



Orleans Parish School Board

2018 Charter School Application

Pathways In Education-New Orleans

Budget Narrative

Revenue

Pathways In Education-New Orleans generates revenue from the local per pupil aid to the school from the state of Louisiana. Per budget estimates, this revenue will amount to \$9,690 per student the first year of operation. In addition, Pathways In Education-New Orleans anticipates receiving a one-time, low interest loan from EMS to fund start-up costs and operational expenses until distribution of State aid. Pathways in Education-New Orleans does not rely on donations, grants, or fundraising for revenue. Based on this information we estimate the following amounts for revenue for year one as:

Revenue	
Local Per Pupil Aid (October 2017)	\$ 654,100.00
Local Per Pupil Aid (February 2018)	\$ 1,526,200.00
Total	<u>\$ 2,180,300.00</u>

Expenses

Expenses were estimated based on anticipated staffing levels and those related costs (i.e. payroll, health benefits, and retirement obligations), the monthly per pupil fee PIE-NO will pay to EMS for its management expertise, and other facility, student activity, and ancillary costs. Loan repayment will not begin until year three. The estimated expenses are based on EMS's long history of implementing similar programs in schools throughout California and nationwide.

The budget detail provided with this application gives more insight into our budget assumptions and cost drivers, but below are some of the key elements to our program and their corresponding budget.

Staffing

At the core of our program is our instructional and support staff. Our staffing and budget assumptions are driven by our projected student counts, analysis of compensation in the market and instructional design and focus. Below is the staffing model imbedded in the provided budget. For years two through five an annual COLA of 3.0% is assumed.

School Name:	PIE-New Orleans, Inc.												
Year		Year 1	Year 2	Year 3	Year 4	Year 5							
Number of Centers		1	1	2	2	2							
Number of Students		225	300	600	600	600							
		Year 1	Year 2	Year 3	Year 4	Year 5		Year 1	Year 2	Year 3	Year 4	Year 5	
Teacher Position Description Year 1 (including special education teachers)	Salary	Teachers	Teachers	Teachers	Teachers	Teachers		Salaries	Salaries	Salaries	Salaries	Salaries	
Principal	\$ 90,000	1	1	1	1	1		90,000	92,700	95,400	98,100	100,800	
Administrative Assistant	\$ 45,000	0	0	0.5	0.5	0.5		-	-	22,500	23,175	23,850	
Director of Instruction	\$ 110,000	0.33	0.33	0.33	0.33	0.33		36,300	37,389	38,478	39,567	40,656	
Lead Teacher	\$ 68,000	0	0	0	0	0		-	-	-	-	-	
Compliance Coordinator	\$ 40,000	1	1	2	2	2		40,000	41,200	84,800	87,200	89,600	
Center Coordinators	\$ 35,000	1	1	2	2	2		35,000	36,050	74,200	76,300	78,400	
Regional Trainer	\$ 68,000	0	0	0	0	0		-	-	-	-	-	
Regional SGI Couch	\$ 68,000	0	0	0	0	0		-	-	-	-	-	
Classroom Teachers	\$ 53,000	2	2	4	4	4		106,000	109,180	224,720	231,080	237,440	
Teacher (Math Credential)	\$ 58,000	1	1	2	2	2		58,000	59,740	122,960	126,440	129,920	
Teacher (English Credential)	\$ 58,000	1	1	2	2	2		58,000	59,740	122,960	126,440	129,920	
Teacher (Social Science Credential)	\$ 58,000	1	1	2	2	2		58,000	59,740	122,960	126,440	129,920	
Teacher (Science Credential)	\$ 58,000	1	1	2	2	2		58,000	59,740	122,960	126,440	129,920	
Classroom Teachers (Small Group Instructors, Math)	\$ 57,000	1	1	2	2	2		57,000	58,710	120,840	124,260	127,680	
Classroom Teachers (Small Group Instructors, ELA)	\$ 57,000	1	1	2	2	2		57,000	58,710	120,840	124,260	127,680	
Classroom Teachers (Small Group Instructors, Science)	\$ 57,000	0	0.5	0.5	0.5	0.5		-	28,500	29,355	30,210	31,065	
Teacher (Substitutes)	\$ 30,000	1	1	2	2	2		30,000	30,000	60,000	60,000	60,000	
Student Advisors/Counselor	\$ 55,000	0	0	1	1	1		-	-	55,000	56,650	58,300	
Tutors, Math	\$ 20,000	1	1	2	2	2		20,000	20,000	40,000	40,000	40,000	
Teacher (Special Ed Providers)	\$ 65,000	2	2	3	3	3		130,000	133,900	206,700	212,550	218,400	
Totals		15.33	15.83	30.33	30.33	30.33		833,300	885,299	1,664,673	1,709,112	1,753,551	

