

Budget Assumptions for 80%

Below are the assumptions/narrative that outline our budget:

1. The assumption for per pupil was found by new data from the 2010 census. Based off the 5-mile radius of the proposed school location and the 2010 census, 52% of students attend schools in Red Clay School District and 38% of students attend school in Christina School District. We based our assumptions per pupil from the state and local revenues of those districts. We also assumed that 3.5% of the student population will come from Brandywine School District, 3.5% will come from Colonial School District and 3% will come from Appoquinomik School District. Based off Stanton Middle School and Skyline Middle School's special education percentages being just above 13%, we assume that 13% of our student population will be considered special education basic. These percentages assumptions are assigned to our budget projections for revenues.
2. Personnel assumptions are based off the designated education plan of the school and the block scheduling that will be implemented at the 80% enrollment level. The number of classroom teachers will be 8.5 (1 part time person), 10, 12 and 12 in years 1-4 respectively. Total cost for classroom teachers was taken from the Red Clay pay scale based off number of years experience and education level. We make the following assumptions for levels of experience and educational level for our teacher pool: (Please see PCC Staff Teaching document).
3. We assume the cost of 1 Special Education Coordinator in years 1-4 based off our assumption of 13% of the students having a need for special education. The school will include these children in the classroom and have the coordinator available for individual instruction.
4. Our costs for Principal/Administrative in Year 0 assumes 2 positions:
 - a. Director of Finance and Operations for 9 months of work (0.75 FTE) with an \$80,000 annual salary
 - b. Head of School for 6 months of work (0.5 FTE) with an annual salary of \$90,000

Additionally, we don't have the Director of Curriculum and Instructions starting until year 2. Those duties would be administered by the Head of School, Director of Finance and Operation and a teaching team lead until enrollment targets are met.
5. We assume a 1.85% increase per year in administrative salaries based off the State provided salary sheet per years of experience.
6. We assume 1 clerical person will need to be working 3 months (0.25 FTE) prior to the school opening in Year 0 and allocated funds accordingly with an increase the following years based off the state provided salary sheet per experience level.
7. Custodial (Maintenance Person) will work 6 months (0.5 FTE) in year 0 to

prepare the school for opening.

8. The assumption for substitutes was derived from total classroom teachers that year with the assumption that they will be out an average of 8 days per year with a cost of about \$115 per day and is consistent with staffing at the 80% enrollment level.

9. Transportation estimates were derived from using the state revenues estimates sheet. It gives us the transportation subsidy. We're assuming we're spending everything we get from the state for transportation. Based off conversations with Advanced Student Transportation, Jed Desmond of Wilmington Charter and Greg Meece of Newark Charter, our budget shows that we won't spend more than the state allocates for transportation. These estimates are consistent with the number of students at the 80% enrollment level.

10. Below are assumptions for curriculum, supplies and materials and professional development by year:

Math Curriculum	\$8,835.52	\$6,000.52	\$3040.85	\$3040.85	\$3040.85
Social Studies Curriculum	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
ELA Curriculum	\$9881.32	\$10,027.00	\$10,018.32	\$10,018.32	\$10,018.32
Science Curriculum	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Physical Education Curriculum	\$10,000	\$2,500	\$1,500	\$1,500	\$1,500
Supplies and Materials	\$1,200	\$8,000	\$8,000	\$8,000	\$8,000
Professional Development	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000

These numbers are based of the attached vendor pricing and the state of Delaware for Social Studies and Science Curriculum at lower student enrollment levels.

11. Therapists: Based on our narrative, we are budgeting for half of the special education students per year to require 7 hours of related service each. This assumption is based off of our hiring of a Special Education Coordinator and each teacher being dual certified in their content area and special education. Furthermore, the numbers were derived by speaking to contracted specials of these services and charter schools that use these services. We budget the high cost of \$200 per hour when such services could be as low as \$50 per hour.

