

# ARISE High School Board Financial Update

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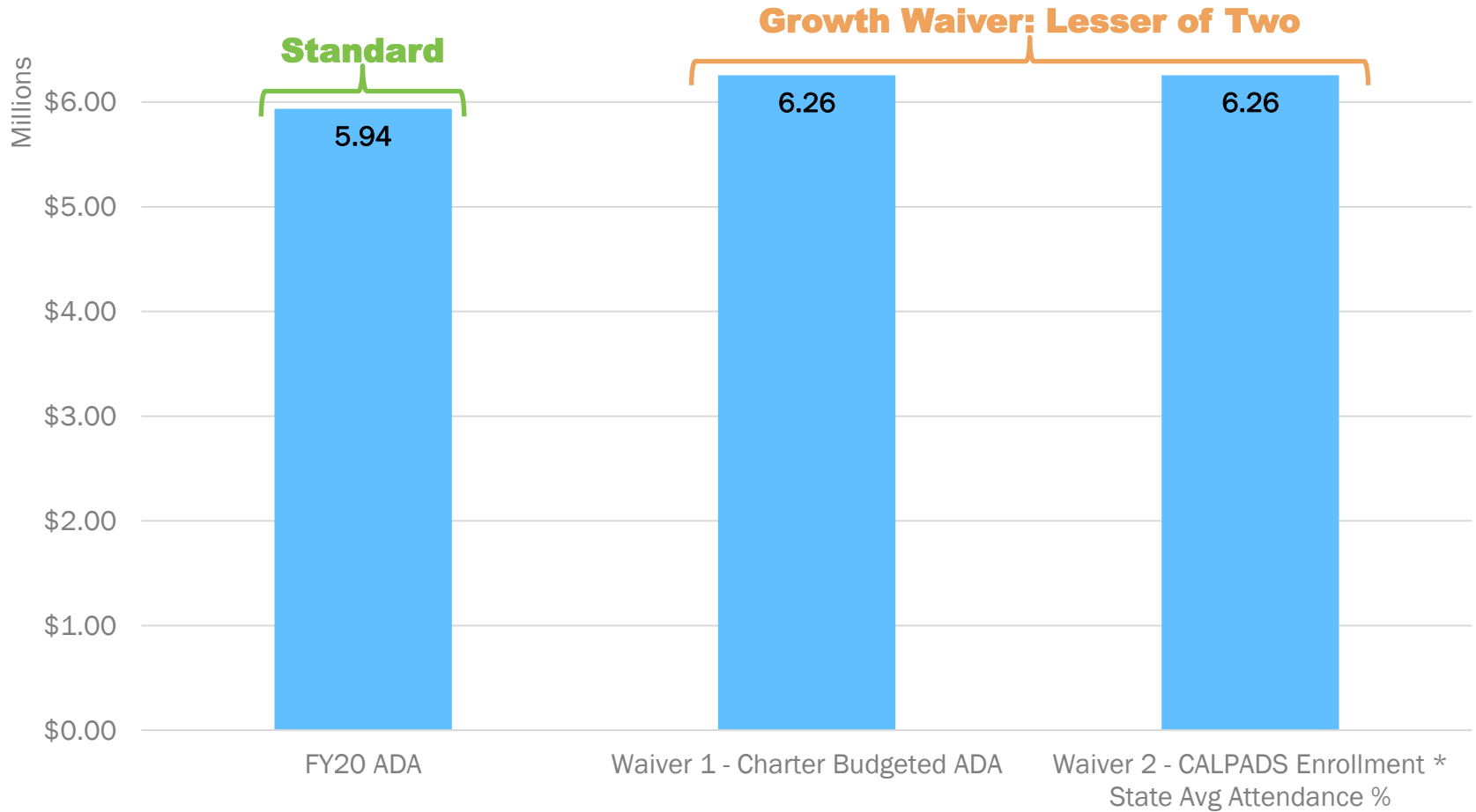
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# State Budget Landscape