Facility Costs

Another key element in our model are our facilities. The nature of our instructional model allows us to host students in a more intimate, smaller footprint than traditional schools. This translates into lower facility costs than a larger, typical high school would incur. Our costs are based on our typical school layout and rent costs estimated by our real estate team's market research in the area(s) we have targeted to place our center(s). Below is the real estate costs model imbedded in the budget. For years two through five an annual COLA of 3.0% is assumed.

Facility Cost		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Per Site Assumptions		0	1	1	2	2	2
Square Footage	7,000						
Price per Sq Ft	\$ 12.00						
Rent	84,000	28,000	84,000	114,520	178,080	183,120	188,160
Building Maintenance and Repairs	10%	2,800	8,400	11,452	17,808	18,312	18,816
Renovation/Leasehold Improvements	\$ 75.00	525,000	-	525,000	50,000	50,000	50,000
Utilities	12%	3,360	10,080	13,742	21,370	21,974	22,579
Janitorial Supplies & Custodial Serv.	8%	2,240	6,720	9,162	14,246	14,650	15,053
Security	\$ 250.00	3,500	3,000	3,000	6,000	6,000	6,000
Totals		564,900	112,200	676,876	287,504	294,056	300,608

Experiential Learning

A key and unique feature of our instructional model is the opportunity for students to participate in a variety of experiential learning offerings. Once our charters become established and financially stabilized, in this case, at the beginning of year 3, we begin to provide these programs. Below is the assumptions around those costs. No COLA is assumed.

Student Programs: College Tours, Experiential Learning, Community Service					
Student Programs (summarized above)	Y-1	Y-2	Y-3	Y-4	Y-5
College Tour	\$ -	\$ -	\$ 54,000	\$ 54,000	\$ 54,000
Black Bird Farm Trip	\$ -	\$ -	\$ 107,910	\$ 107,910	\$ 107,910
RMPR Trip	\$ -	\$ -	\$ 126,126	\$ 126,126	\$ 126,126
Community Service (5 days)	\$ -	\$ -	\$ 59,850	\$ 59,850	\$ 59,850
International Trip w programming and credit Cuba	\$ -	\$ -	\$ 127,402	\$ 127,402	\$ 127,402
International Trip w programming and credit Italy	\$ -	\$ -	\$ 136,800	\$ 136,800	\$ 136,800
Total	\$ -	\$ -	\$ 612,088	\$ 612,088	\$ 612,088

Technology and Instructional Materials

Instructional materials and technology are also critical to our program and our reflected in our budget. The budget reflects a materials budget of \$250 per student per year and \$268 per teacher per year. Additionally, the start-up budget and first year budget reflect the acquisition of textbooks, which is estimated to cost approximately \$600 per initial student enrollment assumptions. In years two to five, we assume that approximately 20% of textbooks will need to be replaced each year. Finally, our equipment budget, mainly laptops or Chromebooks, averages about \$1000 per new teacher and \$329 per new student, with 20% replacement in years two to five.

Special Education

Our budget also reflects costs associated with providing special education services. We have assumed that approximately 8% of our students will require some sort of SPED service. For purposes of this budget, both in terms of revenue and expense, we have assumed the majority of these students will fall within the Tier 1 or Tier 2 classification; however, we stand prepared to offer whatever accommodations and services are necessary should student requiring a higher level of SPED services come to us. Our budget includes two SPED teachers in the first two years and grows the three in years three to five. Materials, textbooks and technology equipment are budgeted in the same fashion as high school base program discussed in the previous section.

Management Fees

Management fees, those monies paid to EMS for a variety of support services provided to the charter, are accounted for in the provided budgets. The fee is \$127 per student per month, not to exceed 10% of the charters funding revenue. It is allocated 75% to instructional expense and 25% to administrative expense.