



COMPASS
CHARTER SCHOOLS



2021-22 Finance Update
March 2022

(855) 937- 4227

CompassCharters.org

COMPASS
CHARTER SCHOOLS



Agenda

- Mission and Vision
- Values
- Enrollment Update
- Fiscal Impacts
- Funding Determination
- Q & A



Our Mission and Vision

MISSION STATEMENT

Our mission is to inspire and develop innovative, creative, self-directed learners, one scholar at a time.



VISION STATEMENT

Our vision is to create a collaborative virtual learning community, inspiring scholars to appreciate the ways in which arts and sciences nurture a curiosity for life-long learning, and prepare scholars to take responsibility for their future success.



Our Values

COMPASS CHARTERS

-  **A**chievement: Engage in and take charge of your learning.
-  **R**espect: Be respectful in all interactions with fellow scholars, learning coaches, faculty, and staff.
-  **T**eamwork: Work cooperatively with all persons involved in your education. *Teamwork makes the Dreamwork*
-  **I**ntegrity: Behave following strong ethical principles, values, and academic honesty.
-  **C**ommunication: Frequently and proactively communicate with all persons involved in your education.



2021 – 22 Local Control Funding Rates

Grade Span	LCFF Base Grant
TK-3	\$8,093
4-6	\$8,215
7-8	\$8,458
9-12	\$9,802

Grade Span	Grade Span Adjustment
TK-3	\$842
9-12	\$255



FY 22 Revenue

Los Angeles	San Diego	YOLO	Home Office	Total
\$10,601,585	\$10,624,703	\$7,424,568	\$0	\$28,650,856

FY 22 Expenses

Los Angeles	San Diego	YOLO	Home Office	Total
\$10,428,240	\$11,354,263	\$7,228,420	\$0	\$29,010,964

FY 22 Ending surplus/deficit Based on 2nd Interim Reports

Los Angeles	San Diego	YOLO	Home Office	Total
\$172,305	(\$729,561)	\$196,148	\$0	(\$360,108)

Based on second Interim reports



Actual to Budget Summary

FY 2021-2022, July - February

This report displays all actual and budgeted revenue and expenditures by object code series and by month. This report can be useful in ensuring you receive your revenue in a timely manner and that you stay within the board approved expenditure levels.

Revenue

\$17,031,548

Expenses

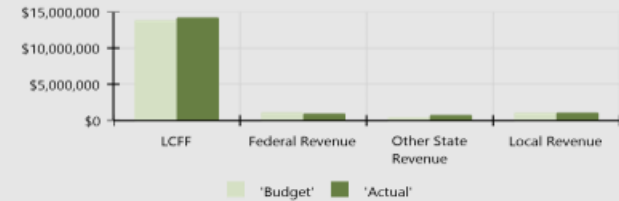
\$18,545,840

Surplus / (Deficit)

(\$1,514,292)

Account Description	July - February			2021-2022		
	Actual	Budget	Variance \$	Total Budget	Actual to Total Budget %	Remaining Budget
LCFF	\$14,213,705	\$13,840,633	\$373,072	\$21,920,352	64.8 %	\$7,706,647
Federal Revenue	\$966,574	\$1,145,914	(\$179,341)	\$2,700,827	35.8 %	\$1,734,253
Other State Revenue	\$766,008	\$421,357	\$344,651	\$800,301	95.7 %	\$34,293
Local Revenue	\$1,085,261	\$1,095,170	(\$9,909)	\$1,744,158	62.2 %	\$658,897
Total Revenue	\$17,031,548	\$16,503,075	\$528,473	\$27,165,638	62.7 %	\$10,134,090

Revenue by Category



Account Description	July - February			2021-2022		
	Actual	Budget	Variance \$	Total Budget	Actual to Total Budget %	Remaining Budget
Certificated Salaries	\$7,372,174	\$7,161,714	(\$210,460)	\$11,181,771	65.9 %	\$3,809,597
Classified Salaries	\$2,220,939	\$2,054,232	(\$166,706)	\$3,051,915	72.8 %	\$830,976
Employee Benefits	\$2,992,121	\$2,314,048	(\$678,073)	\$4,488,863	66.7 %	\$1,496,742
Total Personnel Expenses	\$12,585,234	\$11,529,994	(\$1,055,240)	\$18,722,549	67.2 %	\$6,137,315
Books and Supplies	\$2,910,350	\$3,480,520	\$570,170	\$4,183,544	69.6 %	\$1,273,194
Services & Other Operating Expenses	\$3,050,256	\$2,838,992	(\$211,264)	\$3,711,029	82.2 %	\$660,774
Other Outgo	-	-	-	-	0.0 %	\$0
Total Operational Expenses	\$5,960,606	\$6,319,512	\$358,906	\$7,894,573	75.5 %	\$1,933,968
Total Expenses	\$18,545,840	\$17,849,506	(\$696,334)	\$26,617,122	69.7 %	\$8,071,282
Net Income	(\$1,514,292)	(\$1,346,431)	(\$167,861)	\$548,516	-27.6 %	\$2,062,808