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# FY21 Growth Funding Waiver – Trailer Bill SB 820



If enrollment on CALPADS Census Day (Oct 7) equals 383+, waiver would support funding increase of ~\$320K

# Waiver Application, Compliance, and Payments



Application available by  
October 2<sup>nd</sup>,  
Due November 6<sup>th</sup>

School must have  
documentation showing  
explicit FY20 → FY21  
anticipated growth

Growth  
Funding Waiver

School must submit board  
minutes showing budget  
approval; attestation  
under penalty of perjury

Funding will be included in  
deferred P-1 payments, so  
cash will be significantly  
delayed

# 2020-21 July Forecast Update

Actuals through 7/31/2020

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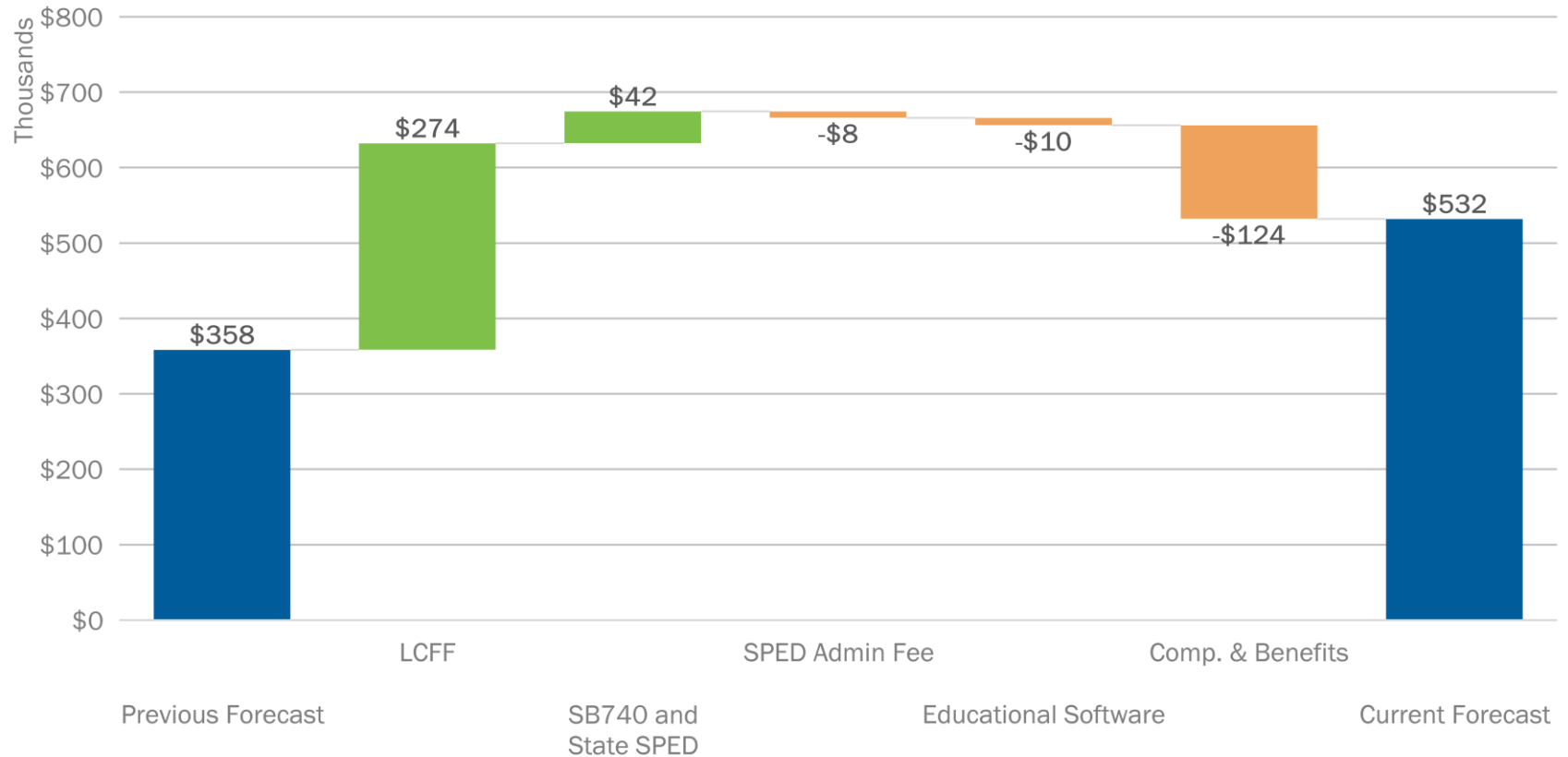
## Growth cap removal results in significant revenue increase

