is primarily driven by the lower net income as well as other cash flow activities.
- The changes in cash flow results in a projected 44 days cash on hand at the end of the fiscal year.

Days of Cash

Cash balance at year-end divided by average daily expenses

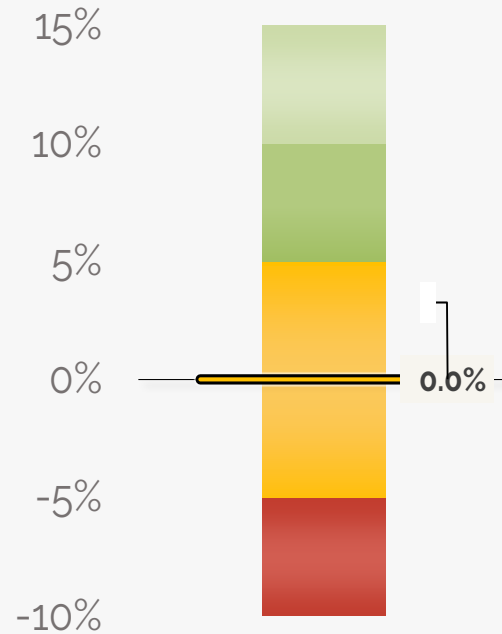


44 DAYS OF CASH AT YEAR'S END

The school will end the year with 44 days of cash. This is below the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

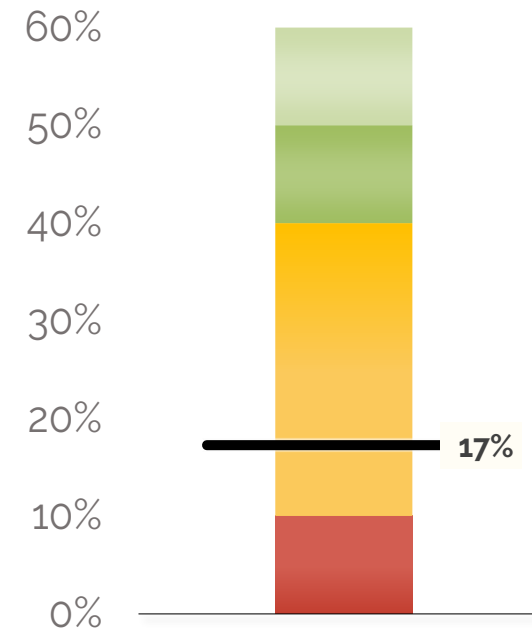


0.0% GROSS MARGIN

The forecasted net income is \$571, which is \$449 below the budget. It yields a 0.0% gross margin.

Fund Balance %



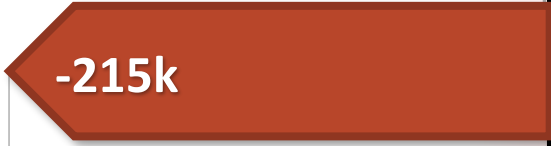
Forecasted Ending Fund Balance / Total Expenses



17.25% AT YEAR'S END

The school is projected to end the year with a fund balance of \$1,212,637. Last year's fund balance was \$1,212,066.