Expense by Category





Understanding the Financial Health of the Organization

Current Ratio (Liquidity)

Ability to pay short-term obligations



Current:

4.3

Target:

> 1.0

Formula:

$(\text{Current Assets}) / (\text{Current Liabilities})$

Defensive Interval

Months of continued operation without incoming funds



Current:

4.4

Target:

> 4 months

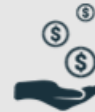
Formula:

$(\text{Cash} + \text{Securities} + \text{AR}) / (\text{Average Expenses for Past 12 Months})$

The chart below explains some of the parameters that the school's leadership can evaluate to understand their financial health, and potential areas of weakness.

Cash Ratio

Ability to meet short-term obligations with cash



Current:

398.8 %

Target:

> 100.0 %

Formula:

$(\text{Cash}) / (\text{Current Liabilities})$

At the current time, the areas of concern that the school needs to keep a close eye on are spending instructional dollars and managing restricted funds.



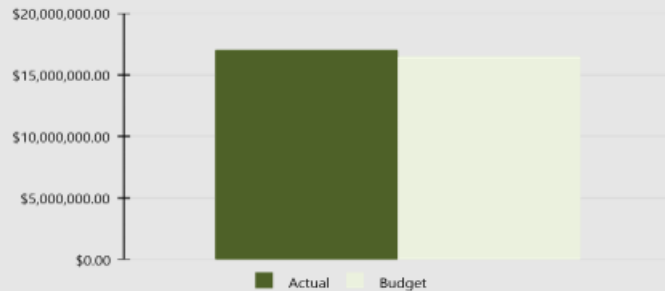


Compass Charter Schools Financial Snapshot

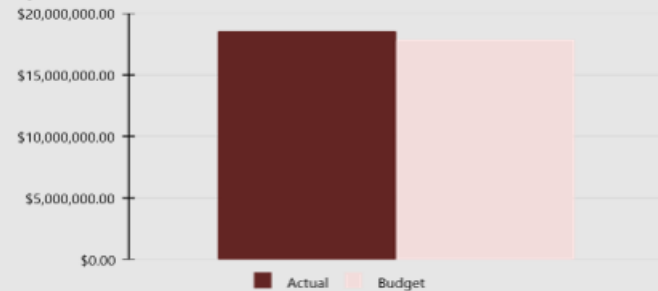
Cash Balance
\$11,294,553

FY 2021-2022, July - February

Revenue to Date



Expense to Date



Revenue Summary

Actual	\$17,031,548
Budget	\$16,503,075
Actual to Budget	3.2 %

Expense Summary

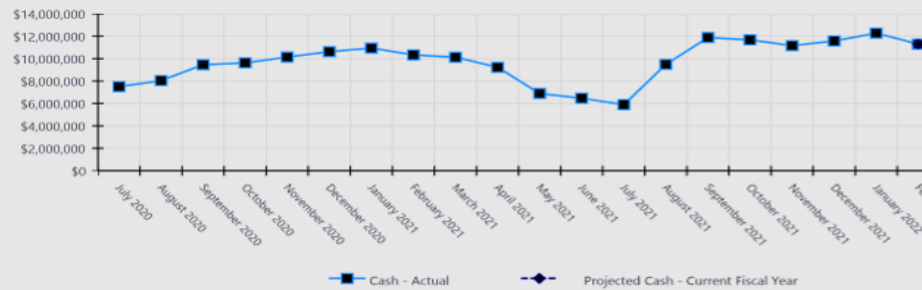
Actual	\$18,545,840
Budget	\$17,849,506
Actual to Budget	3.9 %





