

Community Learning Center Schools

Financial Presentation



Business and Development Specialists
for Charter Schools

August 21, 2014

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Financial Presentation Agenda



- July/August Financial Processes
- Soft Close for 2013-14
 - Nea
 - ACLC

July/August Update: Financial Processes



- The July-August time period doesn't include the standard update, given that the books for June will remain open as any final transactions are reconciled through mid-September

- EdTec ran a "soft close" of June's financials
 - Any final June transactions will be entered through mid-August
 - **The 2013-14 figures in this presentation are subject to change**

- Unaudited Actuals will be submitted to AUSD in early September
 - The unaudited actuals should be board approved.
 - This document is submitted to AUSD, which then passes it along to the state

- Audit will be conducted in the fall, with state due date of December 15
 - Hosaka, Rotherham & Company will be conducting CLCS' audit during the early fall at the EdTec office

1. Soft Close for 2013-14

2013-14 Finances: NEA Overview

2013-14 appears to be a strong fiscal year for NEA, with greater than expected operating income increasing the fund balance; some planned expenses will be incurred in 2014-15

- Nea's operating income for 2013-14 is projected to be \$253K
 - Revenues expected to be higher than previous forecast by \$27K
 - Federal revenues, Special Education Mental Health revenues greater each by ~\$9K
 - Nutrition revenue appears to be higher than projected, but the actual payments appear lower than the amounts reported, so we will investigate further.
 - Local Revenues are off by ~\$5K
 - Parcel Tax revenues lower by \$6K
 - After school ended \$10K higher after two strong final months of year
 - School supplies failed to meet its budgeted \$11K
 - Fundraising ended \$12k higher than projected with a strong final month.
 - Expenses expected to be \$112K less than projected, but the majority of that savings is from line items that have had a lot of potential variability throughout the year or have been shifted across years.
 - Due to the timing of the move, moving costs will be split between the years, resulting in \$17K of savings, offset by \$20K of technology work.
 - Clean energy project has not been started, so there is \$50K of savings (that will be temporarily restricted in the fund balance)
 - \$25K of the contingency was not used.
 - Salaries and benefits realized some savings as well including counselors, teachers, and certificated supervisors. Some savings for STRS primarily because severance is not subject to STRS withholding.

2013-14 Finances: NEA Overview

2013-14 appears to be a strong fiscal year for NEA, with greater than expected operating income increasing the fund balance; some planned expenses will be incurred in 2014-15

- Ending fund balance is estimated to be ~\$1.3M, however, a number of expenses related to the move, SPED, and legal fees may roll into 14-15, which would decrease the fund balance at the end of 14-15.
 - \$50K of the fund balance is temporarily restricted Prop 39 funding.
- End of year cash balance was \$851K

2013-14 Finances: ACLC Overview

Extraordinary expenses were managed well through reserves and increased funding

- ACLC's operating income for 2013-14 is estimated at \$146K
 - Revenues expected to be higher than previous forecast by \$86K
 - Special Education Mental Health revenues greater by \$15K
 - Parcel Tax revenues greater by \$14K
 - Fundraising came in strong at year end, increasing the forecast by \$47K
 - Expenses expected to be greater than previous forecast by \$37K
 - Moving expenses to Grand Ave., offset by technology services
 - Computer purchases in June (\$80K)
 - \$50K of savings for Prop 39 (temporarily restricted)
 - \$25K contingency savings (effectively offset by \$28K writeoff below)
 - \$28K write-off approved at the June board meeting for overpayment during transition from district

2013-14 Finances: ACLC Overview

Extraordinary expenses were managed well through reserves and increased funding

- Ending fund balance is projected to be ~\$1.14M, but some expenses originally anticipated in 13-14 such as legal, SPED, and moving related expenses/rehabilitation may roll into 14-15, which may decrease the fund balance next year.
 - \$50K of Prop 39 funding is temporarily restricted.
- Ending cash balance is projected to be ~\$760K