Forecast Overview

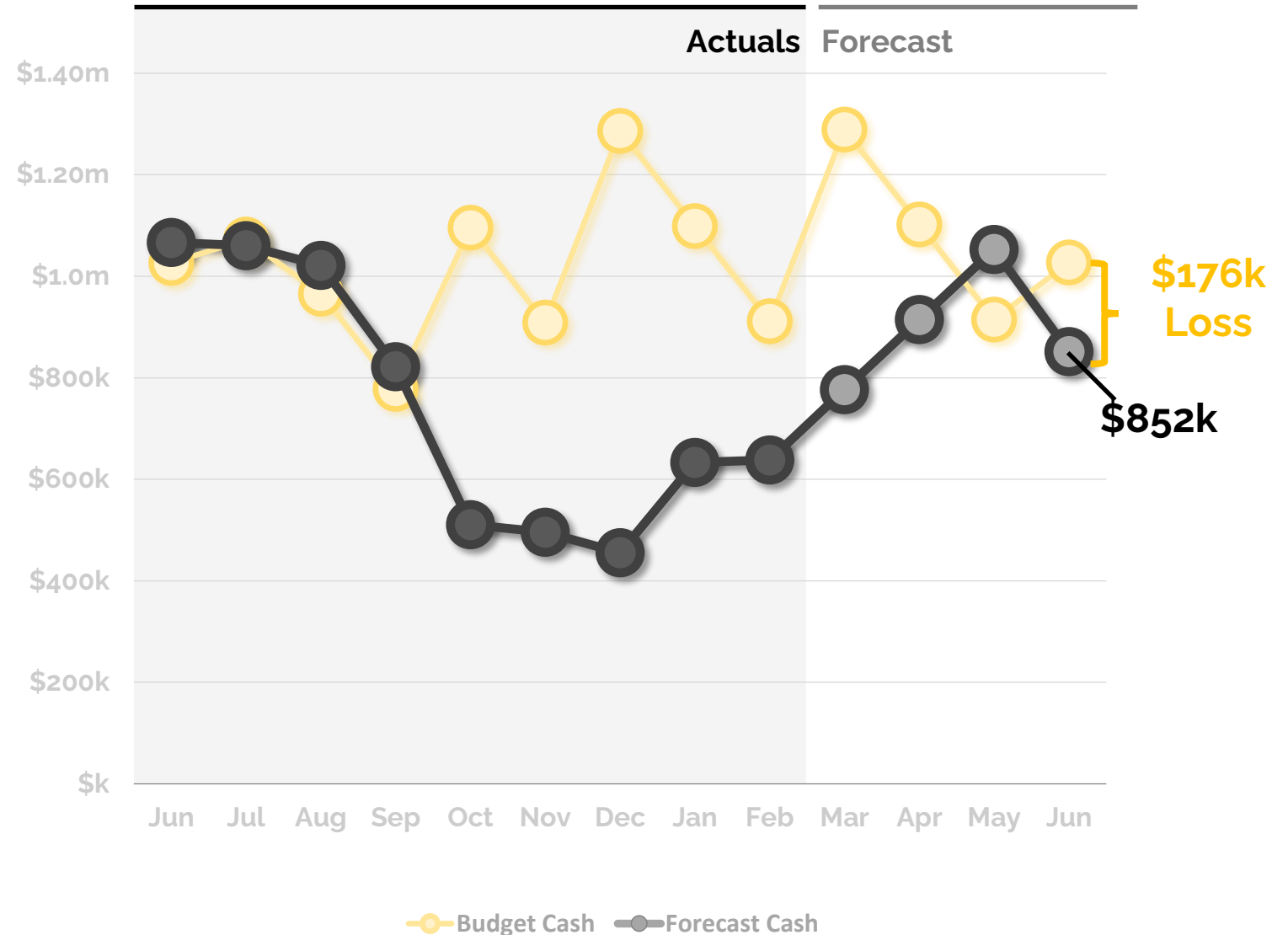
	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$7m	\$7.1m	-\$58k		Driven by lower than budget enrollment. Additionally, lower approved grants ,ECF funds and lower donations.
Expenses	\$7m	\$7.1m	\$58k		Primarily driven by lower salary expenses, higher than budgeted professional services, occupancy services changes in transportation and food services
Net Income	570.92	\$1k	-448.63	-0k	
Cash Flow Adjustments	-\$215k	0	-\$215k		Variance primarily due to social security payable, prepaid benefits and accrued salaries and benefits as a results of changes in payroll processes
Change in Cash	-\$215k	\$1k	-\$216k	-216k	

44 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$852k**, **\$176k** below budget.

