

# ARISE High School 2020-21 Budget

BRYCE FLEMING  
AUGUST 18, 2020



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# 2020-21 Budget

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# Current 20-21 Budget Detail



## LCFF funding changes, CARES LLM, payroll savings, Covid expenses

### Revenues

- LCFF COLA rate up to 0%, but *funded* ADA down from 360 to 337; net \$68K increase
- Enrollment still at 385
- CARES LLM funding projected at \$400K (up from June \$277K estimate)

### Payroll

- Total Teacher FTE – 20.5
- Total FTE – 36.69
- Savings from departed staff, partly offset by removal of FTE reductions – net \$58K savings
- Total Compensation and Benefits Cost - \$3.316M

### Books and Supplies

- Added \$80K in Covid-related expenses; all will be covered by CARES LLM
- Total spending of \$263K
  - Increases in education software, instructional materials and supplies, office supplies, computers

### Services and Operating Expenses

- Net \$15K increase in spending from approved budget
- Total spending of \$1.647M
- Lower Seneca contract saves \$36K; added \$20K in technology services, \$6500 in SIS, \$23K in insurance

# Current 20-21 Forecast

|          |   | 2020-21                | 2020-21               | Variance        |
|----------|---|------------------------|-----------------------|-----------------|
|          |   | <b>Approved Budget</b> | <b>Current Budget</b> |                 |
| Revenue  | LCFF Entitlement                                | 4,026,803              | 4,094,706             | 67,903          |
|          | Federal Revenue                                 | 267,155                | 676,396               | 409,241         |
|          | Other State Revenues                            | 803,058                | 709,789               | (93,269)        |
|          | Local Revenues                                  | 459,510                | 459,510               | -               |
|          | Fundraising and Grants                          | -                      | -                     | -               |
|          | <b>Total Revenue</b>                            | <b>5,556,526</b>       | <b>5,940,401</b>      | <b>383,875</b>  |
| Expenses | Compensation and Benefits                       | 3,373,944              | 3,316,624             | 57,320          |
|          | Books and Supplies                              | 182,700                | 262,700               | (80,000)        |
|          | Services and Other Operating                    | 1,631,886              | 1,646,886             | (15,000)        |
|          | Depreciation                                    | 280,000                | 280,000               | -               |
|          | Other Outflows                                  | 75,720                 | 75,720                | -               |
|          | <b>Total Expenses</b>                           | <b>5,544,250</b>       | <b>5,581,930</b>      | <b>(37,680)</b> |
|          | <b>Operating Income</b>                         | <b>12,276</b>          | <b>358,471</b>        | <b>346,195</b>  |
|          | Beginning Balance                               | 1,774,376              | 1,767,142             | (7,234)         |
|          | Operating Income                                | 12,276                 | 358,471               | 346,195         |
|          | <b>Ending Fund Balance (incl. Depreciation)</b> | <b>1,786,652</b>       | <b>2,125,613</b>      | <b>338,961</b>  |
|          | <b>Ending Fund Balance as % of Expenses</b>     | <b>32.2%</b>           | <b>38.1%</b>          | <b>5.9%</b>     |

## State funding still presents the biggest uncertainty in next year's budget, but several other risks and opportunities

### Risks

- Larger LCFF state aid deferrals with potential for continued deferrals for several years
- Spending of restricted grants (CTEIG, Measure N, Prop 39, CARES)
  - Considerable amount of previous revenue being spent this year, which is already a budget challenge
  - CARES LLM in particular must be mostly spent by end of December

### Opportunities

- \$320K in additional revenue if state funds 20-21 ADA
- Additional stimulus funding (e.g., HEROES Act)
- Other philanthropy/fundraising

# Arise Financial Dashboard



|                 |                                  |                  |  | 2020-21 Board Meetings |      |       |       |
|-----------------|----------------------------------|------------------|--|------------------------|------|-------|-------|
|                 | Metric                           | Target           | Legend   | 8/18                   | 9/15 | 10/20 | 11/17 |
| Revenue         | Enrollment                       | 385              | <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &gt;385</div> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> 370-385</div> <div style="display: flex; align-items: center;"><span style="width: 10px; height: 10px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &lt;370</div> </div>             | 385                    |      |       |       |
|                 | Attendance                       | 93.5%            | <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &gt;94%</div> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> 92-94%</div> <div style="display: flex; align-items: center;"><span style="width: 10px; height: 10px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &lt;92%</div> </div>              | 93.5%                  |      |       |       |
| Expenses        | Expense variance to budget       | No less than -5% | <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &gt;-4%</div> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> -5% to -4%</div> <div style="display: flex; align-items: center;"><span style="width: 10px; height: 10px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &lt;-5%</div> </div>          | 0.0%                   |      |       |       |
| Ops             | Uncategorized revenue & expense  | <\$5,000         | <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &lt;\$5,000</div> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> \$5K-\$10K</div> <div style="display: flex; align-items: center;"><span style="width: 10px; height: 10px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &gt;\$10,000</div> </div> | \$0                    |      |       |       |
| Cash            | Cash on hand                     | 45 days' expense | <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &gt;45</div> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> 30-45</div> <div style="display: flex; align-items: center;"><span style="width: 10px; height: 10px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &lt;30</div> </div>                 | 45                     |      |       |       |
| Sustain-ability | Year-end fund balance (forecast) | 20% of expenses  | <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &gt;20%</div> <div style="display: flex; align-items: center; margin-bottom: 2px;"><span style="width: 10px; height: 10px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> 15-20%</div> <div style="display: flex; align-items: center;"><span style="width: 10px; height: 10px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &lt;15%</div> </div>              | 38.7%                  |      |       |       |

