



April 2023 Financials

PREPARED MAY'23 BY

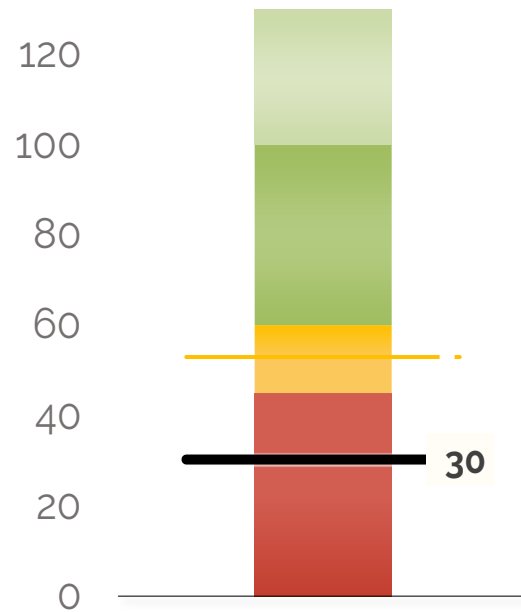


- **Executive Summary**
- **Key Performance Indicators**
- **Forecast Overview**
- **Cash Forecast**
- **Forecast History**
- **Key Forecast Changes This Month**
- **Notable Forecast Variances**
- **Appendix**

- The FY22-23 April financials result in a forecasted net income of is **-\$237k**, which is **\$238k** below the budget amount of **\$1,020K**.
- After months of back and forth with the State, we finally received the Reimagine Grant allocation last month leaving no time to spend it down and submit for reimbursement. Consequently, we decided to apply the funding to the next fiscal year. This results in a monthly and yearly **-\$300K** change in that account.
- As of April 30, 2023, the cash balance in the checking account is **\$632K and \$80K** in the clearing account resulting in a total cash and cash equivalents balance of **\$713K**.
- The end of the year forecasted net cash flow is **\$587k, \$441k** less than budgeted. The change in cash flow is primarily driven by the lower net income as well as other cash flow activities such as loan repayments and payroll activities.
- The changes in cash flow result in a projected **30 days** cash on hand at the end of the fiscal year.

Days of Cash

Cash balance at year-end divided by average daily expenses

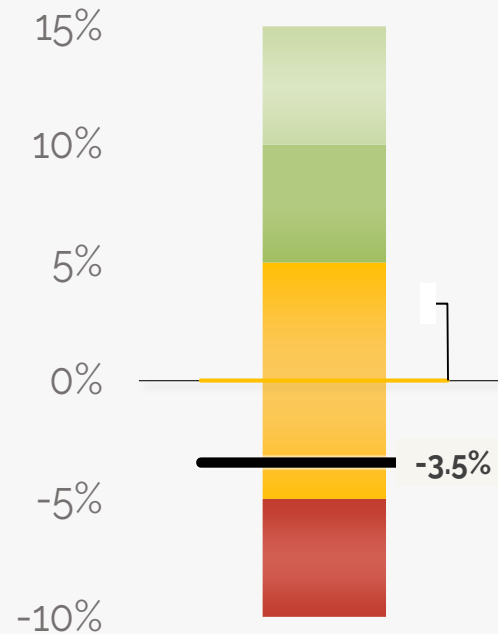


30 DAYS OF CASH AT YEAR'S END

The school will end the year with 30 days of cash. This is below the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

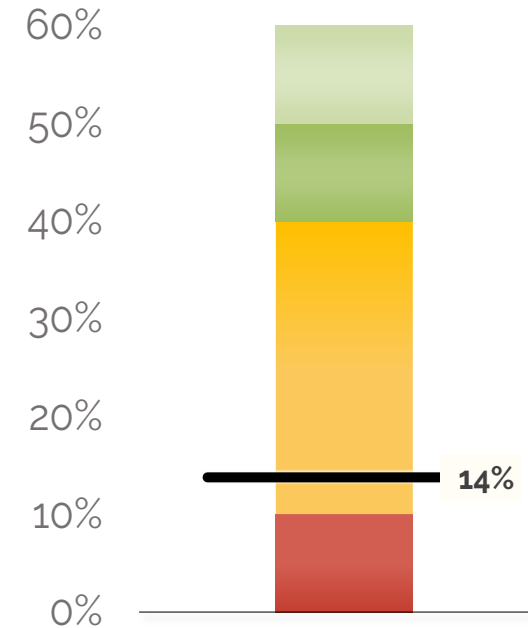


-3.5% GROSS MARGIN

The forecasted net income is -\$237k, which is \$238k below the budget. It yields a -3.5% gross margin.

