



Academy for Integrated Arts

# April 2021 Financials

PREPARED MAY 2021 BY



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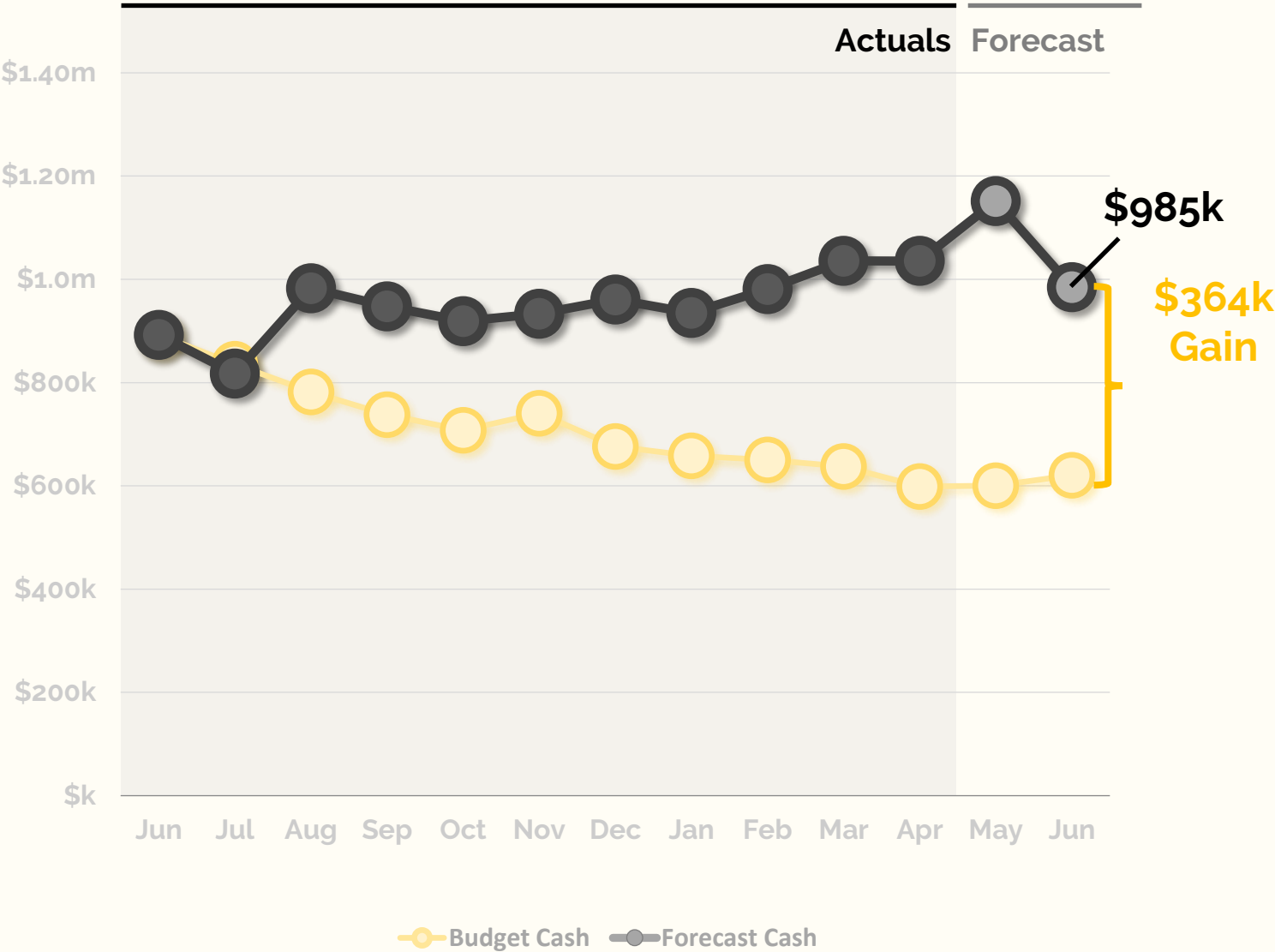
- With the expected revenue of \$3.7M and expenses of \$3.6M, the net income is forecasted to be \$92K, \$363K more than the budgeted net income.
- The forecasted ending cash balance of FY21 is \$985K.
  - At an average daily expense of \$9,832, the ending cash balance represents 100 days of cash.
- As of April 30<sup>th</sup>, the school has received 90% of the \$316K donation target.
- The state funding is now projected at \$8,266 per WADA times the WADA of 270

