	Renewal Budget Plan				
	Actual		Projected Financial Information		
	FY ____11____	FY ____12____	FY ____13___	FY ____14___	FY ____15___
ADM:	104.74	81.90	125	180	200
Per pupil dollar (M & O)	**$6,620.68**	**$7,170.82**	**$6,895.75**	**$7,033.28**	**$6,964.52**
Per pupil dollar (CSF)	**$258**	**$341**	**$300**	**$321**	**$310**
REVENUE					
State Equalization Assistance	$693,450	$587,290	$861,969	$1,265,991	$1,392,903
Classroom Site Fund	$27,008	$27,962	$37,455	$37,829	$38,207
Instructional Improvement Fund	$4,346	$0	$0	$0	$0
Federal Funds/Grants	$565,528	$860,560	$978,492	$65,816	$73,129
Other State Funds/Grants					
Food Service (e.g., NSLP, food sales)	$15,948	$38,257	$58,390	$84,081	$93,424
Extracurricular Tax Credits	$17,077	$21,346	$50,000	$70,000	$80,000
Contributions and Donations	$25,426	$27,969	$30,765	$33,842	$37,226
Fundraising	$160,212	$96,127	$144,191	$158,610	$174,471
Earnings on Investments	$0	$7,500	$8,250	$9,075	$9,983
Student Activities	$0	$0	$0	$0	$0
Kindergarten Tuition (Applies only to FY10 & FY11 unless expanded by Legislature)	$0	$0	$0	$0	$0
Other	$205,000	$0	$0	$0	$0
Restricted Contributions & Donations	$800,000	$40,428	$40,000	$0	$0
TOTAL OPERATING REVENUE	$1,713,995	$1,667,011	$2,169,511	$1,725,244	$1,899,343
TOTAL RESTRICTED/OPERATING REVENUE	$2,513,995	$1,707,439	$2,209,511	$1,725,244	$1,899,343
EXPENSES					
Instructional					
Salaries	$720,634	$698,558	$786,430	$503,712	$593,350
Payroll Taxes	$61,798	$62,052	$62,673	$52,890	$62,302
Employee Benefits	$44,939	$50,818	$51,326	$37,778	$44,501
Purchased Services (Consultants)	$167,305	$141,736	$25,000	$25,250	$25,503
Purchased Services (Special Education)	$107,136	$41,000	$44,280	$44,723	$45,170
Technology	$28,953	$41,753	$35,863	$36,222	$36,584
Textbooks/Curriculum/Library	$14,615	$6,312	$6,375	$6,439	$6,503
Instructional Supplies	$39,874	$49,044	$39,628	$40,024	$40,424
Professional Development	$8,157	$5,896	$5,955	$6,015	$6,075

Travel	$2,413	$7,132	$7,203	$7,275	$7,348
Conferences/Training	$3,144	$2,273	$2,296	$2,319	$2,342
Other	$0	$0	$0	$0	$0
Total Instructional	$1,198,968	$1,106,574	$1,067,028	$762,646	$870,102
Non-Instructional					
Salaries	$277,750	$269,242	$271,934	$274,654	$277,400
Payroll Taxes	$23,819	$23,916	$24,155	$28,839	$29,127
Employee Benefits	$17,321	$19,586	$19,782	$20,599	$20,805
Purchased Services	$0	$0	$0	$0	$0
Rent/Bond Payment	$0	$0	$0	$0	$0
Repairs and Maintenance	$47,454	$48,432	$48,916	$49,405	$49,900
Utilities	$23,033	$28,224	$28,506	$28,791	$29,079
Property, Casualty, Liability Insurance	$14,170	$7,932	$8,011	$8,091	$8,172
Interest/Property Taxes	$52	$50	$51	$51	$52
Communications	$9,955	$10,500	$10,605	$10,711	$10,818
Furniture and Other Equipment	$1,738	$1,709	$1,726	$1,743	$1,761
Note/Loan/Non-Facility Lease Payments	$0	$0	$0	$0	$0
Audit	$5,000	$5,000	$5,000	$5,000	$5,000
Legal	$540	$500	$1,000	$1,000	$1,000
Advertising/Marketing	$16,077	$14,428	$25,000	$25,000	$25,000
Travel	$6,261	$7,100	$7,171	$7,243	$7,315
Conferences/Training	$29,322	$15,000	$3,788	$3,825	$3,864
Printing and Postage	$4,738	$4,916	$4,965	$5,015	$5,065
Supplies	$7,925	$10,596	$10,702	$10,809	$10,917
Food Service	$28,093	$36,900	$56,319	$61,951	$68,146
Transportation	$14,767	$27,540	$42,033	$46,236	$50,860
Student Activities	$8,152	$4,188	$4,230	$4,272	$4,315
Fees and Dues	$3,383	$5,640	$5,696	$5,753	$5,811
Other	$305,532	$364,869	$360,854	$362,821	$364,808
Total Non-Instructional	$845,082	$906,268	$940,444	$961,811	$979,214
TOTAL OPERATING EXPENSES	$2,044,050	$2,012,842	$2,007,473	$1,724,457	$1,849,316
Increase (Decrease) in Net Assets	($330,055)	$ (345,831)	$ 162,038	$ 788	$ 50,027
Net Assets, Beginning of Year	$0	($330,055)	($675,886)	($513,847)	($513,060)