Fund Balance %

Forecasted Ending Fund Balance / Total Expenses



13.79% AT YEAR'S END

The school is projected to end the year with a fund balance of \$975,469. Last year's fund balance was \$1,212,066.

Forecast Overview

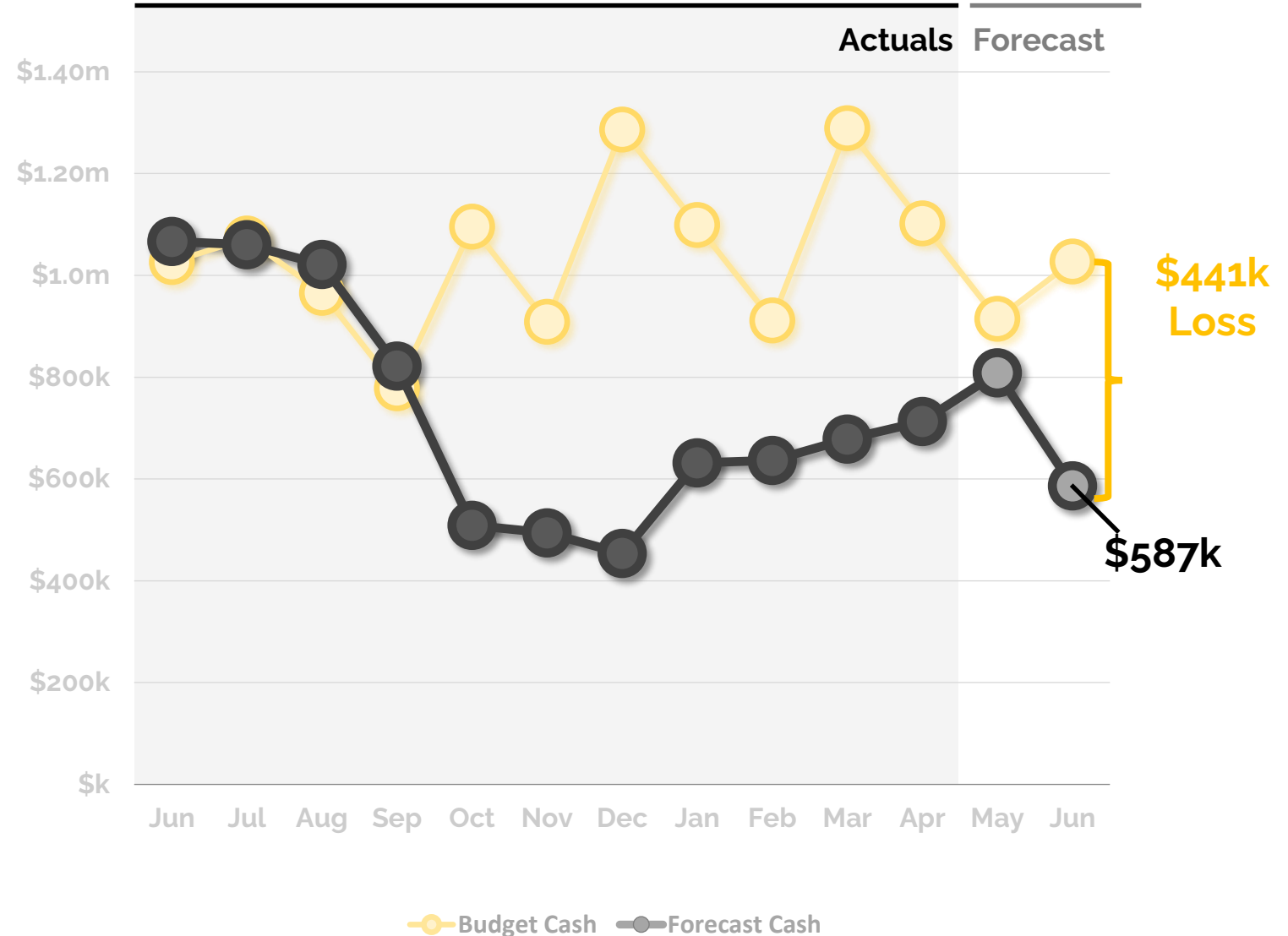
	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$6.8m	\$7.1m	-\$248k		Driven by the expected revenue reduction in the Restricted Grant account, due to the late allocation of the Reimagine Grant.
Expenses	\$7.1m	\$7.1m	\$10k		Primarily driven by savings in salaries, benefits, office & other business expenses.
Net Income	-\$237k	\$1k	-\$238k		
Cash Flow Adjustments	-\$243k	0	-\$243k		Variance primarily due to social security loan payables, prepaid benefits and accrued salaries and benefits because of changes in payroll processes
Change in Cash	-\$480k	\$1k	-\$481k		