## 100 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$984.79k**, **\$364k** above budget.

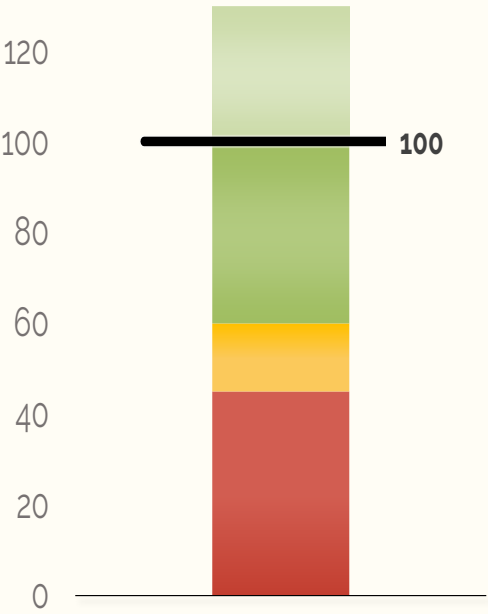
Less spending in purchased services and supplies primarily drive the gain in the ending cash balance. We updated the annual transportation costs and salaries, reflecting the past and future expectations. These updates lowered the total yearly expense forecast from \$3.95M to \$3.59M.

The receipt of local revenue from KCPS MOU also helped gain the year's end cash balance.



## Days of Cash

Cash balance at year-end divided by average daily expenses

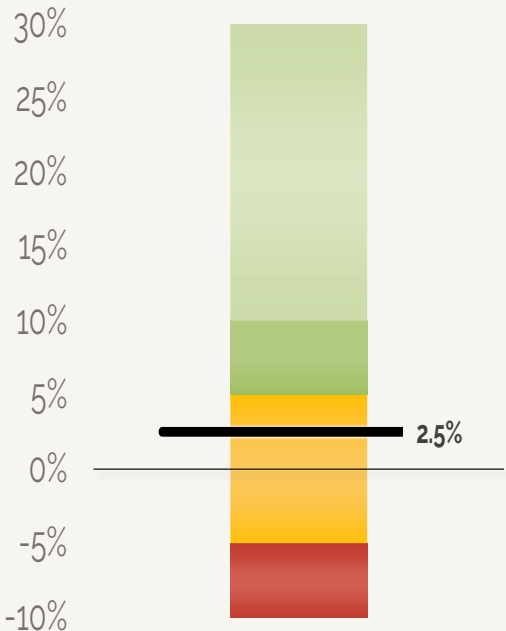


### 100 DAYS OF CASH AT YEAR'S END

The school will end the year with 100 days of cash. This is above the recommended 60 days

## Gross Margin

Revenue less expenses, divided by revenue

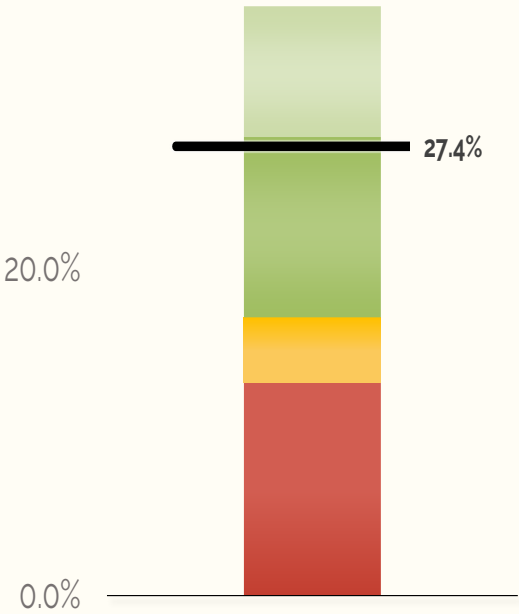


### 2.5% GROSS MARGIN

The forecasted net income is \$92k, which is \$363k above the budget. It yields a 2.5% gross margin.

