

APPENDIX B - BUDGET NARRATIVE
First State Montessori Academy
Major Modification

Revenue:

State Appropriations and School District Local Funds Transfers – enrollment is assumed to come from the sending districts in the same percentages as the current year. Charter School Estimated State and Local Fund Calculations are included for each future year.

Enrollment for current and future years:

2015-2016	325
2016-2017	430
2017-2018	501
2018-2019	565
2019-2020	609

Federal Entitlements - federal entitlement grants and cafeteria proceeds are increased in proportion to student enrollment.

Other Revenue – the school consistently raises funds for student body activities. Donations in the amount of \$25,000 are included for the current year and are not projected 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 currently has 2 special education teachers (.75 is funded by federal entitlement grant) and will increase to 3 in year 3.

Line 13 – Special Teachers – there are currently 4 part time special teachers, all special positions will be increased to full time in year 2.

Line 15 – Principal/Administrator – The current administration consists of a Principal and Vice Principal. An additional administrator is added in year 3.

Line 16 – Nurse – there are currently 2 part time nurses. This will be increased to 2 full time nurses with the expansion into a new building.

Line 17 – Clerical – there are currently 2 part time secretaries. This will be increased to 2 full time positions with the expansion into a new building.

Line 18 – Custodial – there is currently a half time custodian shared with the Delaware MET. This person will be employed full time by Montessori with the expansion into an additional building.

Line 20 - EPER – Extra Pay for Extra Responsibility is to accommodate tasks such as Test Coordinator, Grade Level Chairs, etc.

Line 21 – Assistant Teachers – each classroom has a lead and an assistant teacher. These are part time positions at 72% each. One position is funded through the federal entitlement grant.

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.

Line 38 – Supplies and Materials – Budgeted to accommodate the number of classrooms and students.

Line 37 – Curriculum – Budgeted to provide for new grades.

Line 38 – Professional Development – Allotment each year for staff development.

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

Line 42 – Classroom Technology – Contracted IT services

Line 44 – Computers – replace computers as needed. The school has successfully obtained computers through donations.

Line 51 – Insurance – Increased as school grows.

Line 52 – Rent – Year 1 includes rent for current location at 1000 French Street. The rent increases in year 2 to \$390,000 and then remains fixed. Rent for 920 French Street begins in year 2 at 50%, increases to 75% in year 3 and then to 100% occupancy in years 4 and 5.

Line 53 – Taxes – The school is required to pay real estate taxes on their current lease as the landlord is not a nonprofit entity.

Line 58 – Renovation – Renovations budgeted in the current year are funded by a grant and is to pay for HVAC upgrades and refurbishing the gym floor. There will be minor renovations needed in the new building at a budgeted of \$100,000.

Line 59 – Other/Maintenance Reserve – Each year \$50,000 is reserved for building upgrades or unforeseen breakdowns.

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

Line 67 – Printing & Copying – Increased with additional copiers needed in new building.

Line 69 – Enrollment & Recruiting – Marketing and recruitment efforts each year to meet enrollment targets. Costs have been minimal as recruitment efforts are supported by PTO and interest in the school as been high.

Line 72 – Other/Audit, Legal – The current year includes \$50,000 as a reserve for legal expenditures not billed. It is expected these funds will not be needed.

Line 80 – Accounting and Payroll – Fees to Innovative Schools for back office support.

Federal and Other Funds Expenses:

Line 10 – Special Ed Teachers – 75% of a Special Ed teacher is funded through federal entitlement funds increasing to 1 FTE in year 3.

Line 19 – Assistant Teachers – One part time assistant is funded.

Line 31 - Cafeteria – The school is able to operate a break even cafeteria operation. Food is purchased from the Community Education Building food service operation.

Line 33 – Supplies and Materials – funded through the federal entitlement grants

Line 36 – Professional Development – partially funded by federal entitlement grants

Line 42 – Computers – partially funded through federal entitlement grants

Other Fund Expenses:

Line 34 - Supplies and Materials – funded by donations in year 1

Line 43 – Computers – funded by profit from Student Body Activities

Line 45 – Other/Student Body Activities – Expenses that match to the revenue for activities, field trips, etc.