Net Assets, End of Year	($330,055)	($675,886)	($513,847)	($513,060)	($463,033)

ASSUMPTIONS/NOTES

GLAA Projected ADM (Average Daily Membership)	**80**	**125**	**175**	**200**
Number of FTE Teachers	**6**	**8**	**8**	**10**
Average GLAA Teacher Salary	**$43,501.00**	**$43,936.01**	**$44,375.37**	**$44,819.12**
Number of High School Adjunct	**3**	**3**	**0**	**0**
Average GLAA Adjunct Teacher Salary	**$16,572.67**	**$16,572.67**	**$16,572.67**	**$16,572.67**
Teacher:Student ratio (NOT Average Class Size)	**13**	**16**	**22**	**20**
Projected Change in State Funds	**0%**	**0%**	**0%**	**0%**
Projected Salary Change	**0%**	**0%**	**0%**	**0%**
Projected Expense Change (Inflation)	**0%**	**1%**	**1%**	**1%**

Note: There are some exceptions to expense changes by line item. Please see additional information within the appropriate FY tab which identifies notes and assumptions for each fiscal year.

Fiscal 11 Notes & Assumptions

ADM NOTES & ASSUMPTIONS:

The ADM for FY11 was taken from the FY12 ADMS540-1 report, which indicated the year to date ADM as of 12/13/2011.

REVENUE NOTES & ASSUMPTIONS:

All state/federal revenue listed for FY11 is listed as recorded in the LEAs financial accounting system as received from ADE.

Fundraising - This revenue line item is being used to identify revenue from campaign pledges received from a Florence Crittention initiative entitled Imagine More.

*** Restricted Contributions & Donations** - The LEA received $1,005,000 in restricted revenue specified for GLAA business purposes. The following is a list of the amounts and the restrictions:

* 700,000 endowment for the charter school. The school is able to spend the interest earned on the endowment as unrestricted operating revenue.

* 250,000 donation for the charter school. This donation has a $100,000 restriction for technology and $150,000 for marketing of the school.

* 10,000 donation from the United Way.

* 5,000 donation from the Salt River Project. This is a service learning grant so that GLAA can purchase Vernier Probeware (LabQuest Biology, Environmental Science, and Physics Deluxe packages) to study ecological and hydrological real time samples along the Rio Salado Habitat Restoration Project. Grant will also fund the Science and Math teachers attendance to a professional development seminar hosted by the Arizona Center for STEM teachers. Remaining funds to go towards transportation and misc. supplies.

*40,000 donation from American Express. This is a service learning grant that allows for the payment of salary, equipment & supplies, project costs, and student leadership conferences.

EXPENSE NOTES & ASSUMPTIONS

*** Purchased Services (Consultants)** - This expense line item is higher than normal because of the first payment towards a required WestEd contract. This contract was for services to assist the charter school with the implementation of the School Improvement grant (SIG) in the areas of needs assessment, action planning, curriculum, assessment, and instruction. The charter school had a nonrecurring expense of $105,900, which was a 50% payment for services to be rendered. The charter school also faced some challenges in recruiting "highly qualified" teachers; therefore, substitute teachers were used until regular highly qualified teachers could be hired. Additionally, substitute coverage was necessary during Professional Development provided by WestEd.