## Fund Balance %

Forecasted Ending Fund Balance / Total Expenses



### 27.44% AT YEAR'S END

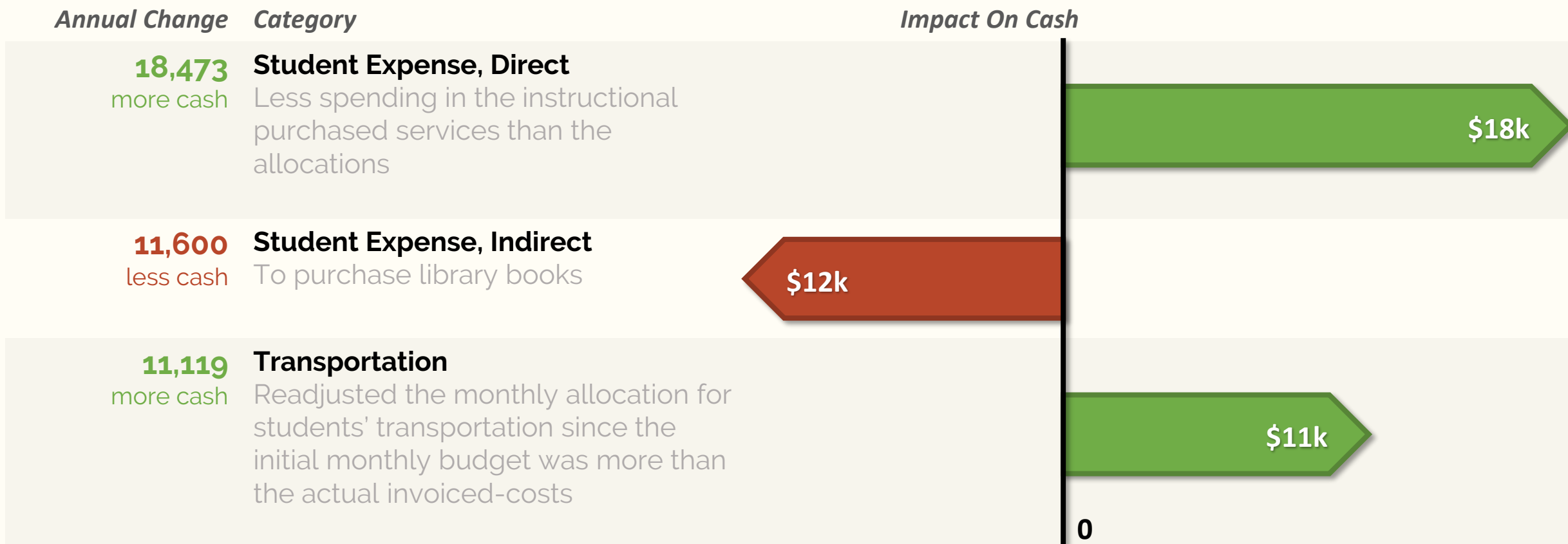
The school is projected to end the year with a fund balance of \$984,711. Last year's fund balance was \$892,323.

# Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$3.7m	\$3.7m	\$6k	+6k	Local revenue received from the KCPS as part of the MOU offset the shortage in the state revenue.
Expenses	\$3.6m	\$3.9m	\$357k	+357k	This variance is driven by the savings identified in the students' transportation, salaries & benefits of the staff, and occupancy services.
Net Income	\$92k	-\$271k	\$363k	363k	
Cash Flow Adjustments	0	0	0	+0k	
Change in Cash	\$92k	-\$271k	\$363k	363k	

# Key Forecast Changes This Month

The April'21 forecast **increased** the year-end cash expectation by **\$22k**. *Key changes:*



	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
<b>Revenue</b>							
Local Revenue	407,699	255,438	152,261	453,546	310,154	143,392	45,847
Donations	285,783	360,360	(74,577)	316,293	409,500	(93,207)	30,510
State Revenue	1,854,967	1,855,251	(284)	2,231,939	2,287,243	(55,304)	376,972
Federal Revenue	336,805	524,501	(187,696)	679,356	668,373	10,982	342,551
<b>Total Revenue</b>	<b>2,885,254</b>	<b>2,995,550</b>	<b>(110,296)</b>	<b>3,681,134</b>	<b>3,675,270</b>	<b>5,864</b> ❶	<b>795,880</b>
<b>Expenses</b>							
Salaries	1,382,707	1,498,743	116,036	1,715,636	1,798,491	82,855	332,929
Benefits and Taxes	376,921	400,494	23,572	475,358	480,593	5,235	98,436
Staff-Related Costs	18,687	59,633	40,946	35,996	71,560	35,564	17,309
Rent	250,000	250,000	-	300,000	300,000	-	50,000
Occupancy Service	182,600	233,562	50,962	246,192	280,274	34,081	63,593
Student Expense, Direct	202,103	252,357	50,255	309,909	302,829	(7,080)	107,806
Student Expense, Indirect	165,329	206,416	41,087	239,394	247,699	8,305	74,065
Office & Business Expense	118,004	110,830	(7,174)	164,467	132,996	(31,470)	46,463
Transportation	67,794	276,312	208,519	101,794	331,575	229,781	34,000
Total Ordinary Expenses	2,764,144	3,288,347	524,203	3,588,746	3,946,016	357,271	824,601
Net Operating Income	121,110	(292,797)	413,907	92,388	(270,746)	363,134	(28,722)
<b>Extraordinary Expenses</b>							
Capitla Expenditures	-	-	-	-	-	-	-
Total Extraordinary Expenses	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>2,764,144</b>	<b>3,288,347</b>	<b>524,203</b>	<b>3,588,746</b>	<b>3,946,016</b>	<b>357,271</b> ❷	<b>824,601</b>
<b>Net Income</b>	<b>121,110</b>	<b>(292,797)</b>	<b>413,907</b>	<b>92,388</b>	<b>(270,746)</b>	<b>363,134</b> ❸	<b>(28,722)</b>
Cash Flow Adjustments	22,089	-	22,089	0	-	0	(22,089)
<b>Change in Cash</b>	<b>143,199</b>	<b>(292,797)</b>	<b>435,996</b>	<b>92,388</b>	<b>(270,746)</b>	<b>363,134</b>	<b>(50,811)</b>