12. Computers: We are budgeting \$800 for a computer and printer, and an extra \$300 for a laser printer for the office. Year 0, we've planned on purchasing 10 computers and 1 laser printer for the office. We plan on adding an additional 10 computers and printer in year 1, an additional 4 computers in year 2 and an additional 2 computers in years 3 and 4. The additional monies will go towards maintenance of computers/software.

13. We assume annual insurance cost for the school based off capacity and a quote from Ken Lebo at Pratt Insurance to be \$25,000 a year. (Quote attached in insurance attachment)

Attachment 34B: Contingency Plan

14. Our assumption for rent is concrete. Through early negotiations with Delaware Swim and Fitness, they have given us a total cost of \$1,300,000 over a five-year period to cover total cost of mortgage. With that total cost, we will rent the building from Delaware Swim and Fitness for the first five years of the charter with no payment in Year 0, \$250,000 in year 1, \$300,000 in year 2, \$350,000 in year 3 and \$400,000 in year 4. These costs will allow us to pay more in years of more student enrollment.

15. Our utilities assumption is based off the current owner's usage and total yearly cost for utilities. Delaware Swim and Fitness gave us their annual costs, and we took the total hours of operation for them per year to assume our total annual cost. We assume lower cost than the current owner because we'll be open fewer hours over the course of the year with the pool being used far less in the summer and the building not operating as early or late each day. Our assumptions for utilities also takes into account new efficiency equipment the current owner just installed that will reduce overall annual expenses.

16. Our telecommunications assumption is based off a quote from Verizon for 4 unlimited phone lines, internet with 5 IP addresses and television service with digital adapters.

17. Our renovation assumption assumes incremental build out per year based off total student enrollment and need for classrooms. Renovations will include putting walls back up, cabling and cosmetics. At the 80% enrollment level, fewer classrooms will have to be built out in Year 0.

18. Our assumption for "Other" included CAM (common area maintenance) and taxes. This assumption is based off the current owner's costs for landscaping, snow removal and taxes.

19. Our assumption for "Administrative/Operations Support" is based off of other first year middle charter schools' budgets; most notably Newark Charter. We also based the quote off of Ebenezer United Methodist Church due to their similar capacity needs.

20. We've allocated \$25,000 a year for an independent audit by a third party based off dialogue with Jed Desmond of Wilmington Charter and Greg Meece of Newark Charter

21. Cafeteria: We have budgeted \$0 each year for a cafeteria because we will have lunch provided in the homeroom classrooms. We will be offering breakfast and lunch. After multiple conversations with Greg Meece and Chuck Baldwin, we found out that the cost and revenues from the breakfast and lunch break even, and this is reflected in the \$0 cafeteria line item. We'll have a one-time expense for a heating and cooling device for meals that will come from part of the \$200,000 renovation cost that was budgeted for Year 0.

22. Professional Development: We've budgeted \$7,000 each year for PD360 professional development. We have also budgeted an additional \$5,000 each year to include training and dual certification costs for incoming teachers.

23. Management Company: fees in Years 1-4 cover IT management and cleaning costs.

Attachment 34B: Contingency Plan

24. Classroom Technology:

Year 1: 7 smart boards at \$2,400 each; 1 receiver and 30 responders for \$2,999, 4 Mobile Computer Lab Carts at \$12,500 each, 3 IPAD's at \$299 each, Cloud Based Services: \$1,200

Year 2: 3 smart board at \$2,400 each, 1 receiver and 30 responders for \$2,999, 1 Mobile Computer Lab Carts at \$12,500 each, 3 IPAD's at \$299 each, Cloud Based Services \$1,200

Year 3: 1 receiver and 30 responders for \$2,999, Cloud Based Services: \$1,200

Year 4: We have allocated \$3,000 for maintenance of the existing equipment.

25. Technology Plan: The costs in this line are costs of netbook computers for low income students. Monies left over will be used for contingency maintenance on "Classroom Technology".