



The Leadership School

STUDENT LEADERSHIP AT THE CENTER OF LEARNING

January 2023 Financials

PREPARED FEB'23 BY

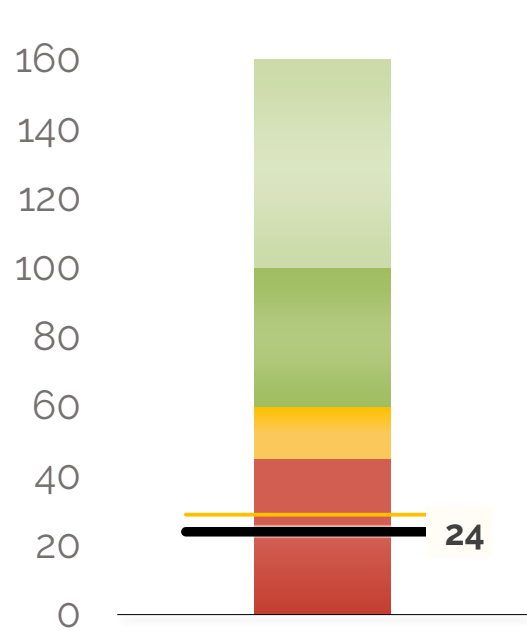


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- We are currently forecasting a net income of \$77k which is \$24k less than the budgeted net income of \$101k.
- Our cash balance is forecasted to end the year at \$124k, a \$199k decrease from last month.
- January forecast changes include:
 - DESE per WADA rate correction, revenue decrease by \$224k.
 - \$27k less expenses in salaries due to a position vacancy.
 - \$10k increased expenses in business office for core data consulting and internet provider.

Days of Cash

Cash balance at year-end divided by average daily expenses

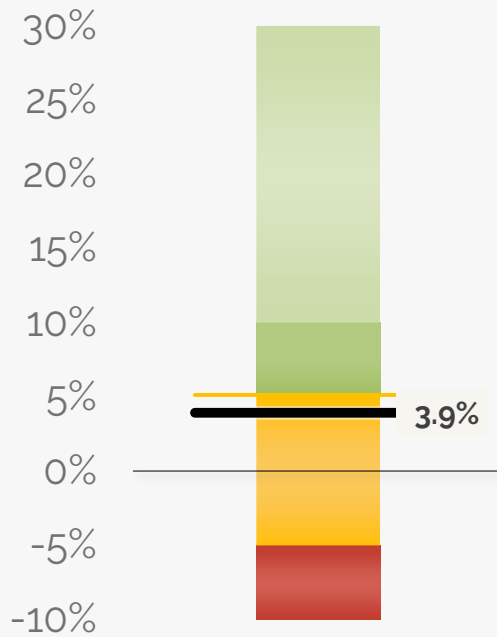


24 DAYS OF CASH AT YEAR'S END

The school will end the year with 24 days of cash. This is below the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

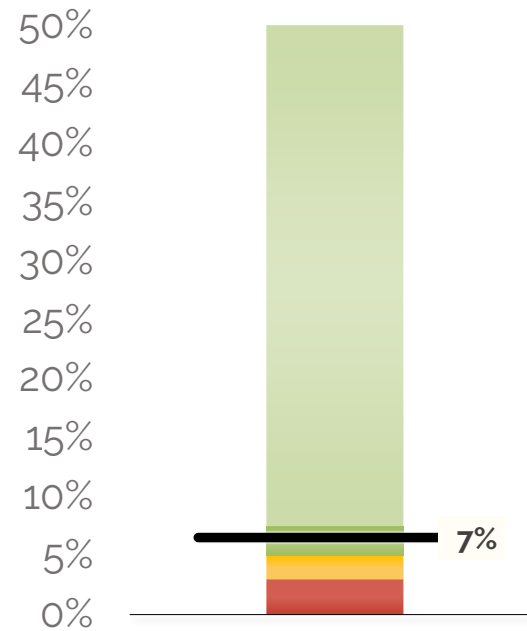


3.9% GROSS MARGIN

The forecasted net income is \$77k, which is \$24k below the budget. It yields a 3.9% gross margin.