Monthly Cash Balance Over Time

Current fiscal year and prior year



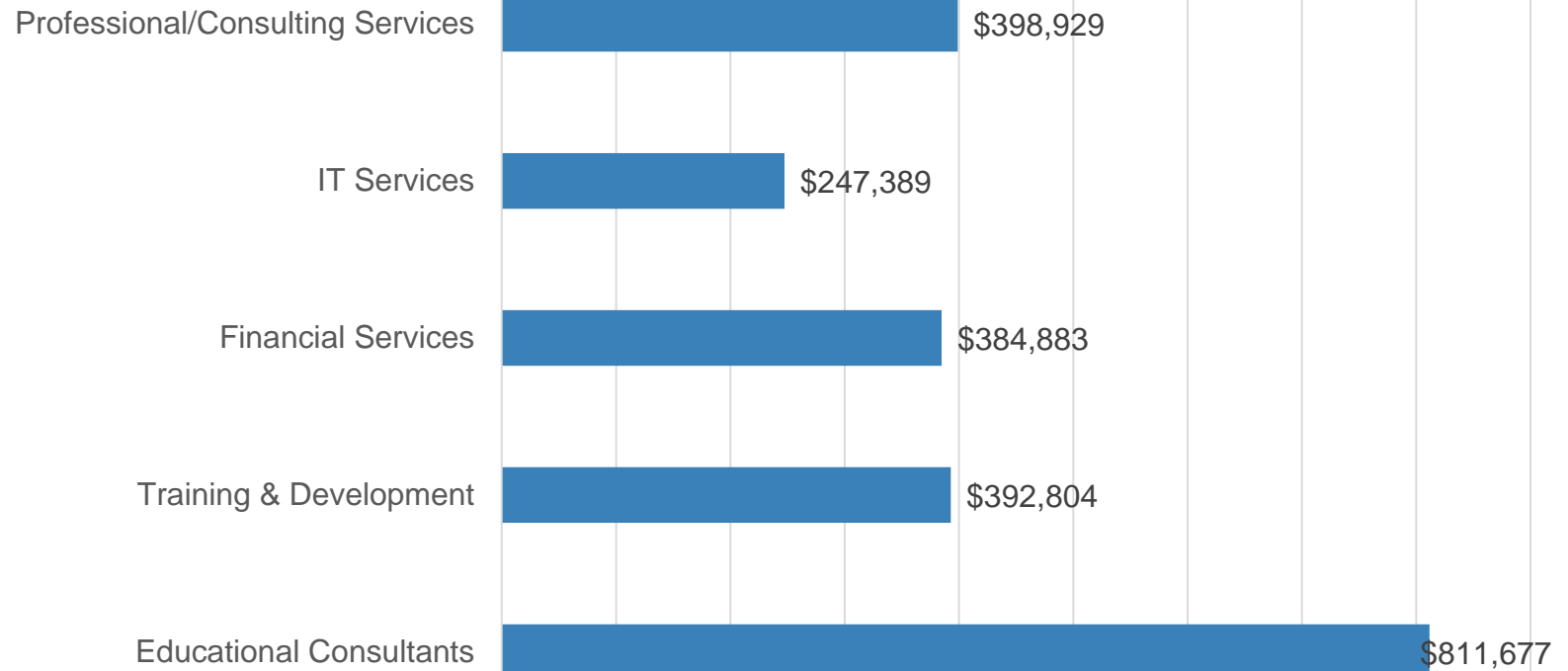
	Cash Amount	Actual or Projected
July 2020	\$7,501,632.16	Actual
August 2020	\$8,039,344.06	Actual
September 2020	\$9,459,703.09	Actual
October 2020	\$9,620,238.76	Actual
November 2020	\$10,141,784.16	Actual
December 2020	\$10,619,537.08	Actual
January 2021	\$10,943,389.04	Actual
February 2021	\$10,330,441.42	Actual
March 2021	\$10,129,997.15	Actual
April 2021	\$9,230,834.45	Actual
May 2021	\$6,886,351.68	Actual
June 2021	\$6,468,358.69	Actual

	Cash Amount	Actual or Projected
July 2021	\$5,888,993.16	Actual
August 2021	\$9,485,434.42	Actual
September 2021	\$11,881,276.91	Actual
October 2021	\$11,673,018.17	Actual
November 2021	\$11,157,901.31	Actual
December 2021	\$11,575,940.87	Actual
January 2022	\$12,274,921.27	Actual
February 2022	\$11,294,552.84	Actual
March 2022	\$7,856,975.00	Projected
April 2022	\$5,912,686.00	Projected
May 2022	\$3,968,397.00	Projected
June 2022	\$2,828,463.00	Projected





Top 5 Category 5000 Expenses – as of 02.28.22





Funding Determination Overview

To qualify for a recommendation of 100 percent funding to the SBE, an NCB charter school must meet the following criteria:

