



COMPASS
CHARTER SCHOOLS



2021-22 Finance Update

June 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

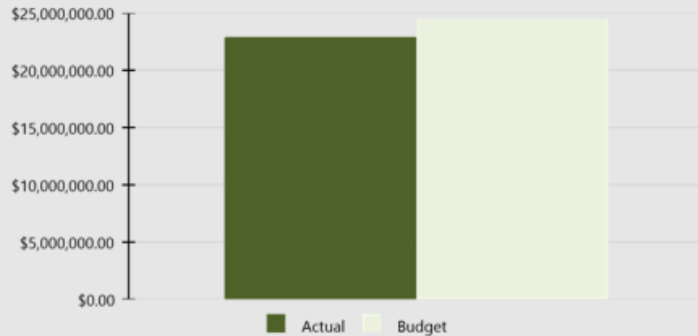


Compass Charter Schools Financial Snapshot

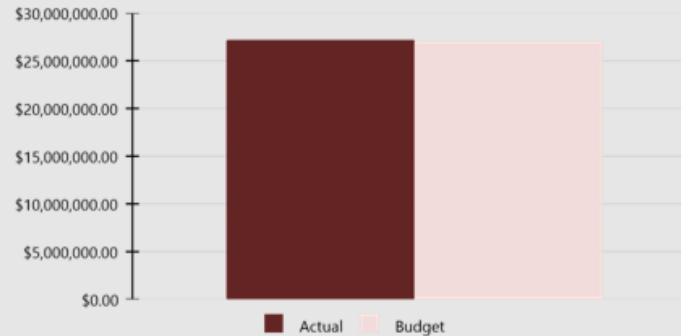
Cash Balance
 **\$8,217,541**

FY 2021-2022, July - May

Revenue to Date



Expense to Date



Revenue Summary

Actual	\$22,899,170
Budget	\$24,483,318
Actual to Budget	-6.5 %

Expense Summary

Actual	\$27,174,222
Budget	\$27,010,482
Actual to Budget	0.6 %



Actual to Budget Summary

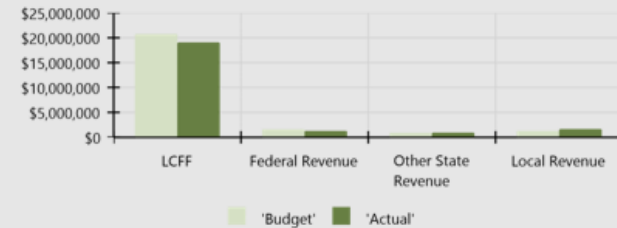
FY 2021-2022, July - May

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	Expenses	Surplus / (Deficit)
\$22,899,170	\$27,174,222	(\$4,275,052)

Account Description	July - Last Closed			2021-2022		
	Actual	Budget	Variance \$	Total Budget	Actual to Total Budget %	Remaining Budget
LCFF	\$19,053,286	\$20,726,077	(\$1,672,791)	\$23,446,311	81.3 %	\$4,393,025
Federal Revenue	\$1,288,217	\$1,608,175	(\$319,958)	\$2,341,571	55.0 %	\$1,053,354
Other State Revenue	\$918,100	\$872,383	\$45,717	\$1,029,515	89.2 %	\$111,415
Local Revenue	\$1,639,568	\$1,276,683	\$362,884	\$1,833,459	89.4 %	\$193,892
Total Revenue	\$22,899,170	\$24,483,318	(\$1,584,148)	\$28,650,856	79.9 %	\$5,751,686

Revenue by Category



Account Description	July - Last Closed			2021-2022		
	Actual	Budget	Variance \$	Total Budget	Actual to Total Budget %	Remaining Budget
Certificated Salaries	\$10,610,416	\$10,566,994	(\$43,422)	\$11,619,107	91.3 %	\$1,008,691
Classified Salaries	\$3,128,805	\$3,108,956	(\$19,849)	\$3,399,578	92.0 %	\$270,772
Employee Benefits	\$4,355,717	\$4,299,381	(\$56,335)	\$4,674,080	93.2 %	\$318,364
Total Personnel Expenses	\$18,094,938	\$17,975,332	(\$119,606)	\$19,692,765	91.9 %	\$1,597,827
Books and Supplies	\$4,444,730	\$4,920,650	\$475,920	\$4,923,584	90.3 %	\$478,854
Services & Other Operating Expenses	\$4,634,554	\$4,114,500	(\$520,055)	\$4,394,615	105.5 %	(\$239,939)
Other Outgo	-	-	-	-	0.0 %	\$0
Total Operational Expenses	\$9,079,284	\$9,035,150	(\$44,134)	\$9,318,199	97.4 %	\$238,915
Total Expenses	\$27,174,222	\$27,010,482	(\$163,740)	\$29,010,964	93.7 %	\$1,836,742
Net Income	(\$4,275,052)	(\$2,527,164)	(\$1,747,888)	(\$360,108)	1,187.2 %	\$3,914,944

