Business Plan

C.4 Start-Up Budget

- **Start-Up Budget Form**:

  - **MS Excel spreadsheet is enclosed**

- **Start-Up Budget Assumptions:**

START-UP REVENUE

- **Secured Funds - Founder Pledges $45,000**:

Delite Gaddie, founder of John Hancock Academy, has personally pledged $45,000 toward start-up operations. Such amount of start-up funds is considered sufficient to cover the start-up cash outlays of the new school, as described below.

A Verifiable Proof of Secured Funds is enclosed.

Administration, Instruction & Support (AIS) EXPENDITURES

- **Office Supplies (Paper, Postage, etc.)**:

John Hancock Academy will expend approximately $1,000 for initial office supplies and instructional materials during the start-up period, necessary for a normal office operation.

Timeframe for acquisition is Jan-June, 2013.

- **SAIS Software**:

John Hancock Academy will purchase a SAIS Software for approximately $8,000 in Jan-Feb 2013. This early purchase targets that right after the anticipated signing of the new charter, the student data is entered properly during the start-up period and the school is ready to submit its estimated counts on time (by the established deadline) to ADE for first equalization payment in August, 2013.

This expenditure covers the start-up and first year of operations, with an additional $1,000 in the Year 1 budget, should adjustments to the software program service are necessary.

Timeframe for acquisition is Jan-Feb, 2013.

Operations & Maintenance (O&M) EXPENDITURES

- **Supplies**:

During the start-up period an additional $2,000 toward supplies will be spent, mostly towards marketing and promotional print materials, fliers, brochures, etc.

Timeframe for acquisition is Jan-June, 2013.

- **Marketing/Advertising**:

John Hancock Academy will carry out an aggressive and structured marketing campaign with a start-up budget of $25,000 for advertising and marketing of the school during the period Jan-June 2013.

Start-Up Period (Jan-June 2013). The targeted outcome is enrollment of approximately 275 students during the start-up period. The school will spend $25,000 on banners that will surround the construction site; printing and distribution of flyers; mailing letters to parents of enrolled students (to inform, update, and sustain their interest in the school); print and distribute door hangers; run ads in parenting magazines and Arizona Republic; establish presence in social media and the school's website. This is a viable and adequate estimate based on the target market area research.

An additional $5,000 Year 1 budget allocation will complement the funds and efforts from the Start-Up Period. The targeted outcome is enrollment of additional 75 students and starting of a waiting list.

Timeframe for acquisition is Jan-June, 2013.

- **Office Technology Equipment**:

The temporary start-up office of John Hancock Academy will be equipped with a new desktop computer(where the SAIS software will be installed), paired with a laptop computer - Dell Computers provided a quote of $1,850, which will be available from the start-up budget.

Timeframe for acquisition is Jan-Feb, 2013.

Note: The projected Start-Up Budget Balance (surplus) in the amount of $7,150 will carry forward into the Year 1 budget.