Operational Budget

Applicant Name: Institute for Transformative Education

	First Year			Second Year			Third Year		
STUDENT COUNT			**95**			**155**			**215**
Number of Students (Budget based on)			**80**			**130**			**180**
CARRYOVER (Balance from Start-Up Budget in year 1 or previous year)			$12,835			$9,408			$17,809
REVENUE			**$ Amount**			**$ Amount**			**$ Amount**
State Funding (Equalization Assistance)			$557,432			$900,304			$1,252,762
Classroom Site Fund			$18,708			$30,147			$41,202
Instructional Improvement Fund			$3,200			$5,200			$7,200
Secured Funds - Private Donations									
Secured Funds - Loans									
Secured Funds - Other (Specify)									
Total Revenue			$579,340			$935,651			$1,301,164
EXPENDITURES	**# of Staff**	**@ Salary**	**Total**	**# of Staff**	**@ Salary**	**Total**	**# of Staff**	**@ Salary**	**Total**
1. Administration, Instruction, & Support:									
Salaries									
Principal	1.00	$ 60,000.00	$60,000	1.00	$ 62,000.00	$62,000	1.00	$ 64,000.00	$64,000
Assistant Principal							1.00	$ 45,000.00	$45,000
Teacher-Regular Education	5.00	$ 38,000.00	$190,000	7.00	$ 40,000.00	$280,000	10.00	$ 42,000.00	$420,000
Instructional Assistants-Regular Education	4.00	$ 11,000.00	$44,000	4.00	$ 12,000.00	$48,000	4.00	$ 13,000.00	$52,000
Office Manager	1.00	$ 30,000.00	$30,000	1.00	$ 32,000.00	$32,000	1.00	$ 34,000.00	$34,000
Receptionist	0.50	$ 26,500.00	$13,250	1.00	$ 26,500.00	$26,500	1.00	$ 28,000.00	$28,000
Employee Benefits (Required Employer Contributions)			$33,725			$44,850			$57,900
Employee Insurance (if applicable)			$49,392			$75,000			$109,200
Office Supplies (Paper, Postage, etc.)			$4,000			$5,000			$6,000
Instructional Supplies			$8,000			$18,000			$25,000
Membership Dues, Registrations, & Travel			$1,000			$4,000			$6,000
Purchased Services (Contracted Services, Accounting Services, Legal, Consultants, etc.)			$30,000			$25,000			$28,000
Purchased Services (Special Education)			$25,000			$34,000			$43,000
Curriculum & Resource Materials			$6,000			$16,000			$20,000
Library Resources/Software			$4,000			$4,000			$4,000
SAIS Software			$6,900			$6,900			$6,900
Auditor Fees			$1,000			$11,000			$13,000
Other (Specify)									

Operational Budget

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Total Administration, Instruction, & Support			$506,267			$692,250			$962,000
EXPENDITURES			**Total**			**Total**			**Total**
2. Operations & Maintenance:									
Supplies			$3,000			$5,000			$7,000
Marketing/Advertising			$4,000			$4,000			$5,000
Purchased Services (Contracted Services, Custodial/Maintenance)			$15,000			$20,000			$25,000
Building Rent/Lease/Loan						$84,000			$120,000
Building & Improvements									
Land & Improvements									
Fees/Permits									
Liability Insurance			$19,500			$21,000			$22,500
Utilities (Electric, Gas, Water, Waste)			$20,000			$24,000			$28,000
Phone/Communications/Internet Connectivity			$12,000			$15,000			$18,000
Transportation									
Food Service									
Student Furniture & Other Equipment						$10,000			$10,000
Office Furniture & Other Equipment						$2,000			$2,000
Student Technology Equipment						$30,000			$30,000
Office Technology Equipment						$2,000			$2,000
Other Leases/Loans (Security, Copiers, etc.)			$3,000			$6,000			$10,000
Loan Payback						$12,000			$48,000
Total Operations & Maintenance			$76,500			$235,000			$327,500
Total Expenditures			$582,767			$927,250			$1,289,500
Total Revenues			$592,175			$945,059			$1,318,973
			$579,340			$935,651			$1,301,164
Budget Balance (Revenues-Expenditures)			$9,408			$17,809			$29,473

Approved March 8, 2010

Institute for Transformative Education

Operational Budget Narrative*

Revenue

State Equalization ($557,432), was calculated on 80 ADM using the worksheets issued by the Auditor General's office for fiscal year 2010-2011.