Expense by Category





Understanding the Financial Health of the Organization

Current Ratio (Liquidity)

Ability to pay short-term obligations



Current: **3.2** Target: **> 1.0**

Formula:
(Current Assets) / (Current Liabilities)

Defensive Interval

Months of continued operation without incoming funds



Current: **3.2** Target: **> 4 months**

Formula:
(Cash + Securities + AR)/(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: **281.4 %** Target: **> 100.0 %**

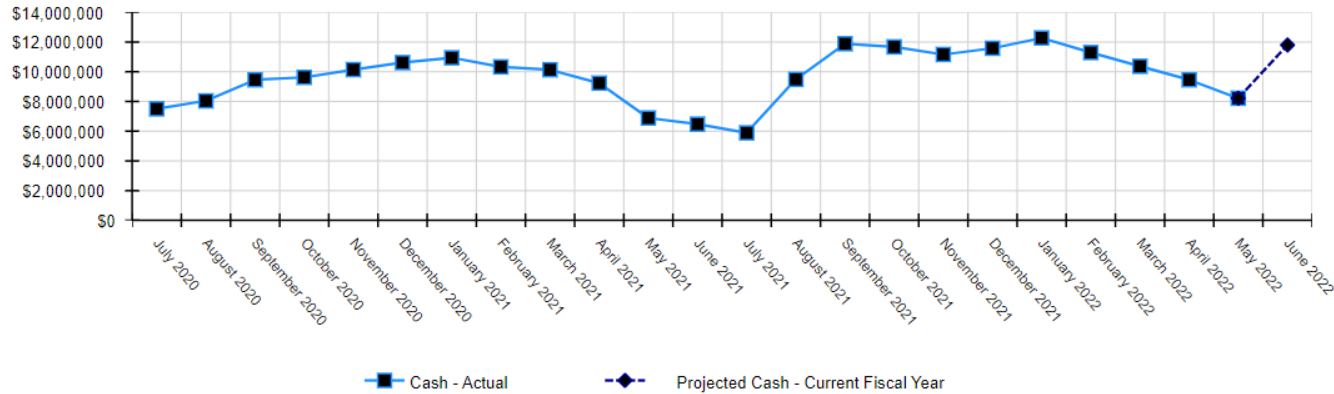
Formula:
(Cash) / (Current Liabilities)

At the current time, the areas of concern that the school needs to keep a close eye on are meeting funding determination % thresholds and SPED spending.



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	\$10,367,581.00	Actual
April 2022	\$9,459,720.14	Actual
May 2022	\$8,217,541.31	Actual
June 2022	\$11,799,912.00	Projected



Funding Determination Overview

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

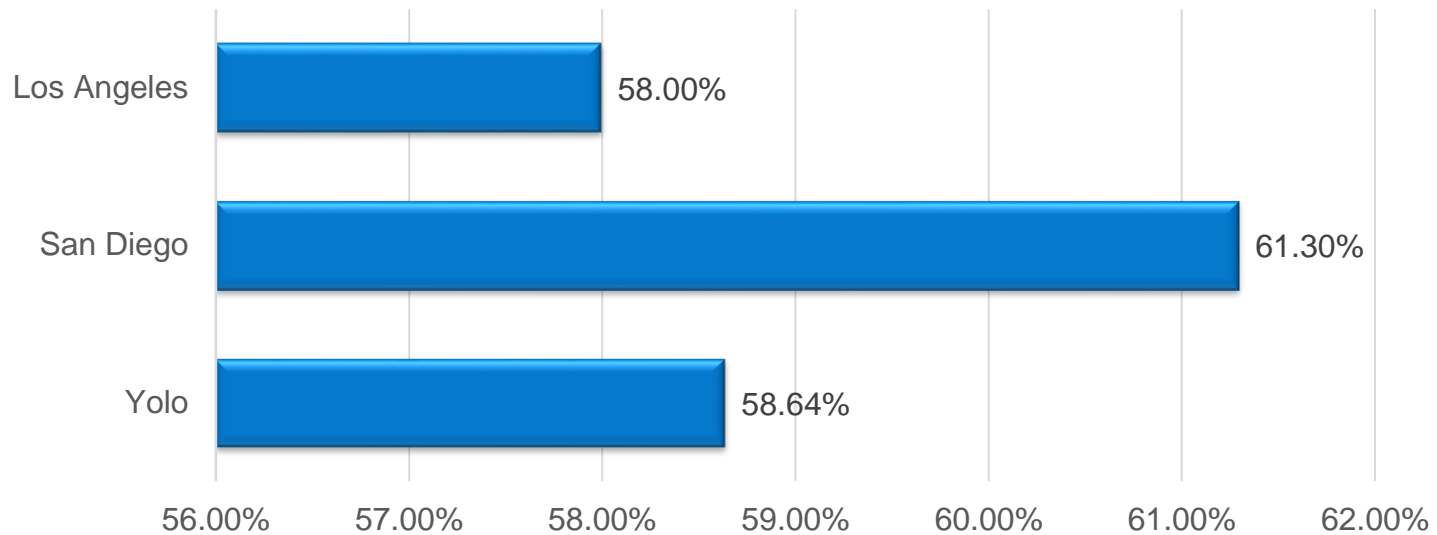
- Spend at least 40 percent of total public revenues (which includes federal revenues, state revenues, and local revenues from in-lieu property taxes) on salaries and benefits for all employees who possess a valid teaching certificate
- Spend at least 80 percent of total revenues on instruction and related 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 as of 05.31.22

