Maricopa Institute of Technology (MIT) created its start-up budget, in effect from July 1 to July 31, 2016, based around the following budget assumptions.

Explanation of Start-Up Revenue
Start-up revenue is based upon the $66,000 Estrella Educational Foundation Donation.

Explanation of Expenses
Administration, Instruction & Support (AIS) Expenditures

Assumes Salaries and Employee Benefits of required contributions are to be 13.65%, including payroll taxes, unemployment taxes, and 401(k) matching of 4%. Assumes all employees elect the 4% maximum contribution to the 401(k) for one month.

Principal
Assumes the Headmaster will be paid for service starting July 1, 2016 and will be paid $10,000 for the month of July based on a $120,000 annual salary. Total salary assumes 13.65% required employer contributions for a total of $11,365.00.

Clerical
Assumes the Office Manager/Registrar of MIT will be paid for service starting July 5, 2016 and will be paid $3,334.00 for six months based on a $40,000 annual salary. Total salary assumes 13.65% required employer contributions for a total of $3,789.00.

Teachers
Assumes six MIT Teachers will be paid for services starting July 5, 2016 and will be paid $5,000 each for one month based on a $60,000 annual salary. Total salary assumes 13.65% required employer contributions for a total of $34,095.00.

Employee Insurance
Assumes all employees elect the Health Insurance coverage $414 monthly, Dental $41.33, Vision $4.19, and Life Insurance 3.48= $463.00 per employee, starting July 5, 2016 for one month for a total of $3,704.

Office Supplies
Assumes office supply costs for July 1, 2016 for one month total of $1,000.

Membership Dues and Travel
Assumes Arizona Charter Schools Association membership and other professional dues, $1,100 will be paid in August.

Contracted Services: AIS

- Assumes legal services with Neal Law Firm $250 per hour for eight hours per month starting June 1, 2016 for one month for a total of $2,000 to be billed in August.

- Assumes accounting services with ADP at $60 per hour for 10 hours per month starting July 1, 2016 for one month for a total of $600.00.

- Assumes payroll services at $1,200 per year starting July 1, 2016 for one month for a total of $100. This is based upon a quote from ADP.

- Assumes 401(k) plan administration costs of $2,500 per year starting July 1, 2016 for one month for a total of $417. This cost assumption was provided by ADP.

Curriculum & Resource Materials and Instructional Consumables
Assumes $42,000 of curriculum and resource materials and instructional consumables; assumes curricular materials will be either teacher-created or free, open source, or online through the usage of online learning, FuelEd. Blended Learning Program to be billed to MIT in August.

Library Resources & Software
Assumes $0 in library resources and software, as books for both classroom and school-wide libraries will be free, open source, and online through FuelEd Blended Learning.

SAIS Software
Assumes SAIS software costs of $5,000 to be purchased before July 31, 2016. This is based upon the expense for Synergy, Edupoint—Educational Systems. Riverside Elementary #2 to provide partnership and training on program.

Professional Development
Assumes professional development costs will be shared with RESD2 to build K-12 Science, Technology, Engineering and Math training and billed in August..

Operations & Maintenance (O&M) Expenditures

Supplies
Assumes $900 in janitorial supplies to be purchased before July 31, 2016. This cost assumption was provided by MIT administrative team.

Marketing/Advertising
Assumes booth and travel costs of $300 each for seven teacher recruitment events, for a total of $2,100. This cost was based on teacher recruitment event costs at which the Riverside Human Resources Team has participated.

Assumes $7,900 for student marketing or advertising materials as quoted by Orcutt/Winslow Marketing to be paid during the school year beginning in August.

Contracted Services: O&M
Assumes cost for maintenance in July will be paid in August.

Building Rent/Lease/Loan
Assumes MIT will annually pay Riverside ten percent (10%) of revenues as base support level pursuant to A.R.S. 15-943 and any additional state assistance pursuant to A.R.S. 15-185 unless otherwise agreed upon by both parties. Assumes the annual fee shall be paid in semi-annual installments by January 30th and by June 30th of each fiscal year. The annual fee shall be reconciled as soon as possible after the 40th day and 100th day student count. The parties agree to annually reconcile the amount owed under the annual fee based upon monies actually received by MIT.

Building & Improvements, Land & Improvements, Fees/Permits
Assumes no cost, as they will be covered by facility lease Riverside Elementary District #2 (RESD#2).

Liability Insurance

- Assumes $2,500 general liability insurance and umbrella insurance to be purchased for July, 2016.

- Assumes $207 in workers' compensation insurance to be purchased for July, 2016. This cost assumption is based on $0.41 per $100 of payroll. It is included in the 13.65% of required employer contributions per FTE.

Utilities

- Assumes electric deposits for the school facility will be paid by RESD2. This cost assumption will be based upon the formula provided by SRP.
- Assumes water and trash removal deposits for the school facility will be paid by RESD2. This cost assumption will be provided by the City of Phoenix.
- Assumes $5,250 in electric, water, and trash services for a total of $225 for the month of July, 2016 to be paid in August. This is based upon the utility cost for a similar property in the target community from the costs of SRP and the City of Phoenix.

Phone/Communications/Internet Connectivity
Assumes $2,365 for internet, communication, and phone service per month for July, 2016 to be paid in August. This assumption is based on the current rates for Century Link telephone and internet bundle services for the target neighborhood.

Transportation
Assumes no cost for transportation for July. July transportation payment will be made in August.

Student Furniture & Equipment

Assumes RESD#2 will purchase all student furniture and equipment for facility.

Office Furniture & Equipment

Assumes all office furniture will be purchased by RESD#2.

Student Technology Equipment

Assumes RESD#2 will purchase all student technology equipment.

Office Technology Equipment

Assumes RESD#2 will purchase all office technology equipment.

Other Leases (Security, Copiers, etc.)

Assumes $1,100 per month maintenance for security, copiers, etc. This assumption is provided by the RESD#2.