Fund Balance %

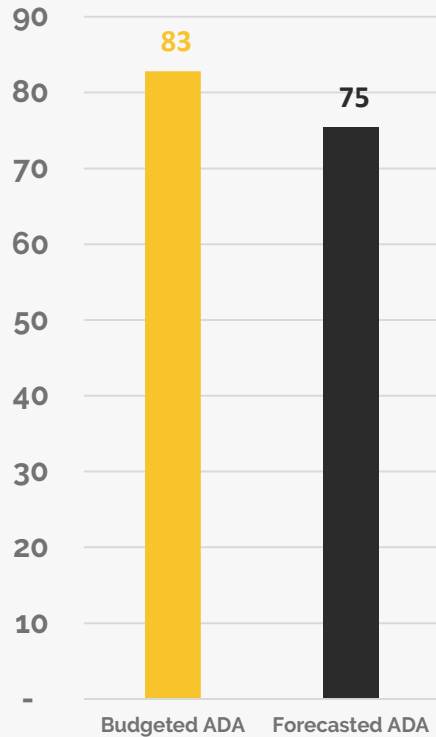
Forecasted Ending Fund Balance / Total Expenses



6.53% AT YEAR'S END

The school is projected to end the year with a fund balance of \$123,666. Last year's fund balance was \$46,366.

Student Expectations



The school now forecasts 75 ADA for SY22-23. The budget target was 83.

\$42K Less Per-Pupil Funding Than Expected

	Current Forecast	SY22-23 Budget	Difference	Financial Gain / (Loss)
Enrollment	82	90	-8	
Attendance	92.0%	92.0%	0.0%	
Total ADA	75	83	-7	
Regular Term K-12	75	83	-7	
FRL Count	68	75	-7	
FRL Weight	11	13	-1	
IEP Count	0	0	0	
IEP Weight	0	0	0	
LEP Count	2	2	0	
LEP Weight	0	0	0	
WADA	87	95	-8	
Per WADA Payment	9,642	9,235	407	
State Aid	\$825,533	\$867,861	-\$42,329	-42k

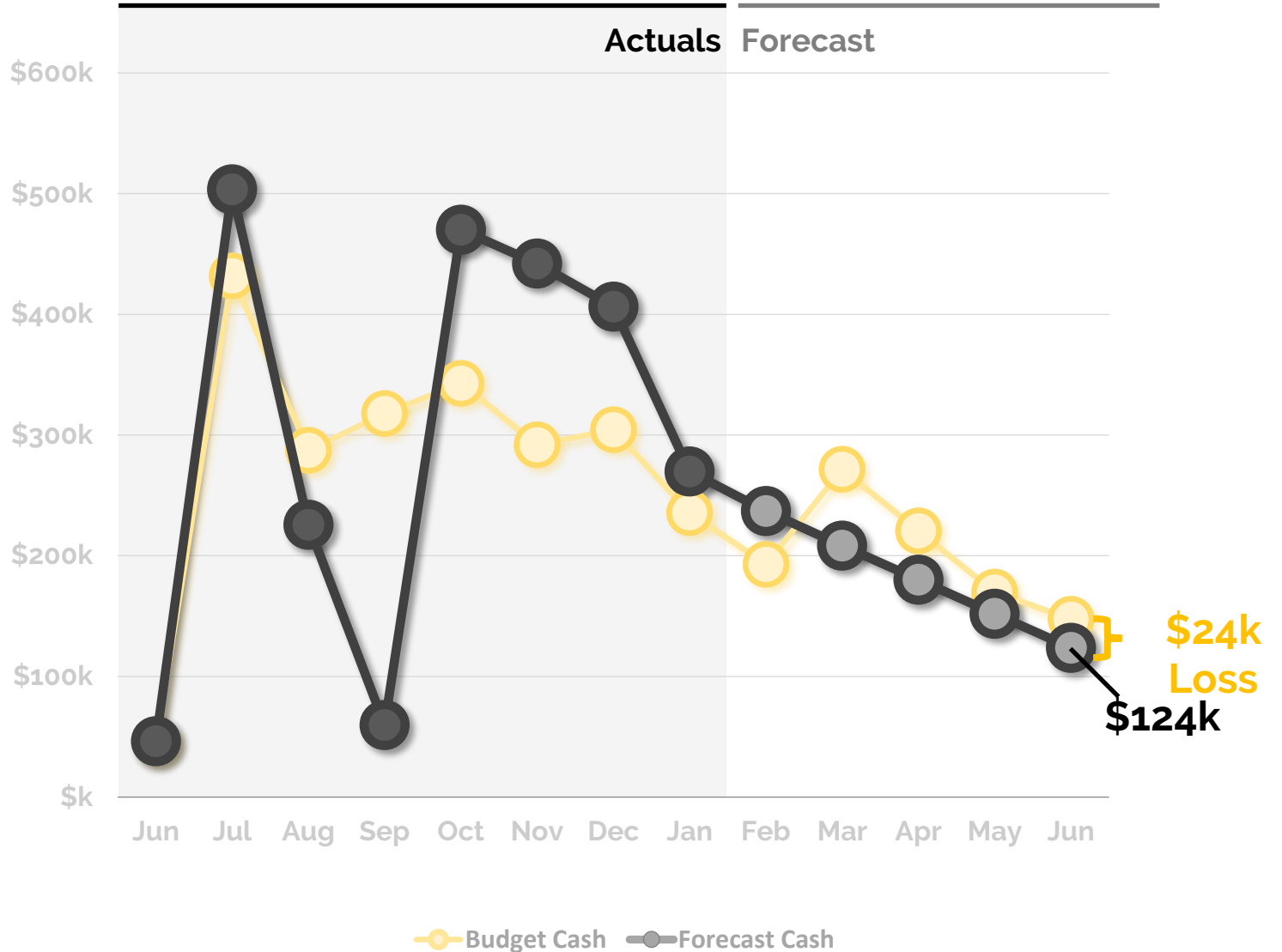
Based on DESE information, we had previously forecast **\$12,260** as the Per WADA payment. DESE hand calculated the funding equity rate with an error. After review, the correct rate is \$9,642. This drives down the State funding forecast by \$224k.

