C.4 Start-up Budget Assumptions

Alhambra Preparatory Academy (APA) here by referred to as Madison Highland Preparatory (MHP) was awarded a three year grant from the Arizona Charter School Program through the Arizona Department of Education. Year one of the grant was used for research and development. This start up budget is based on the confirmed second year funding of $230,000.00. The funds will be available starting February 1, 2014 and will be used for Start-Up expenses until the school opens in August 2014. There will be a carryover to the three year budget of $3,051.87.

Salaries for a Principal, Director of Curriculum, Assistant Principal, Budget Manager, Special Education Coordinator/teacher, and Teachers are prorated according to the amount of time they will be working and are based on research of typical professional salaries. Principal, Director of Curriculum, and Business Manager positions are full time for six months. The Assistant Principal and Special Education Coordinator salaries represent one month of full time work. A teaching staff of twelve will be paid $410 each for four days of professional development prior to the opening of school for a total of $4,920.00. Total salary expenses are $105,536.66.

Employee benefits are figured at 10% for FICA, Social Security, Medicare, state and federal taxes, and an additional expense to cover 75% of employee health insurance for a total of $22,118.13

SAIS Schoolmaster will be purchased in March 2014 to have ready by April 2014. The payment will be deferred until Madison Highland Prep receives state equalization funds, however due to procurement the initial cost $15,225 which includes a host server, software, and training will be budgeted in the start-up budget.

Other administrative expenses include: $2,000.00 for general office supplies, $1,800.00 for professional dues (Arizona Charter Schools Association, National Association of Secondary Principals, ASCD), $15,750.00 for twelve faculty and four administrators to attend professional development for Project Lead the Way and for Spring Board. Contracted services include $12,500.00 for a CPA and a lawyer.

Operational expenses are kept to a minimum due to the terms of the building which include: space (building and land), utilities, student and office furniture, landscaping, janitorial, technology access. Prorated cost of the lease is $12,000.00. Alhambra Preparatory Academy referred to as Madison Highland Prep (MHP) has allocated $1,000 for maintenance and cleaning supplies, $26,925.00 for marketing, $2,000.00 for fees and permits, $2,160.00 for cell phone service for administrators, $2,100.00 for three computers (for the Assistant Principal, Special Education Coordinator, and Business Manager), and $2,000 for a copier lease and security contract. Costs for computer purchases represent a bundled price which includes the necessary software license fees. Based on oral quotes, $1,500.00 is allocated for property/casualty insurance and $2,500.00 for liability insurance.