### ❶ REVENUE: \$6K AHEAD

- Local revenue from KCPS offsets the decreases in state revenue and donations.
- The revised donation target reflects the current expectations.
- State revenue is projected at a WADA of 270, 17 less than the initial budget

### ❷ EXPENSES: \$357K AHEAD

- Annualized salaries of late-hired staff are less than the initial budget allocations. These costs have been repurposed to provide summer PD workshop stipends for the teachers.
- To reflect the YTD spending, costs allocations for staff-related supplies and travel have been updated.
- Transportation costs have been updated to reflect the expected usage in the next three months.
- The savings identified in these above areas offset the extra spending in office & business expenses as the school purchased covid-19 testing kits.
- In preparation for the next school year, \$45K is included in the annual forecast to purchase staff computers, students' Chromebooks, and textbooks.

### ❸ NET INCOME: \$363K ahead



Monthly Financials

	Actual										Forecast		
Income Statement	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Revenue													
Local Revenue	18,957	93,226	23,596	24,721	26,382	23,489	18,824	133,106	24,201	21,197	22,924	22,924	278,028
Donations	38,000	125,754	14,500	22,000	15,008	7,175	25,000	8,146	4,000	26,200	30,510	0	316,293
State Revenue	106,899	192,761	173,877	174,918	180,720	185,202	186,147	193,265	233,757	227,420	188,486	188,486	2,231,939
Federal Revenue	22,173	24,324	12,373	21,692	60,868	86,354	10,353	14,856	55,738	28,074	237,605	104,945	679,356
Total Revenue	186,030	436,066	224,346	243,332	282,978	302,220	240,325	349,373	317,696	302,891	479,525	316,355	3,681,134
Expenses													
Salaries	144,838	130,349	130,171	125,037	133,080	140,667	133,093	136,597	132,190	176,685	141,241	191,688	1,715,636
Benefits and Taxes	35,861	38,138	37,257	33,903	39,335	36,569	37,897	37,301	41,249	39,413	38,235	60,201	475,358
Staff-Related Costs	1,522	1,753	198	2,405	3,084	3,387	198	2,337	1,419	2,384	8,655	8,655	35,996
Rent	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
Occupancy Service	15,158	20,394	15,207	12,516	17,175	20,959	17,003	20,776	22,340	21,072	23,750	39,842	246,192
Student Expense, Direct	4,254	27,685	18,467	45,301	26,514	8,554	24,812	25,622	9,620	11,274	39,445	68,361	309,909
Student Expense, Indirect	22,738	13,728	21,153	16,170	17,146	19,302	10,854	16,921	14,515	12,804	31,033	43,033	239,394
Office & Business Expense	11,367	13,606	12,219	1,607	15,066	13,066	14,213	12,613	9,129	15,118	28,172	18,291	164,467
Transportation	0	0	0	9,803	10,569	7,924	6,129	9,535	7,456	16,378	17,000	17,000	101,794
Total Ordinary Expenses	260,738	270,654	259,671	271,740	286,968	275,428	269,199	286,701	262,918	320,128	352,530	472,071	3,588,746
Total Expenses	260,738	270,654	259,671	271,740	286,968	275,428	269,199	286,701	262,918	320,128	352,530	472,071	3,588,746
Net Income	-74,709	165,412	-35,325	-28,408	-3,991	26,792	-28,874	62,672	54,778	-17,237	126,995	-155,716	92,388
Cash Flow Adjustments	0	-141	-46	0	18,117	935	2,641	-16,374	143	16,816	-11,045	-11,045	0
Change in Cash	-74,709	165,271	-35,371	-28,409	14,126	27,727	-26,233	46,297	54,921	-421	115,950	-166,761	92,388