

APPENDIX 3 – 80% BUDGET NARRATIVE
Academia Antonia Alonso
Major Modification

Revenue:

State Appropriations and School District Local Funds Transfers – Enrollment from the sending districts is adjusted to reflect the change in location from the Christina to the Red Clay School District. Charter School Estimated State and Local Fund Calculations are included for each future year.

Enrollment for current and future years:

2015-2016	320
2016-2017	340
2017-2018	420
2018-2019	480
2019-2020	504

Federal Entitlements - Federal entitlement grants are increased in proportion to student enrollment. 2016 is the final year for the school’s non-SEA grant in the amount of \$175,000.

Other Revenue – Donations in the amount of \$20,000 are included for future years.

State and Local Expenses:

Line 11 – Classroom Teachers - Full time teachers are added each year to accommodate the increase in student population and the number of classrooms.

Line 12 – Special Education Teachers – The school’s special education population in its K-2 enrollment is small, and is not expected to grow significantly. We are projecting 1 FTE in SY 2017 growing to 2 FTE by SY 2020. These are funded by both state/local and federal funds over the budget period. The budget also assumes that 15% of the 4th and 5th grade student population will require special education services. This may be conservative since the school only enrolls new students in grades K and 1. Special education teachers are added as the student population grows and grade levels are added.

Line 13 – Special Teachers – Currently Specials are provided through contracted services. In year 2, 2 teachers are added to supplement the part time contracted services.

Line 14 – Counselors – As the school student population grows, one counselor will be added to the school staff, starting in the 2016 – 2017 school year. The school will grow to 1.5 FTE positions by the 2018 – 2019 school year.

Line 15 – Principal/Administrator – The current administration consists of a Principal and Director of Student Services (partially funded by entitlement grant). The school will retain two administrative positions for years 2 through 5.

Line 16 – Nurse – Nurse services will be provided through a contractor.

Line 17 – Clerical – There is currently 1 full time secretary. Administrative supports will be added - .5 FTE in year 3, which will become a 1 FTE in year 4.

Line 18 – Custodial – Currently custodial services are provided in the lease by the Community Education Building (CEB). A full time custodian will be hired with the move to Barley Mill Plaza (BMP).

Line 19 – Instructional Coach – A full time coach is on staff, increasing to 1.5 in year 4. The position(s) are mostly funded through Federal funds.

Line 20 - EPER – Extra Pay for Extra Responsibility is to accommodate varied responsibilities such as running clubs to Homeless Liaison, etc. Funded both through State/Local and Federal funds.

Line 21 – Paraprofessionals – A combination of salaried and hourly paraprofessionals are on staff. The number of paras are decreased in year 2 as other staff is brought on board. The para FTE count then grows with enrollment, and assumes employment at 28 hours per week (70% of a 40 hour week). The number grows from 4 in SY 2017 to 11 in SY 2020.

Line 24 – OEC's – 30.48% of salaries, increased accordingly as payroll grows.

Line 25 – Health Insurance - Increased accordingly as staff increases.

Line 31 – Transportation – Increased as buses/bus routes need to be added based on student enrollment growth. Pricing is based on quotes received from Lehanes.

Line 33 – Cafeteria – Current years expense are to cover accounts receivable. Moving forward, the food service cost will be revenue/cost neutral.

Line 35 – Supplies and Materials – Budgeted to accommodate the number of classrooms and students.

Line 36 – Textbooks – Funds allocated for the purchase of textbooks that complement/support the development of student Expeditions. Purchases are focused on the additional grades being added each year.

Line 37 – Curriculum – Budgeted for Center for Applied Linguistics (CAL) and Expeditionary Learning (EL) training and curriculum fees. Total fees are covered with State/Local and Federal funds.

Line 38 – Professional Development – Allotment each year for staff development. Costs covered using State/Local and Federal funds.

Line 40 – Parent and Community Engagement – Funds allocated for parental activities at the school, Celebrations of Learning, and other engagement initiatives the school wants to implement (e.g. home visit programs, etc.).

Line 41 – Therapists – Services related to student IEP's. Increased each year to accommodate student growth.

Line 42 – Classroom Technology – Funds for in-classroom technology, mostly iPads for new classrooms.

Line 44 – Computers – Funds budgeted to purchase new computers/computer carts for testing/assessments as classrooms are added. Additional funds will be used to replace computers as needed.

