Renewal Budget Plan - Part A
Global Renaissance Academy of Distinguished Education, Inc.
dba Grand Canyon Preparatory Academy

		Projected Financial Information			
		FY 2011/12	**FY 2012/13**	**FY 2013/14**	**FY 2014/15**
ADM:	1	93.000	103.000	113.000	123.000
REVENUE					
State Equalization Assistance	2	756,820	815,840	881,732	947,623
Classroom Site Fund	3	29,930	33,168	36,409	39,646
Instructional Improvement Fund	4	3,720	4,120	4,520	4,920
Federal Funds/Grants	5	9,300	9,300	9,300	9,300
Other State Funds/Grants		-	-	-	-
Food Service (e.g., NSLP, food sales)	6,20	1,400	1,428	1,457	1,486
Extracurricular Tax Credits	7	2,000	2,250	2,500	2,775
Contributions and Donations	7	2,000	2,250	2,500	2,775
Fundraising	7	1,000	1,250	1,500	1,775
Earnings on Investments		-	-	-	-
Student Activities	8,20	13,671	15,141	16,611	18,081
Kindergarten Tuition (Applies only to FY10					
& FY11 unless expanded by Legislature)		-	-	-	-
Other			-	-	-
TOTAL REVENUE		819,841	884,747	956,529	1,028,381
EXPENSES					
Instructional					
Salaries	9		-	-	-
Payroll Taxes	9		-	-	-
Employee Benefits	9		-	-	-
Purchased Services (Leased Teaching Staff)	9,20	441,400	493,850	526,513	537,043
Purchased Services (Consultants/Contract Teaching Staff)	9,20	26,000	26,520	27,050	27,591
Purchased Services (Special Education)		18,000	19,800	21,780	23,958
Technology		1,000	4,050	5,400	6,500
Textbooks/Curriculum/Library		3,500	4,000	4,500	5,000
Instructional Supplies		6,500	7,000	7,500	8,000
Professional Development	20	7,920	8,078	8,240	8,405
Travel		100	100	100	100
Tuition for dual credit courses (Mesa Comm. College)	10,20	10,500	10,750	11,125	11,375
Other		-	-	-	-
Total Instructional		514,920	574,148	612,208	627,972
Non-Instructional					
Salaries	9		-	-	-
Payroll Taxes	9		-	-	-
Employee Benefits	9		-	-	-
Purchased Services	9,20,22	65,000	66,300	67,326	68,672
Rent/Bond Payment (including taxes and insurance)	11	118,440	118,440	120,809	123,225
Repairs and Maintenance		5,799	5,915	6,033	6,154
Property, Casualty, Liability Insurance		3,570	3,570	3,641	3,714
Interest/Property Taxes				-	-
Communications (including Utilities)		17,617	17,970	18,329	18,696
SAIS Hosting Services	12	3,000	3,000	3,000	3,060
Furniture and Other Equipment		1,000	2,000	2,000	2,000
Improvements to New Rental Facility				-	-
Note/Loan/Non-Facility Lease Payments		3,165	3,165	3,165	3,165
Audit		8,700	9,000	9,500	10,000
Legal	13	6,800	6,800	6,800	6,800
Advertising/Marketing/Referral Awards	14	7,500	8,500	9,500	10,500
Travel		200	200	200	200
Printing and Postage		510	500	510	520
Supplies		8,517	9,000	9,500	10,000
Food Service	20	1,300	1,400	1,500	1,600
Transportation		100	100	100	100
Student Activities	20	4,460	4,683	5,189	5,448
Fees and Dues	15	950	950	950	950
Penalties			-	-	-
Bankruptcy payments under Chapter 11 Reorganization Plan	16	24,900	33,450	41,900	46,250
Technology		1,000	1,000	1,000	1,000
Student Awards	17	3,500	3,570	3,641	3,714
Other	18	497	497	497	497
Total Non-Instructional		286,525	300,010	315,091	326,265
TOTAL EXPENSES	19	801,445	874,158	927,299	954,237
Increase (Decrease) in Net Assets	19	18,396	10,589	29,230	74,144
Net Assets, Beginning of Year		(723,945)	(194,549)	(183,960)	(154,730)
Chapter 11 Discharge per Plan Approval in September 2011	21	511,000			
Net Assets, End of Year	21	(194,549)	(183,960)	(154,730)	(80,586)

(See notes on next page).