		2020-21	2020-21	Variance
		Previous Forecast	Current Forecast	
Revenue	LCFF Entitlement	4,094,704	4,368,434	273,730
	Federal Revenue	676,396	676,396	-
	Other State Revenues	709,789	752,009	42,220
	Local Revenues	459,510	459,510	-
	Fundraising and Grants	-	-	-
	<b>Total Revenue</b>	<b>5,940,399</b>	<b>6,256,349</b>	<b>315,950</b>
Expenses	Compensation and Benefits	3,316,624	3,440,899	(124,275)
	Books and Supplies	262,700	272,700	(10,000)
	Services and Other Operating	1,646,886	1,655,157	(8,271)
	Depreciation	280,000	280,000	-
	Other Outflows	75,720	75,720	-
	<b>Total Expenses</b>	<b>5,581,930</b>	<b>5,724,476</b>	<b>(142,546)</b>
	<b>Operating Income</b>	<b>358,469</b>	<b>531,873</b>	<b>173,404</b>
	Beginning Balance (Unaudited)	1,767,139	1,767,139	-
	Operating Income	358,469	531,873	173,404
	<b>Ending Fund Balance (incl. Depreciation)</b>	<b>2,125,608</b>	<b>2,299,012</b>	<b>173,404</b>
	<b>Ending Fund Balance as % of Expenses</b>	<b>38.1%</b>	<b>40.2%</b>	<b>2.1%</b>

# 20-21 Forecast Waterfall



## Net \$173K increase in operating income





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

### Risks

- Larger LCFF state aid deferrals with potential for continued deferrals for several years
  - This could put further pressure on cash flow
- 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

- Additional stimulus funding (e.g., HEROES Act)
- Other philanthropy/fundraising

# Arise Financial Dashboard

				2020-21 Board Meetings			
	Metric	Target	Legend	9/15	10/20	11/17	12/8
Revenue	Enrollment	385	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &gt;375</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> 365-375</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &lt;365</div> </div>	385			
	Attendance	93.5%	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &gt;93.5%</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> 92-93.5%</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &lt;92.0%</div> </div>	93.5%			
Expenses	Expense variance to budget	No less than 5%	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &lt;4%</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; 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: 15px; height: 15px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &gt;5%</div> </div>	3.3%			
Ops	Uncategorized revenue & expense*	<\$5,000	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &lt;\$5,000</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> \$5K-\$10K</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &gt;\$10,000</div> </div>	\$166,000			
Cash	Cash on hand**	45 days' expense	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &gt;45</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> 30-45</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &lt;30</div> </div>				
Sustainability	Year-end fund balance (forecast)	20% of expenses	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #90EE90; border: 1px solid #000; margin-right: 5px;"></span> &gt;20%</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FFD700; border: 1px solid #000; margin-right: 5px;"></span> 15-20%</div> <div style="display: flex; align-items: center;"><span style="width: 15px; height: 15px; background-color: #FF6347; border: 1px solid #000; margin-right: 5px;"></span> &lt;15%</div> </div>	40.0%			

\*Due to transition from Randy and Heartland, not a school operations issue

\*\*Don't have ability to show cash levels yet due to transition from Randy; will have these numbers next month.

# Restricted Spending Update

## LLM CRF funds must be spent by end of December 2020

