

Budget Narrative

State and Local Funds

Line 1- The state funds recorded in the budget were derived from the Charter School Web Site Revenue Estimates worksheet provided by DDOE.

Line 2- The School district Local Fund Transfers amounts shown on line two were derived from the Charter School Web Site Revenue Estimates worksheet provided by DDOE.

Line 3- Carryover funds from prior fiscal year budgets and “Other Funds” were brought forward.

Line 4 through 16- The proposed site for the school is where Delaware Swim and Fitness is currently located in Pike Creek, Delaware (New Castle County) in Red Clay School District. The expenses for these lines were derived from the Red Clay School District pay scale. Please see attached assumptions for per year explanations.

Line 17- The funds were derived from quotes from Advanced Student Transportation that the expense would never be more than the income received. The income side which equals the expenses was derived from the Charter School Web Site Revenue Estimates worksheet provided by DDOE.

Line 18- We are not expecting to have any extra-curricular transportation because our club programs will be a part of the school day as a part of the regular transportation plan from line 17 for years 1-4.

Line 19- We will be using the Free and Reduced Lunch Program. After speaking with Greg Meece of Newark Charter, we found out that the costs of heating, cooling and storing food will be offset by the income from the program so we are reporting no cost. These contracts will be handled during the Planning Year.

Line 20- Extra Curricular is being shown as a \$0 expense because expense is calculated under the curriculum expense.

Line 21- Supplies and Materials were derived from the advice of Newark Charter and Wilmington Charter School for the Planning Year and Years 1-4 based off our actual size. Based off a twenty percentage reduction in enrollment, we expect supplies and materials to be reduced accordingly.

Line 22- Textbooks is showing as a \$0 expense because the cost is under our curriculum expense.

Line 23- Curriculum expense is the same as the one hundred percent budget included in the vendor proposal attached in the application.

Line 24- Professional development was derived from \$7,000 for PD360 plus an additional \$5,000 a year for extra development, board training, governance training and special education certification for teachers who don't already have it upon hire.

Line 25- NA

Line 26- NA

Attachment 34A: Contingency Plan

Line 27- Therapists was derived after speaking with Newark Charter Middle School and Wilmington Charter School on costs, hours used, classification of special education students and pulling data from the surrounding schools of our proposed building on their percent of special education students.

Line 28- Classroom technology was derived from actual costs that were discussed with Jed Desmond of Wilmington Charter for smart boards, receivers/responders, IPADS, Cloud based services and Discovery Education software. Please see assumptions for costs per year.

Line 29- NA

Line 30- Computers expense was derived from desktop estimates from Best Buy desktop HP computers at \$800 each, 3 laser printers and maintenance costs. Please see assumptions for year estimates. Costs can be lower if we go with refurbished DDOE computers.

Line 31- NA; found under Management Company Fees

Line 32- NA

Line 33- Insurance was derived from the attached quote from Pratt Insurance.

Line 34- Rent was derived from negotiations with property management company and is a fixed cost.

Line 35- NA

Line 36- Utilities were derived from the actual costs of the current building.

Line 37- Maintenance was derived from the actual maintenance costs of the current building.

Line 38- Telephone communications was derived from a quote/proposal from Verizon.

Line 39- NA; we are outfitting the building and not building new.

Line 40- Renovation costs were derived from proposals submitted by Emory Hill and Whiting Turner with scope of work. Renovations will be cheaper at 80% enrollment projections because we will need fewer classrooms built out the first year and total number of classrooms at capacity.

Line 41- Other was derived from actual costs of the current building for common area maintenance costs; i.e. snow removal, landscaping, etc and property taxes.

Line 42 through 46- These items were derived from other first year charter middle schools and budget summaries from their finance specialists; most notably Newark Charter and Ebenezer United Methodist Church due to their similar capacity needs. We assume these costs will be twenty percent less due to reduced enrollment.

Line 47- Enrollment/recruitment was derived based off proposals for radio and print ads over a 12 month period and copy expenses for marketing materials.

Line 48- There is no cost associated with teacher recruitment. Please see attached plan. There is no cost associated with assessment because it will be done through the Delaware performance appraisal system.

Attachment 34A: Contingency Plan

Line 49- Technology Plan costs are seen in the Classroom Technology line. The costs in this line are costs of netbook computers for low income students. All other students will be required to purchase a netbook computer during the summer before school starts. Monies left over will be used for contingency maintenance on Classroom Technology. We assume a twenty percent reduction due to lower enrollment numbers.

Line 50- Based off not hitting enrollment targets, we don't have additional monies allocated to Administrative and Operations Support.

Line 51- Fees were derived from conversations with charter leaders for IT management and cleaning services that will be contracted out on a monthly basis. We assume a twenty percent reduction based off cleaning needs with fewer classrooms.

Lines 52 through 54- NA

Line 55- Other was derived as the yearly cost for the annual independent audit by a third party.

Line 56- Describes the number of projected students in those specific years of operation.