# Appendix

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## Revenues improve but uncertainty remains with deferrals and ADA

### LCFF COLA

- -7.92% cut eliminated
- Flat funding from FY20 to FY21

### Learning Loss Mitigation (CARES Act II)

- \$1,887 per 19-20 SpEd student
- +28.5% increase to Supplemental & Concentration
- +1.55% additional LCFF funding

### ADA\*

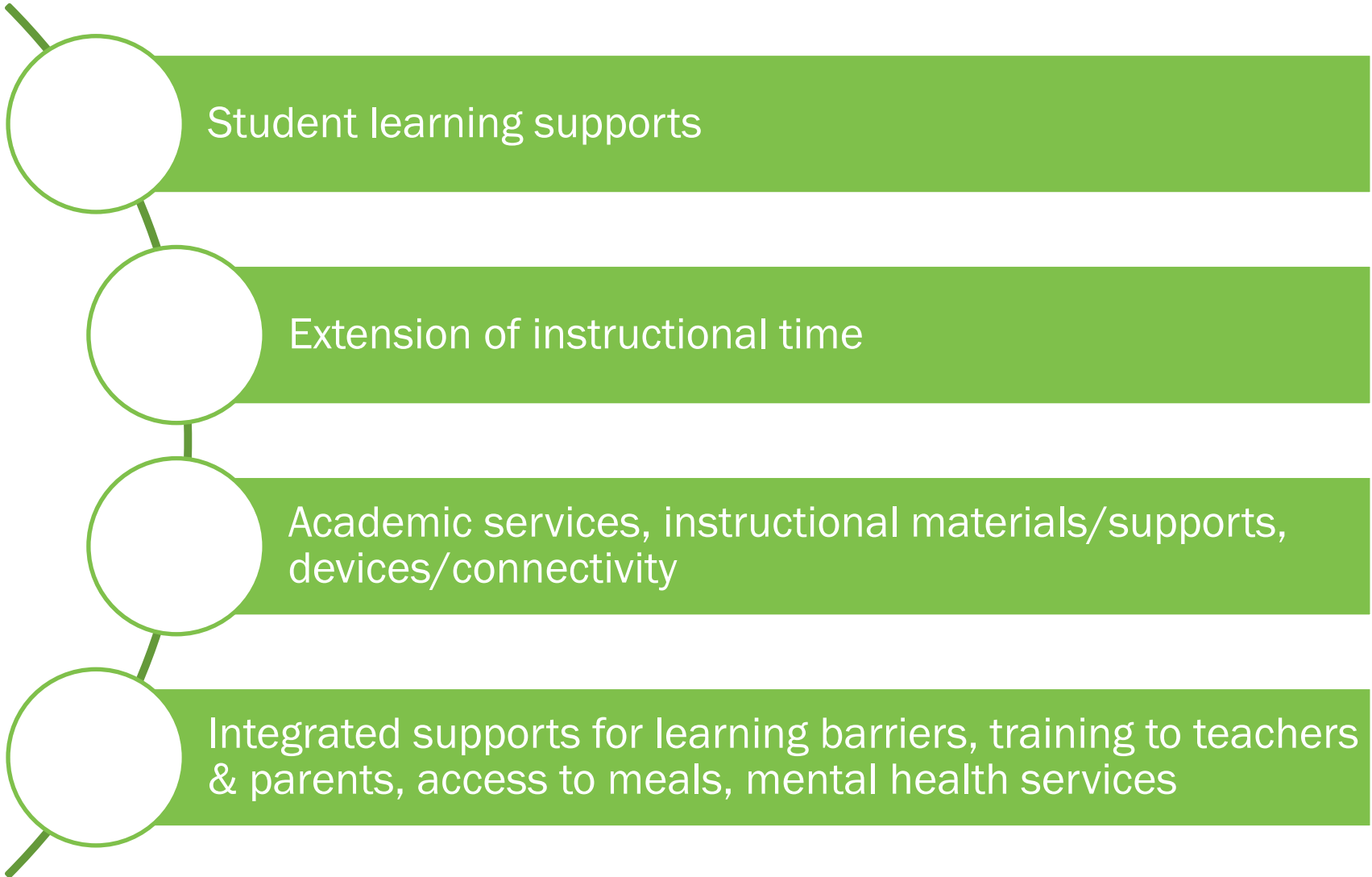
- LEAs will use 2019-20 P2 ADA
- Exception is for newly operational charters – currently excludes growing charters

