

Young Audiences Charter Association - Budget Narrative

Start-Up Budget:

Pre-opening activity assumes half year salaries for the School Leader as well as CMO fees to pay for shared costs of CEO, COO, CAO, Operations Manager, and Communications Manager (positions shared with YACS – Jefferson Parish). In addition, start-up budget includes costs for staff development, board development, marketing, recruitment, building inspection, and other required consultants as well minimal equipment and supplies for the start-up staff.

We anticipate start-up costs to be funded by a grant from the Walton Foundation which we will submit upon authorization by OPSB. The contingency plan if a Walton Foundation grant is not awarded is to activate a non-interest-bearing loan from Young Audiences of Louisiana of \$259,000 which is already authorized by their board. In the event that the loan is needed, it is projected to be repaid by the end of Year 3 (and currently reflected in 5 year budget).

Years 1 – 5 Budget:

Enrollment

The enrollment assumptions for year 1 outlined by grade: PK – 36, K -88, 1st -100, 2nd – 100, 3rd – 100. Grades 4 through 8 will be added one year at a time and with each new grade containing 100 students. The total projected enrollment for Year 5 is 824 students with the 8th grade added in Year 6 for a total enrollment of 924 students.

Revenue

Our revenue assumptions assume a MFP of \$9,622 per student, base MFP of \$9,122 plus additional conservative assumption of \$500 for occupying a non-district facility (we can present alternative budget assuming an OPSB facility, but felt this was the more conservative approach).

The budget also assumes \$600 per student for Title I revenue.

It is anticipated that 65% of enrolled students will qualify for the Free and Reduced Meal Program – reimbursement rates of \$1.71/student/day for breakfast and \$3.22/student/day for lunch. The school will participate in the National School Lunch Program and assume that meal reimbursements and paid meals will offset vendor expenses.

Other revenue sources include 50% of PK students paying average of \$5,000/year and 10% of students will pay for meals.

No other funding sources are assumed other than the start-up funds from, either the intended Walton grant, or the committed loan from Young Audiences of Louisiana, which can be repaid within the first three years of operation.

Staffing

	Year One	Year Two	Year Three	Year Four	Year Five
Regular Education:					
Teachers	23.00	29.00	34.00	39.00	44.00
Teaching Assistants	4.00	4.00	4.00	4.00	4.00
Special Education/Gifted & Talented:					
SPED Director	1.00	1.00	1.00	1.00	1.00
GT Coordinator	-	1.00	1.00	1.00	1.00
Teachers	1.00	1.50	2.00	2.50	3.00
Teaching Assistants	2.00	2.50	3.00	3.50	4.00
Speech	0.50	0.50	1.00	1.00	1.00
Pupil Support Programs:					
Nurse	0.50	0.50	1.00	1.00	1.00
Social Worker	1.00	1.00	1.00	1.00	1.00
Counselors	-	-	1.00	1.00	1.00
School Administration:					
School Leader	1.00	1.00	1.00	1.00	1.00
Assistant School Leader	-	-	1.00	1.00	1.00
Deans	1.00	1.00	1.00	2.00	2.00
School Administrative	1.00	1.00	2.00	2.00	2.00
Dir of Curriculum & Instruction	1.00	1.00	1.00	1.00	1.00
Total FTEs	37.00	45.00	55.00	62.00	68.00

- Employee benefits assumes group medical, medical and dental coverage at net cost to the school of approximately \$4,900/employee – estimated at 10% of salaries.
- Social Security and Medicare taxes are calculated at 6.2% and 1.45% of wages respectively.
- 401K plan assumes the School will make a 5% matching contribution for 100% of employees.
- State unemployment estimated at 0.05% of wages; workers compensation 3.5% of wages.

Purchased Professional Services

- Young Audiences of Louisiana provides the following – Teaching Artists (starting at 6 expanding to 10 by Year 5); Director of Arts Integration; Afterschool and Summer Learning Support; Professional Development; Grant Writing
- Budget assumes \$10,000 of Special Education contracted services (if required) that will vary depending on individual students' needs.

- Pupil Support Services budget includes \$20,000 for pupil assessment tools & services increasing to \$30,000 in Year 5.
- Instructional Staff Services includes curriculum services of \$10,000 increasing to \$14,641 in Year 5.
- Board of Directors costs include the cost of legal and audit services at \$5,000 and \$15,000 respectively, in Year 1 increasing through Year 5. There are also consultant costs associated with board development in the Start up budget in the Consultants line.
- Business Services includes the cost of payroll services and financial software.

Facility Expenses

Though occupancy of an OPSB facility would be preferred, the budget conservatively assumes that a facility will be leased from a third-party at market rates. The projected annual lease cost is budgeted as \$240,000 in Year 1 increasing to \$360,000 in Year 5. All facility operating expenses have been budgeted based on comparable facilities including water/sewer, disposal services, contracted custodial services, repairs & maintenance, property insurance, and utilities.

Student Transportation

The School's budget assumes that student transportation needs will require four buses in Year 1 and increase to 8 in Year 5. The assumed cost is \$280/day/bus.

Food Services

Food service will be provided by a contracted food service management company at a cost of \$1.50/student/day for breakfast and \$3.00/student/day for lunch – assume 75% overall participation. A significant portion of this cost will be reimbursed through the federal school lunch program.

Material & Supplies, Textbooks, Equipment

The budget assumes a cost of materials & supplies based on the costs at comparable charter schools.

The budget assumes more significant costs for textbooks in Year 1 as a base supply is purchased, with a level cost in Years 2-5.

Equipment costs include the purchase of technology, classroom furniture, cafeteria furniture/equipment, and office equipment. These costs are higher in Years 1-3 with the costs leveling off in the later years.

Miscellaneous

Budget includes OPSB authorizer fee equal to 1.75% of MFP revenue.