All FDF tests passed

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



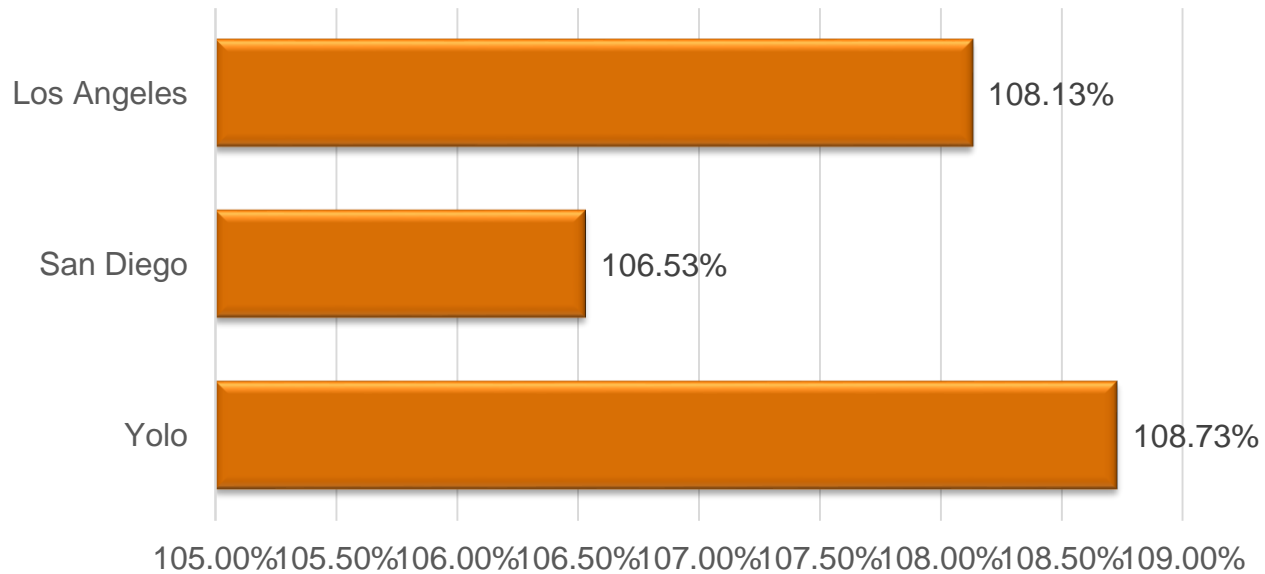
TARGET= 40%



80/40 Funding Determination as of 05.31.22

All FDF tests passed

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

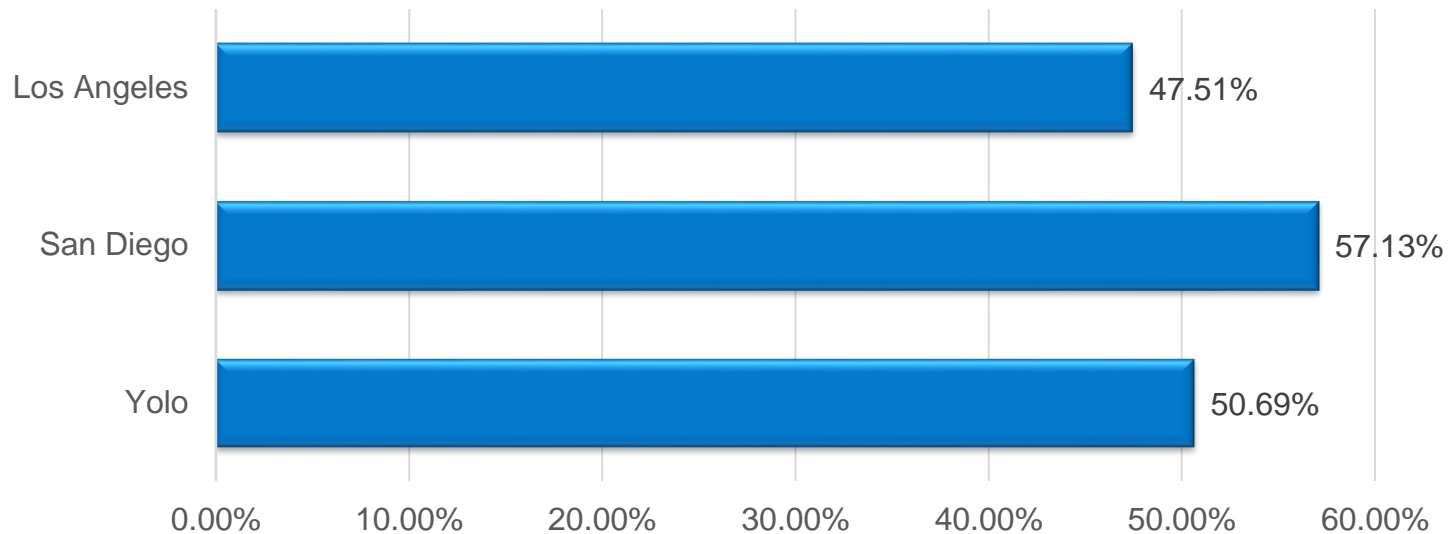


TARGET= 80%



80/40 Funding Determination projection as of 06.30.22