Forecast Overview


	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$2m	\$2m	\$1k	+1k	Reduced state funding to reflect the accurate per WADA rate of \$9,642 per WADA.
Expenses	\$1.9m	\$1.9m	-\$25k	-25k	\$46k savings in salary/benefit is offset by \$71k over budget in business office and student expenses.
Net Income	\$77k	\$101k	-\$24k	-24k	

24 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$124k**, **\$24k** below budget.



Forecast History of June 30, 2023 Cash Balance

<i>Source</i>	<i>Days of Cash at 6/30/23</i>	<i>Change</i>	<i>Description of change</i>
Budget	29		From SY22-23Budget
Jul	29	0	No changes made
Aug	33	4	
Sep	39	6	Salary and Benefit Savings
Oct	99	60	Funding Equity Rate of \$12,260 per WADA
Nov	74	-25	State funding based on enrollment. Additionnal student expenses
Dec	61	-13	Increased salary, business office and nursing supply expenses
 Jan	24	-37	DESE per WADA payment Corrected
Feb			
Mar			
Apr			
May			
Jun			

Key Forecast Changes This Month

The January forecast **decreased** the year-end cash expectation by \$199k. *Key changes:*

<i>Annual Change</i>	<i>Category</i>	<i>Impact On Cash</i>
224,153 less cash	State Revenue Per WADA rate corrected	\$224k
27,113 more cash	Salaries Position Vacancy	\$27k
10,808 less cash	Office & Business Expense Core data consultant and IT provider	\$11k



QUESTIONS?

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	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
Revenue							
Local Revenue	-	-	-	-	-	-	-
State Revenue	486,819	451,288	35,531	850,473	867,861	(17,388)	363,654
Federal Revenue	82,707	141,500	(58,794)	289,725	286,956	2,769	207,018
Private Grants and Donations	819,919	692,070	127,849	819,919	814,200	5,719	-
Earned Fees	10,248	-	10,248	10,248	-	10,248	-
Total Revenue	1,399,692	1,284,858	114,834	1,970,365	1,969,017	1,348 ①	570,672
Expenses							
Salaries	361,278	372,831	11,553	621,475	639,138	17,663	260,198
Benefits and Taxes	80,303	94,835	14,532	134,488	162,575	28,087	54,185
Staff-Related Costs	5,995	7,417	1,421	12,500	12,500	0	6,504
Rent	96,982	91,820	(5,162)	172,522	157,406	(15,117)	75,540
Occupancy Service	66,283	86,917	20,634	149,000	149,000	(0)	82,717
Student Expense, Direct	199,707	123,733	(75,973)	244,327	212,543	(31,784)	44,620
Student Expense, Food	29,802	58,363	28,560	100,050	100,050	(0)	70,248
Office & Business Expense	276,668	195,480	(81,187)	348,703	324,847	(23,856)	72,035
Transportation	56,847	64,167	7,319	110,000	110,000	0	53,152
Total Ordinary Expenses	1,173,865	1,095,562	(78,303)	1,893,065	1,868,058	(25,006)	719,199
Total Expenses	1,173,865	1,095,562	(78,303)	1,893,065	1,868,058	(25,006) ②	719,199
Net Income	225,827	189,296	36,531	77,300	100,958	(23,658) ③	(148,527)
Cash Flow Adjustments	(2,447)	-	(2,447)	0	-	0	2,447
Change in Cash	223,380	189,296	34,084	77,300	100,958	(23,658)	(146,080)