Classroom Site Fund ($18,708), was calculated based upon the weighted student count of 80 ADM (124.72) and then multiplied by using a dollar factor of $150. This is a very conservative estimate.

Instructional Improvement Fund ($3,200), was calculated using the ADM multiplied by $40.

Administration, Instruction and Support

Principal ($60,000), will adhere to the direction of the governing board to ensure the successful establishment of all aspects of the school. The principal will answer directly to the governing board. This salary is competitive in the school's market area.

Assistant Principal, starting in Year 3 ($45,000), will take over certain functions from the Principal as the school grows.

Teacher-Regular Education ($190,000), the 5 teachers will make a salary of $38,000 each in year 1, with $2,000 incremental raises for good performance in subsequent years. This salary is on the higher end of the pay scale for teachers and will help us attract and retain quality teachers.

Instructional Assistants ($44,000), this half-time position will make $11,000 per year and this is a competitive salary for our market area.

Office Manager ($30,000), this salary is a competitive salary for our market area.

Receptionist ($13,250), half-time in year one, full-time thereafter.

Employer related benefits (10%--$33,725), are calculated to cover Social Security, Medicare, State Unemployment and Workman's Compensation.

Employee Insurance ($49,392), this amount is based upon a quote from The Arizona Group, a school insurance provider.

Office Supplies ($4,000), this is an estimate based upon similar sized schools.

Instructional Supplies ($8,000), this is an estimate based upon similar sized schools.

Membership Dues, Registrations, & Travel ($1,000), this is a baseline estimate based upon similar sized schools.

Purchased Services ($30,000), this amount is calculated based upon estimated contracts for business and financial management services from Diamond Financial Solutions ($18,000), legal counsel ($2,000) and $10,000 in year 1 for curriculum specialist, Susan Cameron (see start-up budget). Thereafter financial and legal will remain constant. The curriculum specialist will

*Year 1 figures used for illustration. Years 2 and 3 assume increased enrollment and normal expense increases unless otherwise noted.

receive $2,000 in year 2 and thereafter. Additional $3,000 in year 2 and $6,000 in year 3 are budgeted for professional development consulting services.

Purchased Services Special Education ($25,000), this is an estimate based upon information from an experienced consultant.

Curriculum and Resource Materials ($6,000), this is an estimate based upon similar sized schools.

Library Resources/Software ($4,000), this is an estimate based upon similar sized schools.

SAIS Software ($6,900), this is based upon a quote for yearly lease of Gold Spiral Universe School Management Platform.

Auditor Fees ($1,000), this will be the initial payment made for the start of the audit prior to the end of the school year. Auditor fees increase to $11,000 in year 2 and $13,000 in year 3.

Total Administration, Instruction and Support $506,267

Operations & Maintenance

Operation Supplies ($3,000), this is an estimate based upon similar sized schools.

Marketing/Advertising ($4,000) - this is an estimate based upon similar sized schools.

Purchase Service, Custodial ($15,000), this is an estimate based upon similar sized schools.

Building Lease, Every Voice in Action Foundation will secure the building and establish the rent. It will be based upon the ability of the school to pay and will not be an amount that will put the school in financial hardship. It is not anticipated that any rent will be paid in Year 1; Year 2 rent will be $84,000 and Year 3 $120,000. Rent will be paid monthly in Years 2 and 3 -- $7000/month in Year 2 and $10,000/month in Year 3.

Liability Insurance ($19,500), (based upon a market value quote by a school insurance provider).

Utilities ($20,000), this is an estimate based upon similar sized schools.

Phones/Communications ($12,000), this is an estimate based upon similar sized schools.

Student Furniture will be purchased during startup to ensure that classrooms are ready when school starts. Additional furniture will be purchased in Years 2 and 3.

Student Technology Equipment, for Year 1 is covered in the start up budget. $30,000 each year in subsequent years will be used to purchase additional Dell laptops and/or i-Pads (approximately $499 each) for students as enrollment increases from 80 in Year 1 to 130 in Year 2 and 180 in

*Year 1 figures used for illustration. Years 2 and 3 assume increased enrollment and normal expense increases unless otherwise noted.

Year 3. We intend to write technology grant proposals to boost funds available, and will continue to follow current research regarding best practices.

Security & Copier Lease ($3,000), this is an estimate based upon similar sized schools.

Loan Payback, starting in Year 2, payments on the no-interest startup loan of $200,000 will be made based on the school's ability to pay, as negotiated each year by the school board and the Foundation.

Total Operations & Maintenance $76,500

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