30 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$587k**, **\$441k** below budget.

This difference in year-end cash is driven by:

- (+) FY22 ending cash balance **40k** more than budgeted.
- (-) forecasted net income being **-\$238k** lower than budgeted.
- (-) **\$243k** Variance primarily due to social security loan payable, prepaid benefits and accrued salaries and benefits as a result of changes in payroll processes





Key Forecast Changes This Month

The April forecast **decreased** the year-end cash expectation by \$226k. *Key changes:*


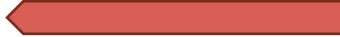
<i>Annual Change</i>	<i>Category</i>	<i>Impact On Cash</i>
300,000 less cash	Federal Revenue Primarily driven by the late allocation of Reimagine Grant	\$300k
55,098 more cash	Salaries Driven by additional vacancies such as Development, I.T. etc.	\$55k
23,465 less cash	Other Operating Activities Driven by operating activities adjustments to support end of the year expectations.	\$23k
18,902 more cash	Staff-Related Costs Due to other professional services costs adjustments	\$19k
16,940 more cash	Occupancy Service Driven primarily by the custodial services expense account adjustment.	\$17k

State and Local Revenue | \$13k annual cash decrease

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Local MFP Our final certification was 389 students (vs 397 budgeted) for this year. This leads to a revenue variance of \$27,111 in terms of local funds.	2.5m	2.5m	27k 	0
State MFP Given the mid-year (Feb 2023) MFP adjustment, our state fund allocation is projected to be \$57,707 below budget.	1.9m	1.9m	 -58k	0

Zero

Federal Revenue | \$142k annual cash decrease

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
School Food Service Our food services expenses have increased leading to a higher than budgeted reimbursement.	240k	120k	120k 	0
Restricted Grants-In-Aid Fro After months of back and forth with the State, we finally received the Reimagine Grant allocation last month leaving no time to spend it down and submit for reimbursement. Consequently, we decided to apply the funding to the next fiscal year.	444k	744k	-300k 	-300k
ESSER II & III A portion of the ESSER II and III reimbursement may occur at the end of the Federal Fiscal Year, which falls at the beginning of next fiscal year.	1.2m	1.2m	0	0






Zero

Earned Fees | \$102k 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 The emergency connectivity fund grant was lower than budgeted	48k	152k	-104k 	0




Zero

Salaries | \$589k 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.	1.4m	1.7m	 269k	57k
Therapists/Specialists/Counselors We continue to see some additional savings due to a vacant Counselor Position.	294k	327k	 33k	-19k
Secretarial Vacant administrative and executive assistant leading to a yearly saving.	144k	203k	 58k	0k
Degreed Professional We have a vacancy in the Development Department leading to a yearly change of \$25k in salary expense and a \$22K monthly change.	52k	77k	 25k	23k
Stipend Pay We are seeing an increase in the stipends due to staff having to take additional roles to support vacancies. This represents an additional \$60K in yearly expenses and a monthly change of 15K.	128k	67k	 -60k	-15k


