C.4 Start-Up Budget Assumptions

C.4.a Start-Up Revenue

Due to the fact that Phoenix Collegiate Academy, Inc. is already running a high school under the existing K-12 approved charter, there will be no separate secured revenue for the new charter for Phoenix Collegiate Academy High School. Phoenix Collegiate Academy, Inc.(CMO) will finance the high school program through July of 2015, and upon receipt of the first payment to Phoenix Collegiate Academy High School, the CMO will allow funds to go to the school directly and only charge a management fee for services provided. For this reason, there is no start-up revenue.

C.4.b Start-Up Expenditures

Following the same logic as above, all expenditures between December of 2015 upon chartering through July 2015 will be paid for under the existing charter, Phoenix Collegiate Academy, Inc. Once the first payment to Phoenix Collegiate Academy High School arrives in August of 2015, the CMO will remove itself from support and just charge a management fee. Therefore, there are no start-up expenditures.

C.4.c Viable and Adequate Assumptions

It is viable and adequate to assume that Phoenix Collegiate Academy, Inc. can absorb all revenue and costs associated with the high school program until funding for the separate charter arrives. Phoenix Collegiate Academy, Inc. has supported the high school program in 2012-13 (9th grade only), 2013-14 (9th and 10th grade) and in 2014-15 (9th-11th grade). As an organization, PCA, Inc. has always had excellent audits, and never been in financial non-compliance.

C.4.d Revenues Cover Expenses

This is zero, so all balances out.

C.4.e Time frames are Consistent

All time frames for implementing program, purchasing items, spending any money is covered by the CMO until August of 2015. This is consistent throughout the application.