C.4 Start-up Budget Assumptions

Highland Prep has secured $150,000. These funds are currently available to the school and will be used for Start-Up expenses until the school opens in August 2016. There will be a carryover to the three year budget of $1,836.

Salaries for a Director, Principal, Clerical/Finance Manager and Teachers are prorated according to the amount of time they will be working and are based on research of typical professional salaries. Director, Principal and Clerical/Finance Manager positions are full time for six months. A teaching staff of six will be paid $769.23 each for five days of professional development prior to the opening of school for a total of $4,615.38. Total salary expenses are $84,615.38.

Employee benefits are figured at 7.65% for FICA, Social Security, and Medicare for a total of $6,473.08.

Other administrative expenses include: $2,500 for general office supplies, $2,500 for professional dues (Arizona Charter Schools Association, National Association of Secondary Principals, ASCD).

Operational expenses are kept to a minimum due to the terms of the building which include: space (building and land). Prorated cost of the lease is $12,000.

Highland Prep has allocated $2,500 for maintenance and cleaning supplies, $21,525 for marketing, $1,000 for fees and permits, $1,500 for cell phone service for administrators, $3,500 for three computers (for the Director, Principal and Clerical/Finance Manager), and $1,200 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, $3,550 is allocated for property/casualty insurance and $2,800 for liability insurance. There is also allocated $2,500 for office furniture and miscellaneous equipment.