Zero

Benefits and Taxes | \$130k annual cash increase

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Health Insurance We updated our health insurance expenses forecast to account for the lower than budgeted salaries	302k	361k	 59k	0k
Social Security We updated our social security expense forecast to account for the lower than budgeted salaries	165k	227k	 62k	1k
Medicare We reforecasted our medicare expenses to account for the lower than budgeted salaries	39k	54k	 15k	0k

Zero

Staff-Related Costs | \$29k 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 Service expenses by outsourcing some services. This represents an additional \$51K in annual Professional Services expenses and a monthly change of \$19K.	124k	73k		-51k 19k

Zero

Direct Student Expense | \$352k annual cash decrease

Selected Accounts	Forecast	Budget	Annual Impact on Cash (And Monthly Change)	Monthly Change
Health Services We've increased our health services expense to reflect the monthly expense until the end of the school year. This results in a yearly variance of \$10K.	60k	50k	-10k	0
Purchased Educational Services We have adjusted our Educational Services expense account to reflect our end of the year needs. This leads to \$51K in both annual and monthly savings.	223k	274k		51k
Purchased Educational Services Instructional Staff We increased our Purchased Educational Instruction Services expense account, given the continuous need for substitute teachers.	95k	20k	-75k	-9k
Student Transportation We updated our transportation forecast to consider the increase in transportation costs. This resulted in a monthly change of \$115K.	697k	433k	-265k	-115k
Food Svcs Operations New food vendor at higher rate	242k	122k	-120k	0

Zero

Office & Business Expense | \$255k 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	47k	28k	-20k	-0k
Legal Svcs We have experienced higher than usual legal expenses in the past months	86k	31k	-55k	-12k
Admin Tech Svcs Due to a vacancy in our IT department, we have seen an increase in Tech services	55k	22k	-33k	-5k
Rental of Equip-School Admin We adjusted our equipment rental account to reflect our end of the year needs. This leads to \$30K in monthly changes.	13k	23k	10k	30k

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			Remaining
	Actual	Budget	Variance	Forecast	Budget	Variance	
Revenue							
State and Local Revenue	3,721,439	3,718,683	2,756	4,449,499	4,462,420	(12,921)	728,060
Federal Revenue	1,369,566	1,732,451	(362,885)	2,237,191	2,379,040	(141,849)	867,625
Private Grants and Donations	18,573	8,333	10,240	18,573	10,000	8,573	-
Earned Fees	125,515	196,500	(70,985)	134,231	235,800	(101,569)	8,716
Total Revenue	5,235,093	5,655,968	(420,875)	6,839,494	7,087,260	(247,766) ①	1,604,402
Expenses							
Salaries	2,333,489	2,765,338	431,850	3,119,241	3,708,102	588,860	785,753
Benefits and Taxes	553,024	663,417	110,393	665,818	796,100	130,282	112,794
Staff-Related Costs	153,584	161,842	8,258	223,549	194,211	(29,338)	69,965
Rent	-	-	-	-	-	-	-
Occupancy Service	286,867	238,119	(48,749)	357,983	285,742	(72,241)	71,116
Direct Student Expense	1,194,782	1,078,396	(116,386)	1,646,284	1,294,075	(352,210)	451,503
Office & Business Expense	856,979	673,343	(183,636)	1,063,216	808,011	(255,205)	206,237
Total Ordinary Expenses	5,378,724	5,580,454	201,729	7,076,091	7,086,241	10,149	1,697,367
Net Operating Income	(143,632)	75,514	(622,604)	(236,597)	1,020	(257,915)	(92,965)
Extraordinary Expenses							
Capital Outlay	-	-	-	-	-	-	-
Total Extraordinary Expenses	-	-	-	-	-	-	-
Total Expenses	5,378,724	5,580,454	201,729	7,076,091	7,086,241	10,149 ②	1,697,367
Net Income	(143,632)	75,514	(219,146)	(236,597)	1,020	(237,617) ③	(92,965)
Cash Flow Adjustments	(210,020)	-	(210,020)	(243,241)	-	(243,241) ④	(33,221)
Change in Cash	(353,652)	75,514	(429,166)	(479,838)	1,020	(480,858) ⑤	(126,186)

① REVENUE: \$248K BEHIND

Driven by the expected revenue reduction in the Restricted Grant account, due to the late allocation of the Reimagine Grant.

