

ATTACHMENT 4.B – FUTURO ACADEMY BUDGET NARRATIVE

TAB: SCHOOL INPUTS

REVENUE ASSUMPTIONS

Line 16 – Projected Number of Classrooms

To ensure fiscal health within a slow growth model, we assume 2 classes of K and 2 classes of Grade 1 in our first year of operation, guarding against the need to fill 4 classes of K and potentially during the late winter and spring months when we may not yet have a fully ready building to show families, and to ensure that we can accommodate families who may have children in both grades K and 1; we assume 4 classes of K in our second year, assuming strong grassroots reputation and a fully equipped building – a key element during recruitment of students in the younger years. We therefore add four classrooms in this year (4 classes of K); in all future years, we add 4 classes of K, having protected early financial needs while simultaneously protecting small school size overall, until year 5 when enrollment is decreased to 58 in the intake Kindergarten cohort to achieve the maximum occupancy within our facility.

Line 17 – Projected Number of K Students

Aligned with details above, we take in 58 students in K in all years, except in year 2 of operation, when we take in 116 students in K – ensuring fiscal health during slow growth start-up while taking advantage of all slow growth benefits (growing one grade of curriculum and PD per year and establishing a strong and consistent culture across the adult community and school).

Lines 32 and 33 – Projected Title I and Special Education Population

Assumptions regarding Title I and Special Education population based on actuals in all Clark County School District elementary and middle schools in the 89101, 89104 and 89110 zip code.

Lines 55 – Additional Secured Revenue

Grant program provided by Opportunity 180 guaranteeing \$250,000 (\$136,000 in Incubation Year, \$114,000 in Year 1). Details on the grant award found in Opportunity 180 Support Letter.

EXPENDITURES

Staffing Expenses:

Lines 73-86 – Standard Employment Expenses

Expenses for FICA, Retirement and Unemployment based upon requirements. Retirement contribution to NVPERS as legally required for charter school employees, as well as a standards set by CCSD for making a 28% contribution for all employees into PERS rather than the mandated 14.5%.

Line 91 – Special Education Teachers

The template does not allow us to fully show our special education staff, and thus numbers here are misleading. In Years 1 and 2 (2017-18 and 2018-19), an associate teacher (or more than one, depending on need) will hold a special education license and provide a continuum of services as needed with the assistance of contracted support as needed. A full time Coordinator of Student Supports, also holding a special education license, will be hired in 2019, but at that point the FTE Special Education/ELL teacher number will be 2, or possibly 3 depending on needs, and continue to be at that level.

Line 103 – Manager of Curriculum and Instruction Hybrid Role

Manager of Curriculum and Instruction will teach 70% of day in Kindergarten classroom, and coach 30% of day in Year 1 (2017-18). This individual will be hired at .2 FTE in advance of Year 1, per the partial salaries on line 1373. This role will transition to a full-time administrative role in the 2018-19 school year.

Lines 120 – 122 – Special Education Coordinator and Student Supports Teacher

In the 2017-18 and 2018-19 school years, Special Education services will be provided by a Special Education licensed Associate Teacher, with additional contracted support in order to provide the Special Education program facilitation as well as auxiliary services such as physical or occupational therapy, speech services and any other needed supports.

In 2019-18, the Coordinator of Student Supports will be hired in addition to the Associate Teacher in order to provide full time Special Education overall program facilitation, as well as to deliver services as needed above and beyond the capacity of the Associate Teachers.

In the 2021-22 school year, a full time Student Supports teacher is hired in order to move the Coordinator of Student Supports to full time facilitation of the special education program, so that Associate Teachers and the Student Supports teachers provide 100% of the direct services needed in all grades K-6.

Lines 161-183– K-2 Lead Teacher – Associate/Support Teacher Model

K-2 Primary Elementary model 2:1 lead/associate push-in model. Every two lead teachers receive 35% push in time during literacy and problem solving blocks to enhance the ability to work in groups and provide individualized attention to all students.

Lines 184-209 – Intermediate Lead Teacher Model

Intermediate Elementary model lead teacher with Specialist support in enrichment subjects.

Lines 1372-77 – Hiring of pre-credential Fellows on annual stipend.

General Operating Expenses:

Line 1410 - Professional Development

Year 0 (PLANNING):

Initial printing costs and purchases of books and other PD materials prior to FY 2017-18.

Year 1:

2 Days Cognitively Guided Instruction (or equivalent curriculum) training during Summer (\$2000 + incidentals)

Reading Mastery (or equivalent reading curriculum) – one day of professional development (\$1500)

1 Day of STEP assessment PD – (\$3200)

MAP assessment training – (\$2000)

Contingency for unexpected PD contract costs of any purchased curricula

Line 1411 – Staff Recruitment

Staff recruitment will be mostly posting costs in publications, and transportation costs to recruit teachers not in Las Vegas

Line 1412 –Student Recruitment

Student Recruitment will consist of printing, direct mailing costs (including purchases of lists), advertising, and a possible pool of funds to hire extra canvassing support.

