



**The Leadership School**

STUDENT LEADERSHIP AT THE CENTER OF LEARNING

# SY23-24 Budget

PREPARED MAY 22, 2023 BY

**EdOps**

# Executive Summary

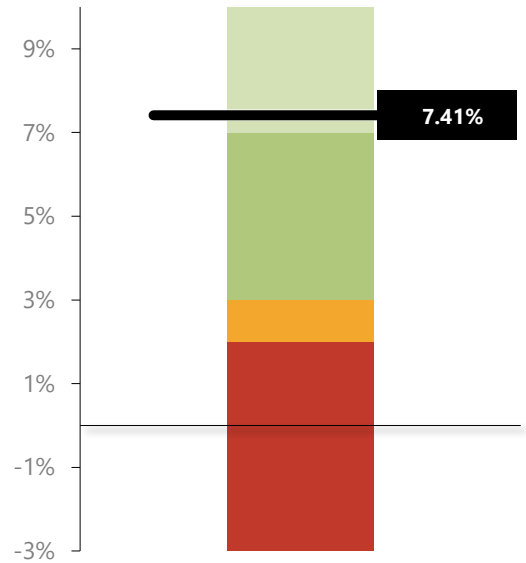
The FY24 budget reflects The Leadership School's financial plan for July 1, 2023-June 2024 fiscal year. The school is required to provide a board approved 1-year budget.

We developed this budget using historical revenue and expense information, as well as inputs about enrollment, staffing and programmatic changes from school staff.

The FY24 budget is balanced-meaning revenue exceeds expenses. **The year-end cash balance is projected to be \$286k**, due to a positive net income of \$202k. This provides 11% fund balance at year end.

# FY24 Budget KPIs

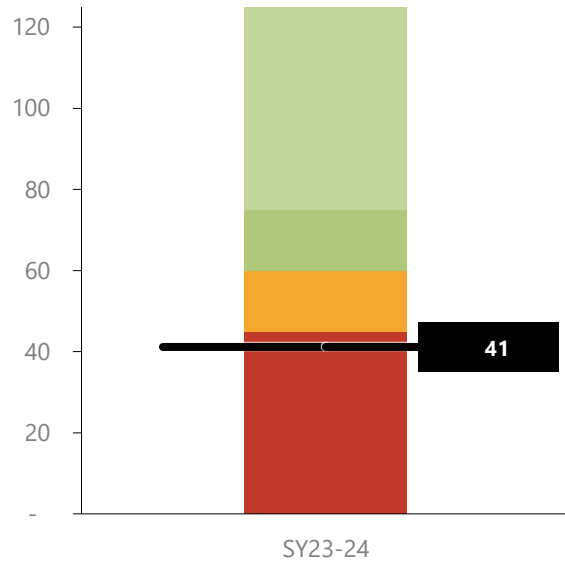
## GROSS MARGIN



Revenue	2,738,426
Expenses	2,535,475
Net Income	202,951
<b>Gross Margin</b>	<b>7.41%</b>

Gross Margin = Net Income / Revenue

## DAYS OF CASH



<b>Starting Cash</b>	<b>83,051</b>
Net Income	202,951
<b>Net Annual Cash Increase</b>	<b>202,951</b>
<b>Ending Cash</b>	<b>286,001</b>

## COMMENTS

The forecasted net income is \$202,951 on \$2,738,426 in revenue. This yields 7.41% in gross margin.

We are predicting 41 days of cash at 6/30/24. This is based upon ending the year with 286,001 in cash.

# SY24 Budget

## REVENUE

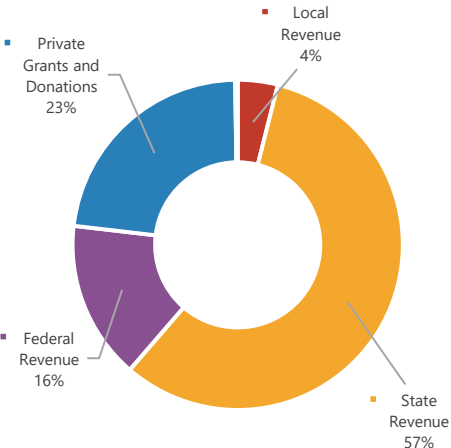
Local Revenue	107,382
State Revenue	1,572,424
Federal Revenue	424,421
Private Grants and Donations	627,500
Earned Fees	6,700
<b>Total Revenue</b>	<b>2,738,426</b>

## EXPENSES

Salaries	1,133,196
Benefits and Taxes	296,862
Staff-Related Costs	20,000
Rent	181,296
Occupancy Service	163,268
Student Expense, Direct	271,440
Student Expense, Indirect	100,000
Office & Business Expense	212,813
Transportation	156,600
<b>Total Expenses</b>	<b>2,535,475</b>
Net Income	202,951