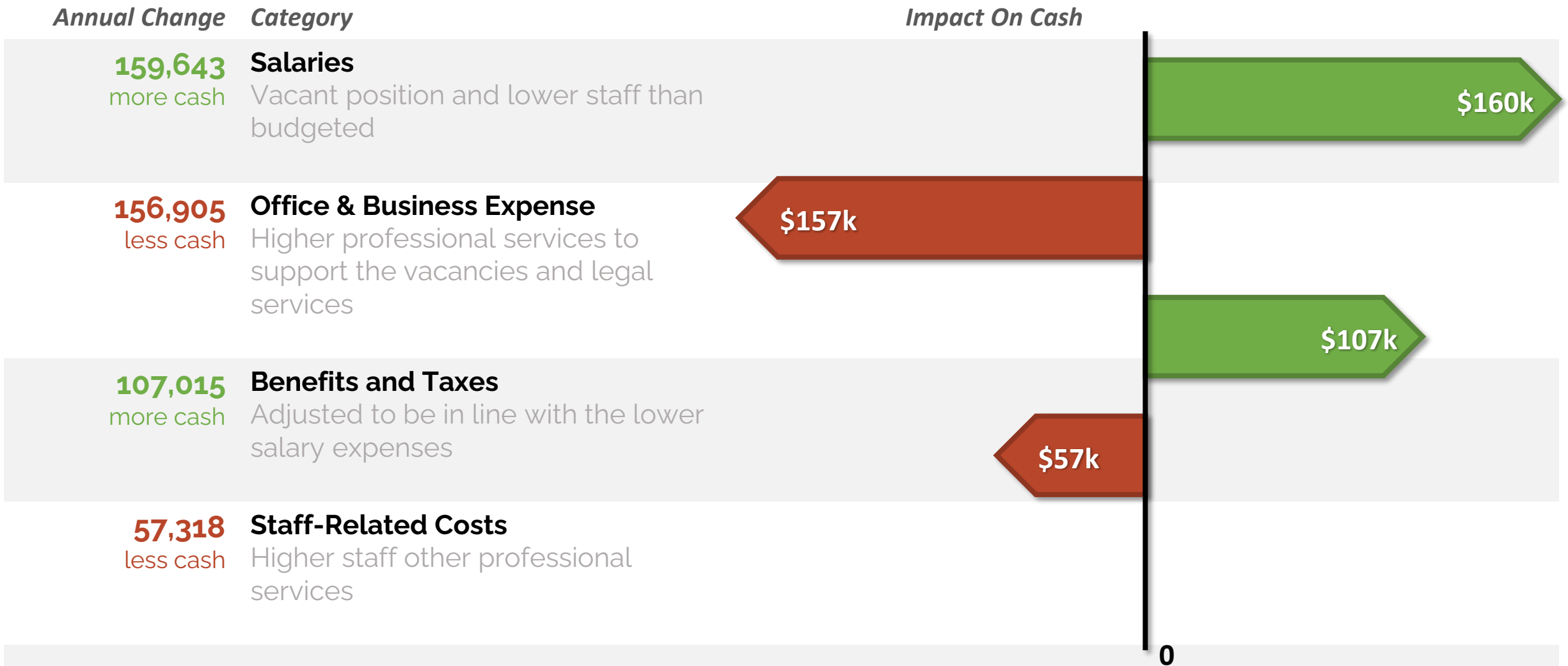
This difference in year end cash is driven by:

- (+) FY22 ending cash balance **40k** more than budgeted
- (-) forecasted net income being **\$400** lower than budgeted
- (-) **\$216k** Variance primarily due to social security payable, prepaid benefits and accrued salaries and benefits as a results of changes in payroll processes

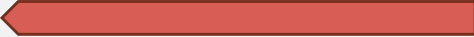



Key Forecast Changes This Month

The February forecast **increased** the year-end cash expectation by **\$74k**. *Key changes:*





State and Local Revenue | \$100k annual cash decrease

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Local MFP October 1 Snapshot 386 students Vs 397 Budgeted	2.4m	2.5m		-70k 0
State MFP October 1 Snapshot 386 students Vs 397 Budgeted	1.9m	1.9m		-47k 0


Zero

Federal Revenue | \$142k annual cash increase

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
School Food Service Our food services expense has been increased leading to a higher than budgette reimbursment	240k	120k	120k 	0
Title I Combined We have received some additional Title funds due to mid year adjustments of the grant	177k	155k	 21k	17k





Zero

Earned Fees | \$104k annual cash decrease

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Refund Of PY Expense-Refund of Prior Year's Expenditures	48k	152k	-104k 	0