### Instructional Days

- Minimum 175 instructional days
- Flexibility in instructional minutes, minimum of 3-4 hours per day, varies by grade level

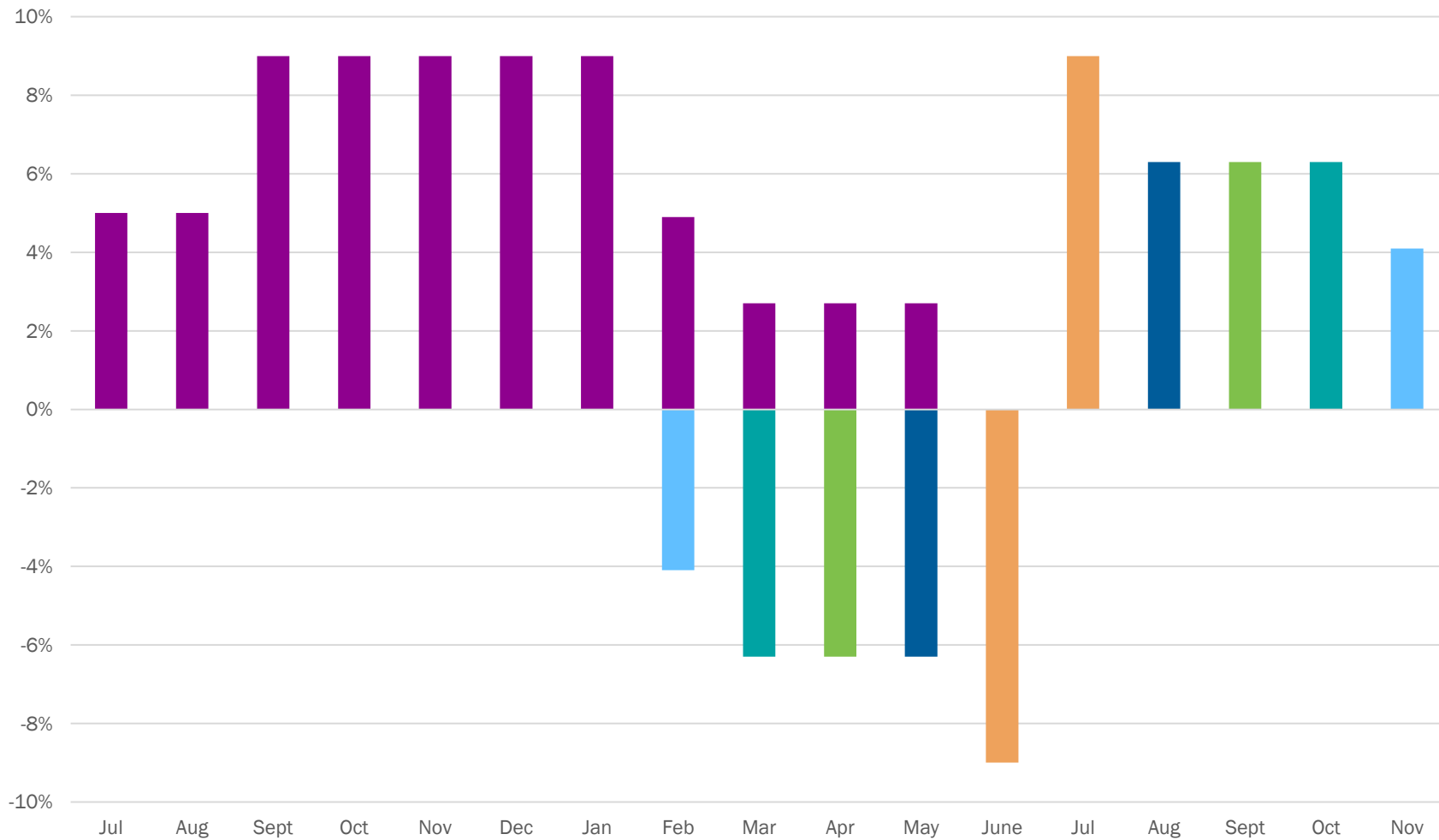
### STRS

- Maintains May Revise employer contribution of 16.15%



# 2020-21 State Aid Deferrals

## Spring State Aid to be paid much later in the year



## Federal funds are a short-term solution – out years remain uncertain

### 2020-21

- ★ 0% COLA
- ★ STRS/PERS subsidy
- ★ CARES ESSER
- ★ CARES LLM
- ★ PPP Forgiveness
- ★ HEROES/Other Stimulus?

### 2021-22

- 💣\* Unknown COLA
- ★ STRS/PERS subsidy
- ⊖ ESSER
- ⊖ LLM
- ⊖ PPP
- ⊖ HEROES

### 2022-23

- 💣\* Unknown COLA
- ★ STRS/PERS subsidy
- ⊖ Extra funds?