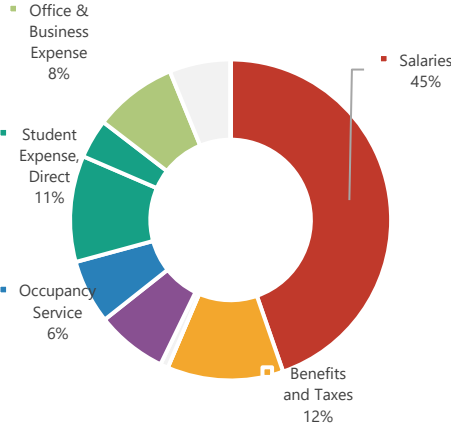
## REVENUE

We have budgeted **\$2,738,426** in revenue based upon 144 end of year students, and a WADA payment of \$9,735 per student. The largest components of revenue are \$1.6m (57.4%) in State Revenue and \$628k (22.9%) in Private Grants and Donations.



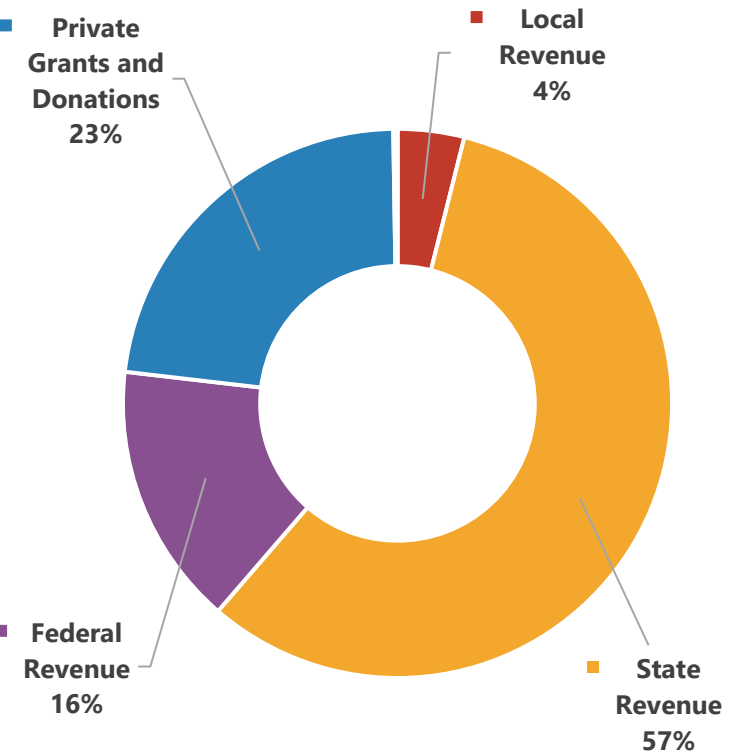
## EXPENSES

We have budgeted **\$2,535,475** in expenses based on 20 staff, a 7.2 student to teacher ratio, and 20,000 in square feet for the facility. The largest components of expense are \$1,133,196 (44.7%) in Salaries and \$296,862 (11.7%) in Benefits and Taxes.



# Revenue | Overview

## SY24 BUDGETED REVENUE %



## COMMENTS

We have budgeted **\$2,738,426** in revenue for SY23-24, which is \$835k more than the amount forecasted for the year before.

The largest components of revenue are State Revenue (57.4%) and Private Grants and Donations (22.9%). Local Revenue is Prop C , \$100k in revenue based on prior year WADA.

### State

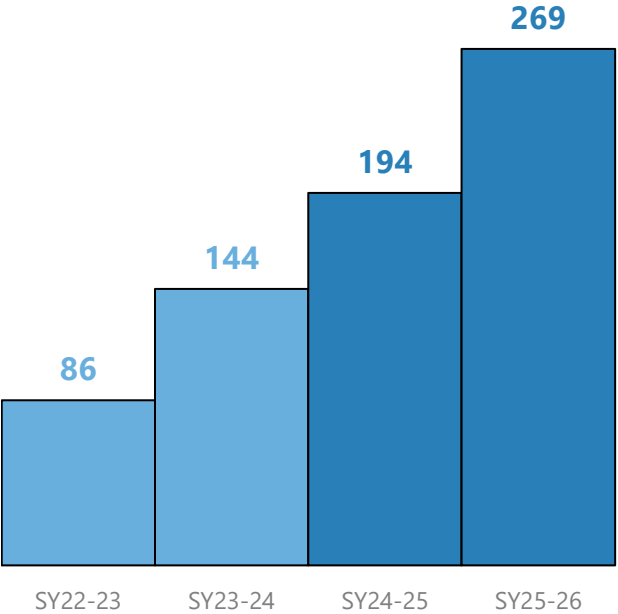
- Target students 175, with 1<sup>st</sup>-day enrollment of 147
- 144 end of year student count, 92% attendance → ADA 134 → WADA=156
- **FY24 budgeted state revenue \$1.6M**

### Federal

FY24 budget nearly \$300k in Title funds, a \$115k increase from FY23.