Zero

Salaries | \$545k annual cash increase

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Teachers We continue to see some vacant (PE, Social Studies and Math) position leading to additional savings	1.5m	1.7m	 212k	123k
Therapists/Specialists/Counselors We continue to see some additional savings due to a vacant Counselor Position	265k	327k	 62k	15k
Secretarial Vacant administrative and executive assistan leading to a monthly saving	144k	203k	 58k	27k
Stipend Pay We are seeing an increase in the stipends due to staff having to take additional roles to support vacancies	107k	67k	 -40k	-14k


Zero

Benefits and Taxes | \$107k annual cash increase

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Health Insurance We reforecasted our health insurance expenses to account for the lower than budgetted salaries	302k	361k	 58k	58k
Social Security We reforecasted our social security expenses to account for the lower than budgetted salaries	167k	227k	 60k	60k
Medicare We reforecasted our medicare expenses to account for the lower than budgetted salaries	39k	54k	 15k	15k
Other Benefits The school is working with HR company to fix error in other benefits	79k	53k	-26k 	-26k



Zero

Staff-Related Costs | \$77k annual cash decrease

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Other Professional Services Due to staff vacancies, we had to increase our professional services expense by outsourcing some services	150k	73k	-77k 	-57k




Zero

Direct Student Expense | \$228k annual cash decrease

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Student Transportation Due to sport events transportation, we had a higher than usual transportation cost last month	506k	433k		-73k 0
Food Svcs Operations New food vendor at higher rate	242k	122k		-120k 0

Zero

Office & Business Expense | \$238k annual cash decrease

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Human Resource Svcs To help with staffing and other staff related needs, we have seen a higher than usual HR services cost	46k	28k	-19k 	-19k
Legal Svcs We have experienced higher than usual legal expenses in the past months	71k	31k	-40k 	-21k
Admin Tech Svcs Due to a vancancy in our IT department, we have seen an increase in Tech services	48k	22k	-26k 	-26k

Zero



QUESTIONS?

Please contact your EdOps Finance Team:

Jethro Celestin

Jethro@ed-ops.com

202.746.5779

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	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
Revenue							
State and Local Revenue	2,979,512	2,974,947	4,565	4,362,645	4,462,420	(99,775)	1,383,133
Federal Revenue	1,196,089	1,145,862	50,227	2,521,040	2,379,040	142,000	1,324,951
Private Grants and Donations	13,168	6,667	6,501	13,168	10,000	3,168	-
Earned Fees	102,016	157,200	(55,184)	132,100	235,800	(103,700)	30,084
Total Revenue	4,290,785	4,284,675	6,109	7,028,953	7,087,260	(58,307) ①	2,738,168
Expenses							
Salaries	1,821,040	2,147,321	326,282	3,163,520	3,708,102	544,582	1,342,480
Benefits and Taxes	440,848	530,733	89,885	689,085	796,100	107,015	248,236
Staff-Related Costs	144,617	129,474	(15,144)	271,180	194,211	(76,970)	126,563
Rent	-	-	-	-	-	-	-
Occupancy Service	249,668	190,495	(59,173)	336,818	285,742	(51,076)	87,150
Direct Student Expense	954,532	862,716	(91,816)	1,521,821	1,294,075	(227,747)	567,289
Office & Business Expense	668,693	538,674	(130,019)	1,045,957	808,011	(237,946)	377,264
Total Ordinary Expenses	4,279,399	4,399,414	120,015	7,028,382	7,086,241	57,859	2,748,983
Net Operating Income	11,386	(114,738)	(113,906)	571	1,020	(116,166)	(10,815)
Extraordinary Expenses							
Capital Outlay	-	-	-	-	-	-	-
Total Extraordinary Expenses	-	-	-	-	-	-	-
Total Expenses	4,279,399	4,399,414	120,015	7,028,382	7,086,241	57,859 ②	2,748,983
Net Income	11,386	(114,738)	126,124	571	1,020	(449) ③	(10,815)
Cash Flow Adjustments	(439,693)	-	(439,693)	(215,417)	-	(215,417) ④	224,276
Change in Cash	(428,307)	(114,738)	(313,569)	(214,846)	1,020	(215,866) ⑤	213,461

① REVENUE: \$58K BEHIND

Driven by lower than budget enrollment. Additionally, lower approved grants ,ECF funds and lower donations.