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



All FDF tests passed

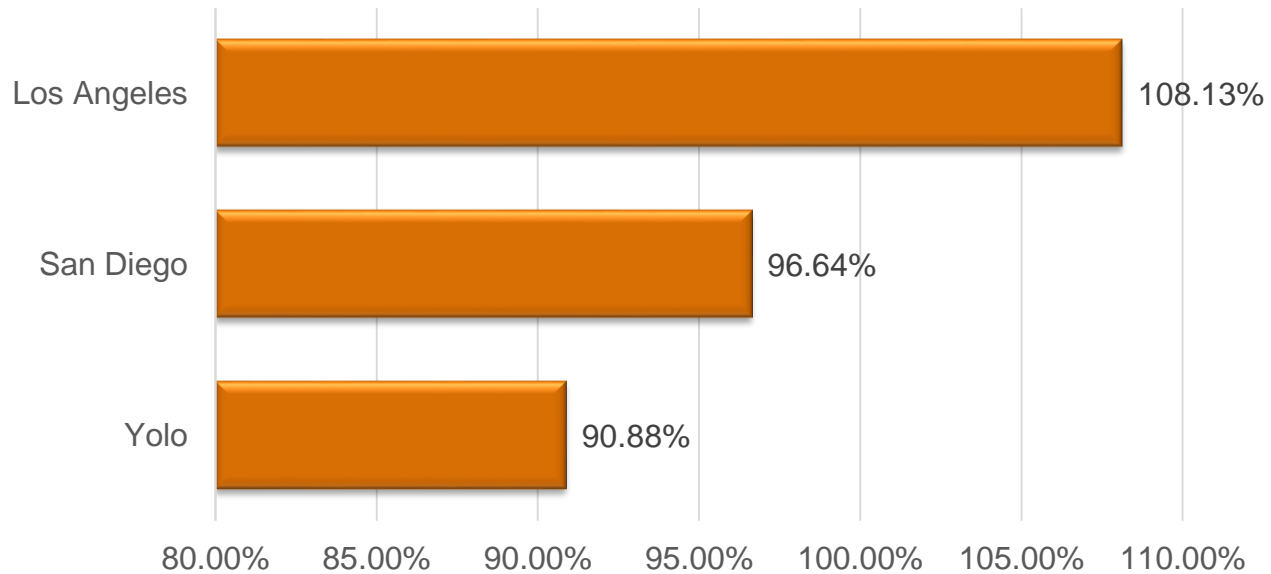


TARGET= 40%



80/40 Funding Determination projection as of 06.30.22

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



All FDF tests passed



TARGET= 80%



Questions?



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