# Revenue | Enrollment Assumptions Detail

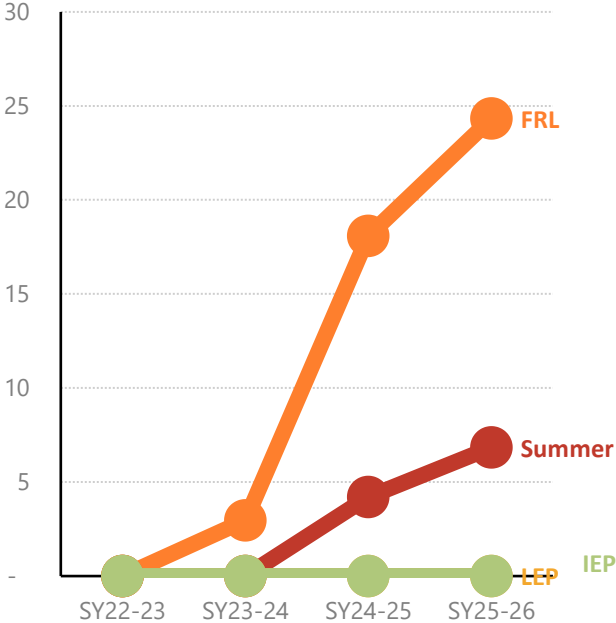
## ENROLLMENT



### ENROLLMENT TRENDS

Enrollment trends increase each year with an added grade level. FY24 includes K-3

## SPECIAL POPULATIONS



### WADA

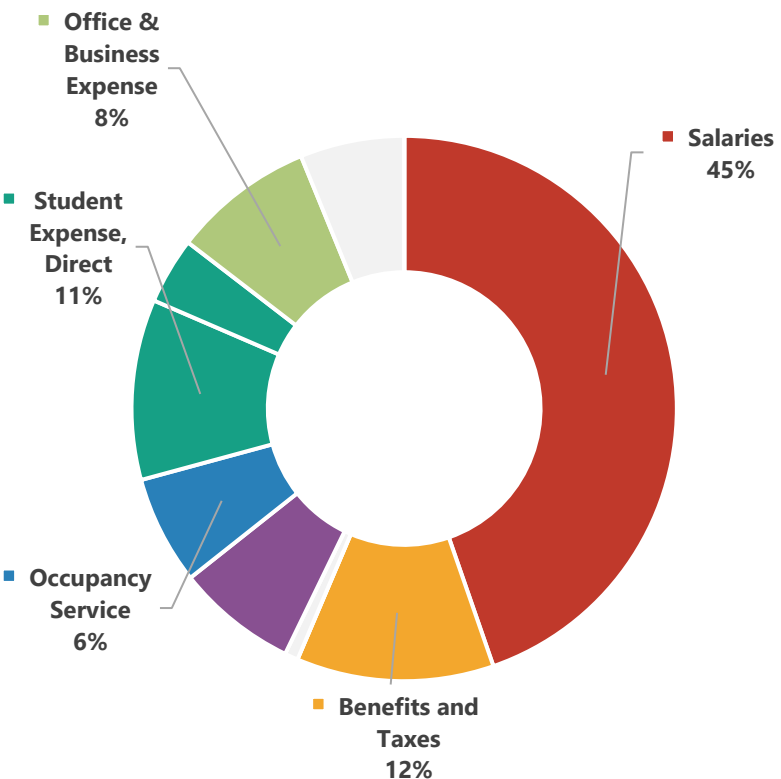
TLS has an increase in FRL, with the plan to collect lunch applications. Summer School provide 4 WADA which boosts state revenue.

## WADA Detail

	FY 24
End of Year Enrollment	144
Attendance Rate	92%
Regular Term ADA	134
Summer ADA	4
FRL	18
LEP	0
WADA	156
Per WADA amount	\$9,735

# Expenses | Overview

## SY24 BUDGETED EXPENSE %



## COMMENTS

We have budgeted **\$2,535,475** in expenses for SY23-24, which is \$669k more than the amount forecasted for the year before.

The largest components of expenses are Salaries (44.7%) and Benefits and Taxes (11.7%).