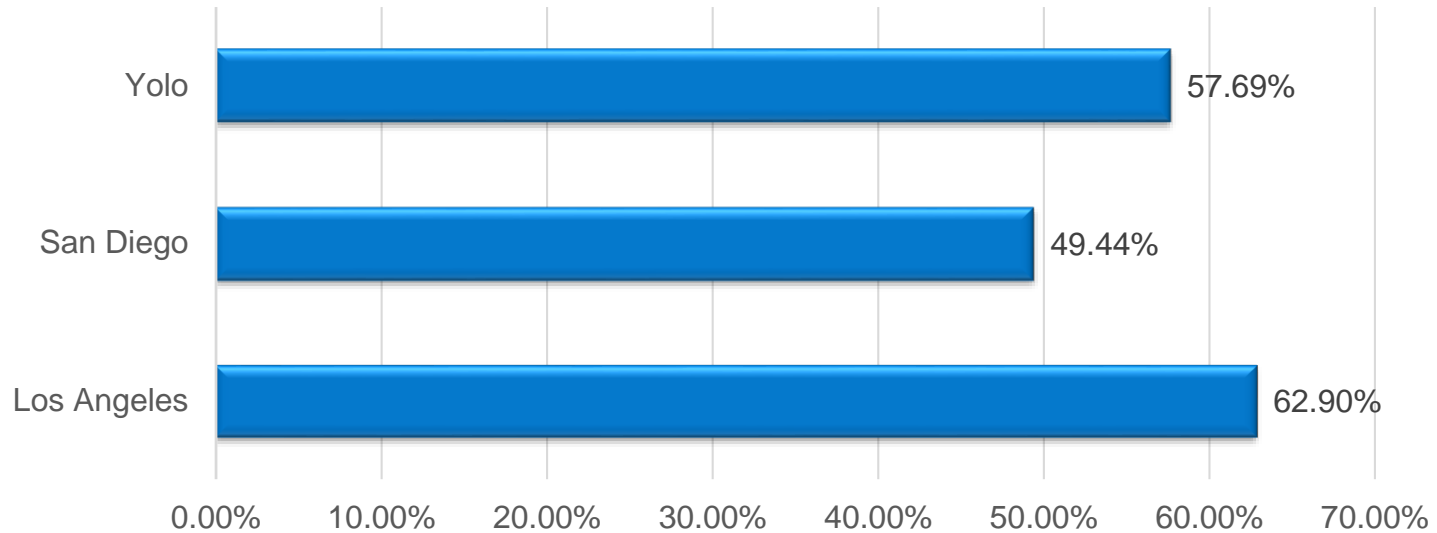
- Spend at least 40 percent of total public revenues (which includes federal revenues, state revenues, and local revenues from in-lieu property taxes) on salaries and benefits for all employees who possess a valid teaching certificate
- Spend at least 80 percent of total revenues on instruction and related services
 - Instruction/related services do not include:
 - Operations and Facilities;
 - Administration and All Other Activities; and
 - Other Outgo and Other Financing Uses.



80/40 Funding Determination

All FDF tests passed

Percent spent on Certificated Employee Salaries & Benefits to Total Public Revenues (5 CCR 11963.3[c][1])



TARGET= 40%

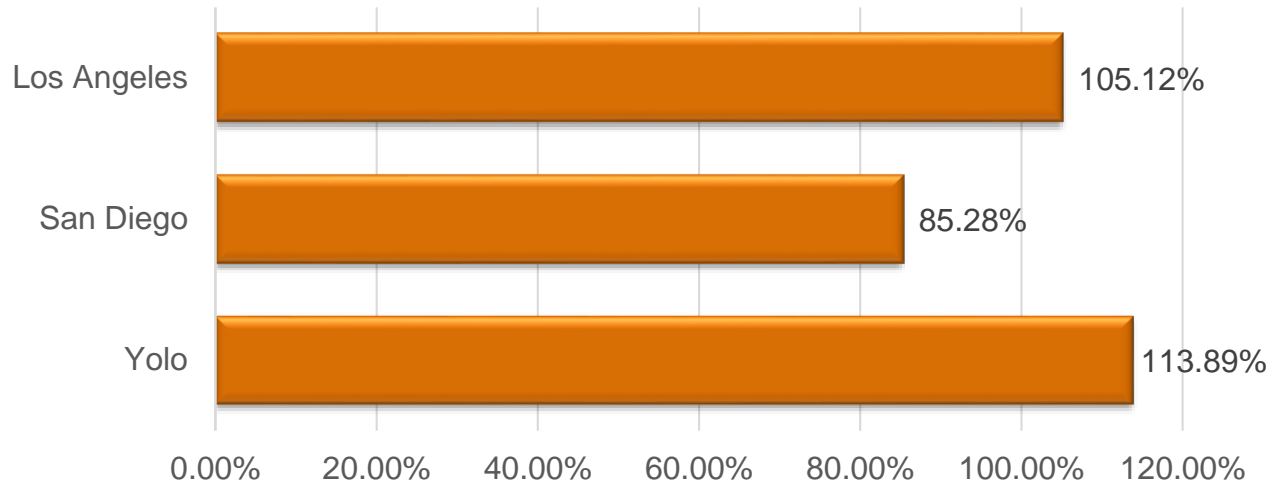


80/40 Funding Determination

All FDF tests passed

Percent spent on Instruction & Instruction-Related Services to Total Revenues (5 CCR 11963.3[c][2])

Series 1



TARGET= 80%



Questions?



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