② EXPENSES: \$58K AHEAD

Primarily driven by lower salary expenses, higher than budgeted professional services, occupancy services changes in transportation and food services

③ NET INCOME: \$0K behind

④ CASH ADJ:\$215K BEHIND

Variance primarily due to social security payable, prepaid benefits and accrued salaries and benefits as a results of changes in payroll processes

⑤ NET CHANGE IN CASH: \$216K BEHIND

Monthly Financials

	Actual								Forecast				
Income Statement	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Revenue													
State and Local Revenue	370,907	380,907	374,715	370,907	370,907	370,907	370,907	369,355	345,783	345,783	345,783	345,783	4,362,645
Federal Revenue	0	25,949	213,054	121,990	35,037	469,774	19,740	310,546	331,238	331,238	331,238	331,238	2,521,040
Private Grants and Donations	0	100	0	68	0	0	13,000	0	0	0	0	0	13,168
Earned Fees	39	21,412	14,178	1,960	7,881	23,723	4,494	28,330	7,521	7,521	7,521	7,521	132,100
Total Revenue	370,946	428,368	601,947	494,924	413,825	864,404	408,141	708,231	684,542	684,542	684,542	684,542	7,028,953
Expenses													
Salaries	44,568	182,827	260,886	273,557	275,010	277,640	253,225	253,327	250,739	250,739	250,739	590,264	3,163,520
Benefits and Taxes	48,690	51,452	49,452	48,515	62,504	62,388	60,004	57,842	62,059	62,059	62,059	62,059	689,085
Staff-Related Costs	28,845	15,259	2,922	7,579	61,525	2,617	16,744	9,126	31,641	31,641	31,641	31,641	271,180
Occupancy Service	45,361	47,994	38,635	18,776	35,550	23,610	26,380	13,363	21,787	21,787	21,787	21,787	336,818
Direct Student Expense	109,112	106,402	128,547	167,083	138,652	100,551	101,163	103,023	141,822	141,822	141,822	141,822	1,521,821
Office & Business Expense	86,811	78,632	55,281	70,024	103,670	107,483	102,391	64,401	94,316	94,316	94,316	94,316	1,045,957
Total Ordinary Expenses	363,387	482,566	535,722	585,533	676,912	574,289	559,906	501,082	602,365	602,365	602,365	941,889	7,028,382
Total Expenses	363,387	482,566	535,722	585,533	676,912	574,289	559,906	501,082	602,365	602,365	602,365	941,889	7,028,382
Net Income	7,558	-54,198	66,225	-90,609	-263,088	290,115	-151,766	207,148	82,177	82,177	82,177	-257,347	571
Cash Flow Adjustments	-13,765	15,142	-265,698	-220,507	248,136	-330,259	329,621	-202,364	56,069	56,069	56,069	56,069	-215,417
Change in Cash	-6,206	-39,056	-199,473	-311,116	-14,951	-40,144	177,855	4,784	138,246	138,246	138,246	-201,278	-214,846

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
	<i>6/30/2022</i>	<i>2/28/2023</i>	<i>6/30/2023</i>
Assets			
Current Assets			
Cash	1,066,568	638,261	851,722
Accounts Receivable	332,816	347,014	333,816
Prepaid Expenses and Other Current Assets	0	27,621	0
Total Current Assets	1,399,384	1,012,895	1,185,537
Noncurrent Assets			
Operating Fixed Assets, Net	2,076,085	2,076,085	2,076,085
Facilities, Net	-1,289,787	-1,289,787	-1,289,787
Total Noncurrent Assets	786,298	786,298	786,298
Total Assets	2,185,682	1,799,193	1,971,836
Liabilities and Equity			
Liabilities			
Current Liabilities			
Other Current Liabilities	494,047	243,362	243,362
Accounts Payable	479,569	332,379	515,837
Total Current Liabilities	973,616	575,741	759,198
Total Long-Term Liabilities	0	0	
Total Liabilities	973,616	575,741	
Equity			
Net Income	0	11,386	571
Unrestricted Net Assets	1,212,066	1,212,066	1,212,066
Total Equity	1,212,066	1,223,452	1,212,637