### Salaries

20 staff includes:

- 11 Teaching Instructional Staff: Includes grade level teachers and 3 building subs
- 2 Instructional support Staff including counseling staff.
- 7 Administrative Staff including Head of School, Ops/Admin and community engagement staff.

# Appendix | Profit and Loss Changes

Income Statement	SY22-23	SY23-24	Difference	Comments
Revenue				
Local Revenue	-	107,382	107,382	Prop C begins YR 2; \$1,360 per Prior Year WADA.
State Revenue	825,519	1,572,424	746,905	Increase based on number of students and estimated ADA. \$9,735 per 156 estimated WADA.
Federal Revenue	236,723	424,421	187,697	Title funds allocation increases, as well as food revenue due to increase in student count.
Private Grants and Donations	823,739	627,500	(196,239)	Private donations: \$150k TOT; \$150k CSGF; \$127,500 New Schools; \$150k additional.
Earned Fees	17,339	6,700	(10,639)	Estimated food and fee revenue from students.
<b>Total Revenue</b>	<b>1,903,320</b>	<b>2,738,426</b>	<b>835,106</b>	
Operating Expense				
Salaries	613,128	1,133,196	(520,068)	3% COLA increase for returning staff; additional grade level staff.
Benefits and Taxes	134,417	296,862	(162,445)	Employer paid insurance 6k per EE, retirement and payroll taxes.
Staff-Related Costs	11,569	20,000	(8,431)	PD and staff recruitment increase with larger staff size.
Rent	172,522	181,296	(8,774)	Rent for FY24 based on contract.
Occupancy Service	120,719	163,268	(42,549)	Additional maintenance expense after 1 YR warranty expires.
Student Expense, Direct	241,414	271,440	(30,026)	Student supplies, tech and curriculum for additional students.
Student Expense, Indirect	59,158	100,000	(40,842)	Estimated food costs for 144 students.
Office & Business Expense	368,927	212,813	156,114	Savings with less 1 <sup>st</sup> year start up expenses.
Transportation	144,782	156,600	(11,818)	2 Buses for 168 school days.
<b>Total Expenses</b>	<b>1,866,636</b>	<b>2,535,475</b>	<b>(668,840)</b>	
<b>Net Income</b>	<b>36,684</b>	<b>202,951</b>	<b>166,266</b>	





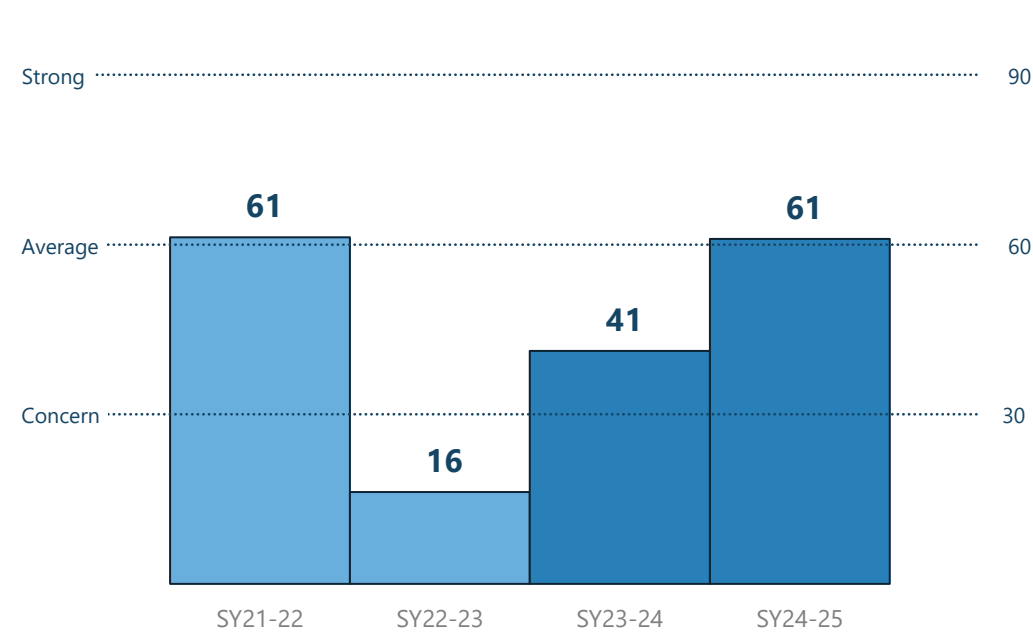
## **QUESTIONS?**

**Please contact your  
EdOps School Finance Manager:**

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# Days of Cash, In Context

### Historical Context: Days of Cash



### 41 DAYS OF CASH AT YEAR'S END

The budget predicts that we will end the year with 41 days of cash, which is 25 days better than the cash forecast for 6/30/23.

### Industry Context: Days of Cash vs Gross Margin