① REVENUE: \$1K AHEAD

② EXPENSES: \$25K BEHIND

③ NET INCOME: \$24K behind

Monthly Financials

Income Statement	Actual							Forecast					TOTAL
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Revenue													
State Revenue	0	0	0	372,550	52,151	62,118	0	72,731	72,731	72,731	72,731	72,731	850,473
Federal Revenue	0	0	0	0	16,146	47,674	18,887	41,404	41,404	41,404	41,404	41,404	289,725
Private Grants and Donations	514,200	2,500	600	150,000	152,619	0	0	0	0	0	0	0	819,919
Earned Fees	0	2,906	2,275	2,730	413	794	1,130	0	0	0	0	0	10,248
Total Revenue	514,200	5,406	2,875	525,280	221,330	110,586	20,017	114,134	114,134	114,134	114,134	114,134	1,970,365
Expenses													
Salaries	25,710	48,460	51,556	56,196	57,880	65,049	56,427	54,373	51,456	51,456	51,456	51,456	621,475
Benefits and Taxes	4,652	9,979	12,244	11,277	15,930	13,790	12,432	11,596	10,647	10,647	10,647	10,647	134,488
Staff-Related Costs	2,126	0	1,190	311	1,969	350	50	1,301	1,301	1,301	1,301	1,301	12,500
Rent	0	0	36,551	15,108	15,108	15,108	15,108	15,108	15,108	15,108	15,108	15,108	172,522
Occupancy Service	1,160	19,962	2,904	9,006	14,953	7,425	10,873	16,543	16,543	16,543	16,543	16,543	149,000
Student Expense, Direct	3,000	63,963	36,721	15,627	46,832	10,242	23,322	8,924	8,924	8,924	8,924	8,924	244,327
Student Expense, Food	0	0	0	0	18,654	6,883	4,265	14,050	14,050	14,050	14,050	14,050	100,050
Office & Business Expense	20,888	138,767	26,385	12,143	32,843	11,388	34,254	14,707	14,707	14,207	14,207	14,207	348,703
Transportation	501	0	0	0	40,126	16,221	0	10,630	10,630	10,630	10,630	10,630	110,000
Total Ordinary Expenses	58,035	281,131	167,551	119,668	244,294	146,456	156,731	147,232	143,367	142,867	142,867	142,867	1,893,065
Total Expenses	58,035	281,131	167,551	119,668	244,294	146,456	156,731	147,232	143,367	142,867	142,867	142,867	1,893,065
Net Income	456,165	-275,726	-164,676	405,612	-22,964	-35,870	-136,714	-33,097	-29,232	-28,732	-28,732	-28,732	77,300
Cash Flow Adjustments	1,096	-2,331	-1,184	4,842	-5,023	41	113	489	489	489	489	489	0
Change in Cash	457,261	-278,056	-165,861	410,454	-27,988	-35,829	-136,601	-32,608	-28,743	-28,243	-28,243	-28,243	77,300

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
	<i>6/30/2022</i>	<i>1/31/2023</i>	<i>6/30/2023</i>
Assets			
Current Assets			
Cash	46,366	269,747	123,666
Total Current Assets	46,366	269,747	123,666
Total Assets	46,366	269,747	123,666
Liabilities and Equity			
Liabilities			
Current Liabilities			
Other Current Liabilities	0	-2,447	0
Total Current Liabilities	0	-2,447	0
Total Long-Term Liabilities	0	0	
Total Liabilities	0	-2,447	
Equity			
Unrestricted Net Assets	46,366	46,366	46,366
Net Income	0	225,827	77,300
Total Equity	46,366	272,193	123,666