Line 45 – Contracted Services – Projected expenditures for substitutes, nurse services, and art and music teachers (specials). Staffing increases as student enrollment increases.

Line 46 – Other Student Activities – Current year placeholder is for contribution to a Building librarian. At the new site these funds will be dedicated to field studies as part of implementation of EL Education's programmatic activities.

Line 51 – Insurance – Increased with the move to BMP.

Line 52 – Rent – Year 1 includes rent for current location at the CEB, the rent includes maintenance, custodial services, security and utilities. Rent at BMP is projected to be \$10 per square foot (NNN). This is considered conservative since it does not include any rent rebates resulting from the tenant fit-out being covered by Academia.

Line 53 – Debt Service – Debt service on an M&T Bank Line of Credit (LOC), initially of \$300,000, to be expanded to \$1.2 million once the school receives its charter renewal. The Bank has issued the school a proposed, confidential term sheet for the initial LOC. Projections are based on 10-year amortization schedule, at 5% interest, with annual payments of both principal and interest.

Line 54 – Utilities – The cost of utilities is added with the move to BMP.

Line 55 – Maintenance & Custodial – The cost for maintenance & custodial services is added with the move to BMP.

Line 56 – Telephone/Communications – Annual costs projected for Wi-Fi and telephony at the BMP site.

Line 57 – Moving Expenses – Placeholder of \$30,000 for relocation expenses to be incurred during the summer of 2016, should the modification request be approved. An additional \$10,000 is included in the school’s current year final budget.

Line 58 – Renovation–\$50,000 is reserved for building upgrades or unforeseen breakdowns beginning in year 3. Building fit-out will occur in years 2 and 3, and will be funded with cash and a Line of Credit.

Line 59 – Other – Placeholder for other miscellaneous operating expenses at the new site.

Line 64 – Equipment Lease – Cost of copier leases.

Line 65 – Equipment Purchases – Funds for the acquisition of furniture, fixtures and equipment at the new facilities.

Line 66 – Supplies and Materials – Office materials and supplies.

Line 67 – Printing & Copying – As needed.

Line 68 – Postage & Shipping – As needed.

Line 69 – Enrollment & Recruiting – Marketing and recruitment are included in the management fees (line 77). There is money budgeted to cover additional marketing and recruitment efforts each year to meet enrollment targets.

Line 71 – Technology Plan - Contracted IT services.

Line 72 – Other/Audit, Legal – Funds allocated for the annual audit, and for legal expenses as needed.

Line 77 – Management Company Fees – Fees to Innovative Schools CMO services. Should services be discontinued after the renewal, these funds will be needed to hire staff to provide the functions (e.g. financial and human resource management, etc.) currently provided by Innovative Schools.

Line 87 – Revenues Less Expenditures – In Year 1 this total includes a \$300,000 reduction in funds to be spent together with the Line of Credit in the fit-out of 40,000 SF in Building 26 at the Barley Mill Plaza location. Year 2 fit-out expenditures will be covered by a new Line of Credit to be obtained through M&T Bank once the school has received its charter renewal in SY 2016 – 2017.

Federal Funds Expenses:

Line 10 – Special Education Teachers – 33% of the Director of Student Services is currently funded through federal entitlement funds. For year 2, 27% of a teacher providing special education services is funded through federal entitlement funds, growing to 40% in SY 2020. The balance is funded through state/local revenues.

Line 13 – Principal/Administrative – the current Director of Student Services is partially funded through the consolidated grant. Partial funding for a leadership position will continue through SY 2020.

Line 17 – Instructional Coach – 1 full time coach is mostly funded through the consolidated grant increasing to 1.5 over time.

Line 18 – EPER – Funds complementing those allocated in the State and Local budget for additional roles/responsibilities taken on by staff members.

Line 19 – Paraprofessionals – Currently funded through the consolidated grant and the non-SEA grant.

Line 35 – Curriculum – Partially funded through the consolidated grant and the non-SEA to provide Center for Applied Linguistics and Expeditionary Learning training and curriculum.

Line 36 – Professional Development – Partially funded by federal entitlement grants.

Line 44 – Other – Travel for professional development activities.

Line 75 – CMO fees – Partially funded by the non-SEA grant.

Other Fund Expenses:

Line 34 - Supplies and Materials – Funded by donations; increase as enrollment increases.