② EXPENSES: \$10K AHEAD

Primarily driven by savings in salaries, benefits, office & other business expenses

③ NET INCOME: \$238K behind

④ CASH ADJ: \$243K BEHIND

Variance primarily due to social security loan payables, prepaid benefits and accrued salaries and benefits because of changes in payroll processes

⑤ NET CHANGE IN CASH: \$481K 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	377,897	364,030	364,030	364,030	4,449,499
Federal Revenue	0	25,949	213,054	121,990	35,037	469,774	19,740	16,470	457,552	10,000	433,813	433,813	2,237,191
Private Grants and Donations	0	100	9	68	0	0	13,000	7	1,000	4,390	0	0	18,573
Earned Fees	39	21,412	14,169	2,660	9,481	24,023	4,494	28,323	7,060	13,854	4,358	4,358	134,231
Total Revenue	370,946	428,368	601,947	495,624	415,425	864,704	408,141	414,155	843,509	392,274	802,201	802,201	6,839,494
Expenses													
Salaries	44,568	182,827	260,886	273,557	275,010	277,640	253,225	253,327	252,612	259,837	234,361	551,392	3,119,241
Benefits and Taxes	48,690	51,452	49,452	50,290	62,504	62,388	60,004	57,842	54,203	56,198	56,397	56,397	665,818
Staff-Related Costs	35,761	16,229	6,664	10,695	59,375	-7,619	33,556	9,100	-11,794	1,617	34,982	34,982	223,549
Occupancy Service	45,361	47,994	38,635	18,776	35,550	23,610	26,380	16,678	27,648	6,236	35,558	35,558	357,983
Direct Student Expense	102,195	105,433	124,804	163,967	140,960	110,787	83,900	113,265	131,226	118,246	225,751	225,751	1,646,284
Office & Business Expense	86,811	78,632	55,281	70,024	103,514	107,483	102,841	72,443	100,530	79,420	103,119	103,119	1,063,216
Total Ordinary Expenses	363,387	482,566	535,722	587,308	676,912	574,289	559,906	522,655	554,425	521,553	690,168	1,007,199	7,076,091
Total Expenses	363,387	482,566	535,722	587,308	676,912	574,289	559,906	522,655	554,425	521,553	690,168	1,007,199	7,076,091
Net Income	7,558	-54,198	66,225	-91,684	-261,488	290,415	-151,766	-108,500	289,085	-129,279	112,033	-204,999	-236,597
Cash Flow Adjustments	-13,765	15,142	-265,698	-221,207	246,536	-330,559	329,621	113,284	-247,245	163,870	-16,610	-16,610	-243,241
Change in Cash	-6,206	-39,056	-199,473	-312,891	-14,951	-40,144	177,855	4,784	41,839	34,591	95,423	-221,609	-479,838

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
	<i>6/30/2022</i>	<i>4/30/2023</i>	<i>6/30/2023</i>
Assets			
Current Assets			
Cash	1,066,568	712,916	586,730
Accounts Receivable	332,816	30,263	333,816
Prepaid Expenses and Other Current Assets	0	23,949	10,139
Total Current Assets	1,399,384	767,129	930,685
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	1,553,427	1,716,983
Liabilities and Equity			
Liabilities			
Current Liabilities			
Other Current Liabilities	494,047	242,614	242,614
Accounts Payable	479,569	242,379	498,900
Total Current Liabilities	973,616	484,992	741,514
Total Long-Term Liabilities	0	0	
Total Liabilities	973,616	484,992	
Equity			
Net Income	0	-143,632	-236,597
Unrestricted Net Assets	1,212,066	1,212,066	1,212,066
Total Equity	1,212,066	1,068,435	975,469