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ASSUMPTIONS/NOTES

1. ADM growth is based on 82 percent growth over the last two years due to new more visible location, higher retention and satisfaction within the school community, and improved marketing strategies and outreach

2. Equalization Revenue is based on 2012 Budget worksheets and subsequent legislature approved reductions. Furthermore, for 2011/12, it is anticipated that the five percent proceeds withheld , from action of the State Board of Education in March, 2011 will be returned by February or March 2012.

3. Classroom Site Fund revenue for each year is based on $219.00 per student multiplied by the respective weighted student count used to calculate Equalization.

4. Instructional Improvement Fund revenue in each year is based on $40.00 per student multiplied by the respective unweighted student count to calculate equalization.

5. Federal Funds/ Grants: This number is based on IDEA Basic and State Funding grant allocations from 2011/12 school year.

6. Food service revenues are for snacks and lunches purchased by students and assume an increase each year approximately equal to projected ADM growth each year.

7. Extracurricular Tax Credits, contributions /donations and fundraising income are projected conservatively based on YTD activity for 2010/11 and prior school history.

8. School Activity revenues consist of fees for uniforms and consumable supply fees. Projected revenues are based on average (based on historical data) from the last two years.

9. Beginning in September, 2010, salaries, payroll taxes and benefits for instructional staff are paid by DHR under an employee leasing arrangement. The school is billed for the total payroll amount, plus an administrative fee, which the school pays directly to DHR as a purchased service. All other staff/ consultants (instructional and non-instructional) are paid on contracted services basis (i.e. 1099 vendors). There will be staff increases in 2012/13 and 2013/14, based on population growth and needs in Science, the Humanities and a possibly a third foreign language. There will be no staff additions for the 2014/15 school year.

10. The school participates with Mesa Community College, allowing qualifying students to enroll in dual credit courses. School tuition is paid by the school.

11. The school moved into a new facility for the 2010/11 school year. Rent expense until 2012/13 is based on the lease agreement ($9250.00 per month triple net) with inflationary costs of two percent triggering in the fourth and fifth years.

12. Schoolmaster/Tyler Technologies is now hosting and providing backups of SAIS data under a separate hosting agreement.

13. Legal Fees include trustee and court fees that incur quarterly during the reorganization process.

14. Advertising/Marketing/Referral awards consist of use of marketing consultant, increased website exposure, publication of media kit materials and continued open houses. In addition, based on published school guidelines, the school offers referral awards to award families that refer students to Grand Canyon Prep as long as they attend 95 percent of the time and demonstrate good citizenship and maintain an average over a 70. Referral awards are estimated at $1200 in 2011/12 and $1500 in each subsequent year.

15. This includes dues such as NCA and miscellaneous bank monthly fees.

16. Amount projected to be paid monthly under the proposed reorganization plan. Amounts will be applied to secured and unsecured priority claims totaling approximately $187,000. Creditors such as Retirement, Department of Revenue and IRS are being paid at four percent interest, The plan will be fully paid in six years with $51,750 being paid in year five (2015/16)

17. Per student behavior guidelines published in our policies and website, student awards for college are offered for valedictorian at $500 and at $250 per student for qualifying students who are on the Honor Roll for all four quarters paid after graduation.

18. Other areas consist of depreciation.

19. Expenses reflect possible surpluses at the end of each fiscal year. If these surpluses materialize, the funds will be allocated to the following areas: additional staffing bonuses (if earned by measures such as student achievement results on measurements such as AIMS), further investments in infrastructure such as technology and other instructional aides, increased marketing and paying down a portion of the reorganization plan earlier than anticipated.

20. Various expenses from 2011 to 2015 assume a two percent inflation rate from 2010/11.

21. Based on the reorganization plan, unsecured non priority liabilities totaling approximately $551,000 will be discharged in Chapter 11 and thus written off. The attached excel chart noting

22. Purchased Services includes accounting/business services, and non-instructional office staff.