Line 1413 – Special Education Facilitator/Psychology/Health Consultant.

There is an assumption that because the intake grade is Kindergarten, that there will be a need to test 4 students for eligibility per year at \$2000 each at \$8,000 and is rounded up to \$10,000 to include a pool of contracted labor for consulting on set-up of Special Education facilitation and program to ensure efficient and effective delivery of support services and compliance.

Line 1415 – Textbooks Initial Cost

Each student will need a \$150 Reading Mastery book (or equivalent reading curriculum), as well as the roughly \$1500 extra grade level materials (teacher's kits, book sets for small groups), Singapore Math books A/B (or equivalent curriculum) in Kindergarten at \$40 total per student and \$400 per grade level in teacher editions, with an extra \$1000 for CGI materials and any other curricular supplements (Unifix cubes, additional manipulatives).

Line 1418 – Food Services

This figure assumes a contract with a food service vendor, such as Three Square Food Bank, delivering food that is cooled and heated for service. The funds allow for contracting an individual to handle service of breakfast and lunch daily, or part of a salary of contracted employee if that employee is involved in janitorial services the remainder of the day.

Line 1424 – Assessment Costs

Students will be assessed using STEP reading and NEWA assessments (\$15 for a basic suite of NWEA tests) and \$35 combined for STEP kits and licenses for progress monitoring in reading.

Line 1428 – Contracted SPED services per Student

Estimated at approximately \$80 per hour for contracted services, with a load of 30 min per week, at 10% of student population. 30 min. (.5 hours) *80* 40 weeks = \$1,600 but budgeted at \$3,500 in order to be conservative in the event particular students have intensive needs requiring multiple contracted services (PT, OT, Psychologist, Speech) as well as contracting a nurse to support the health program at half a day weekly. With additional funds from this contingency budget, Futuro Academy will offer contracted transportation services to any students with IEPs requiring transportation accommodations.

Line 1431-1432 – Uniform

Actual figures account for collecting two thirds of uniform costs, with the school allocating one third of the cost as a "uniform fund" for families unable to make a contribution (\$10 per returning student in Y2 and after). When we are able to set up a contractual relationship with a vendor, the collection will be by the vendor, with a 30% uniform fund for families needing support.

Line 1443 – Back Office Support

Back office support services estimated based on an average of multiple sources for basic quotes. Will include Planning year support to run basic payroll, chart of accounts, and check writing (\$10,000), and will eventually turn into CFO equivalent suite of services around financial reporting in YR1 (\$55,000).

Line 1454 – Annual Audit

Costs based rough estimate from Bryce Wisan, CPA - Charter School Association of Nevada recommended vendor for CPA (letter detailing pricing conversation available upon request).

TAB: TECHNOLOGY AND EQUIPMENT INPUTS

Lines 5-20 - Facility

Currently, the facility plan is to lease an incubator site from Opportunity 180, a local non-profit which will be the master tenant. The workbook only has figures in cells to make work the financial arrangement. The current plan centers around a 15% of per-pupil revenue cap based on 100 students in Y1 and 200 students in Y2. The rent in Y1 and Y2 are absolute number that will be met in the form of rent subsidy, with rent being assessed in full in Y3.

Line 60 – General Liability Insurance

Estimated on an annual basis, estimate based on Distinctive Insurance (quote available on request), the broker recommended by the Nevada Charter School Association. This coverage includes all forms of insurance required by Nevada for charter schools.

Line 78 – Copier Costs

Copier costs based on average internet quotes - \$400 per copier lease, 2 copiers in Y1 and Y2.

Lines 81-83 – Chromebook (or equivalent) Fleets

Based on cost of Chromebook (or equivalent) fleets (\$500 per machine including warranty). 44 laptops are divided equally between 4 classes, to make sets of 11 in Year 1 and 2, with 22 laptops annually starting Year 3. Per classroom set, 9 are expected to be in regular classroom use, with two extra machines per class for individual use for special projects and replacement of regular use Chromebooks.

Line 79 – Classroom Technology

The only additional technology to a laptop per classroom will be a projector and a document camera.

Line 100 - Technology Support

Initial costs of technology support for 44 Chromebooks and 9 MacBook Air computers, as well as for internet server and wi-fi network.

TAB: CASHFLOW

Although Futuro Academy's budget indicates that the school will operate at a surplus each given year, due to the need to maintain appropriate cash flow at all times regardless of unplanned expenses, Futuro Academy will pursue a Line of Credit from a Nevada owned bank or through the Charter School Revolving Loan to meet anticipated cash needs prior to quarterly deposit dates.

Line 28 – Detailed Expenditures

The expense categories are provided in detail demonstrating expected timing of expenditures in the "Detailed Expenditures" tab attached adjacent to the Cashflow tab to allow for a greater number of categories and more realistic timing of revenue.