*** Purchased Services (Special Education)** - This expense line item is higher than normal because 53% of the student population was comprised of residents of Florence Crittenton's therapeutic group home. 19% (41 students) of the residents were identified to receive SPED services. The residential program houses clients with varying lengths of stay. The high mobility of the residential population incurred increased expenses for residents identified as needing Special Education services.
*** Transportation** - This expense line item is lower than normal because 53% of the student population was comprised of residents of Florence Crittenton's therapeutic group home. This meant that the charter school did not incur any additional transporation costs to get the students to school.
*** Other** - The amount in the expense line item includes depreciation and allocated overhead costs. Florence Crittenton allocates administrative overheard which includes the following: executive, general administrative, information technology, finance and human resources expense, based on full-time equivalent employees per department. The allocation rate is determined at the beginning of each fiscal year and a monthly allocation is recorded in the accounting records as part of the month-end close.

Fiscal 12 Notes & Assumptions

ADM NOTES & ASSUMPTIONS:	**The ADM for FY12 was taken from the FY12 ADMS540-1 report, which indicated the year to date ADM as of 12/13/2011.**

REVENUE NOTES & ASSUMPTIONS:

All state/federal revenue listed for FY12 is listed as recorded in the LEAs financial accounting system as received from ADE. There is also an anticipated amount included as identified in the project budget column on ADEs grants management platform.
Food Service - This revenue line item was calculated by annualizing 8 months of reimbursements from NSLP.
Extracurricular Tax Credits - This revenue line item is an estimate based on the consistent interest in GLAA being the first single gender public high school in the state of Arizona. The projection includes an anticipation of 25% increase over LY.
Contribution & Donations - This revenue line item is an estimate based on the consistent interest in GLAA being the first single gender public high school in the state of Arizona. The projection includes a conservative anticipation of a 10% increase over LY.
Fundraising - This revenue line item is estimated at a 40% decrease based on FY11 actual. The 40% estimate is because many of the donations to Florence Crittenton come from current foundations and businesses who have recently developed new strategies and interest for their gifts. This estimate assumes that not all previous donors will again donate to the Florence Crittenton Imagine More campaign. However, the development department of Florence Crittenton is working to secure new donors. The potential of new donors was not considered as a part of this estimate.
Earnings on Investments - The charter school currently has $750,000 in endowment and is allowed to spend the interest earned as unrestricted capital. The FY12 estimate assumes a 1% average interest earned on the endowment, or $7,500.
Restricted Contributions & Donations - The LEA received $40,428 in restricted revenue specified for GLAA business purposes. The following is a list of the amounts and the restrictions: $30,428 from the Intel Corporation to be designated for expenses associated with the concurrent enrollment of GLAA students, $10,000 from the University of Phoenix also designated for concurrent enrollment expenses. Additionally, because the endowment was received and booked in FY11, this revenue item significantly decreased in FY12.

INSTRUCTIONAL EXPENSE NOTES & ASSUMPTIONS

	The projections for all FY12 expenses are based on eight (8) months of actual expenses annualized.
STRATEGY 4 - ACTION STEP 4a.	**Travel - This expense line item includes the budgeted expense from action step 4a in Strategy 4: Out of state travel expenses includes AVID Leadership Training (airfare-$1600, food-$2400, hotel-$1600, total=$5600.**

Purchased Services (Consultants) - This expense line item is higher than normal due to remitting the remaining 50% payment for the WestEd services as identified in the FY11 notes and assumptions.This is a nonrecurring expense. Additionally, ADE required WestEd expenses to be split between two fiscal years. This expense line item is 15% lower than FY11 as a result of hiring regular highly qualified classroom teachers. Hiring these teachers provided for a huge reduction in the use of substitute teachers.
Purchased Services (Special Education) - This expense line item is lower than FY11 because of the decrease in enrollment due to fewer grade levels being served and a lower SPED population. Additionally, because the residential girls were no longer being arbitrarily enrolled in the school this significantly decreased enrollment and students receiving SPED services.
Technology - This expense line item increased due to the year 2 SIG funded technology integration implementation which included the purchase of computers, software and support services for all GLAA students.
Textbooks - This expense line item decreased as a result of reusing textbooks previously purchased for the school.
Instructional Supplies - This expense line item increased to support the implementation of the amended academic curriculum which included the implementation of concurrent enrollment college courses.
Professional Development - This expense line item decreased in proportion to the decrease in faculty and support staff.
Travel - This expense line item increased because many of the required professional development activities to support student achievement were out of state, which meant an increase in hotel and flight expenses.
Conferences & Training - This expense line item decreased in proportion to the decrease in faculty and support staff.

NON-INSTRUCTIONAL EXPENSE NOTES & ASSUMPTIONS

Property, Casualty, Liability Insurance - This expense line item decreased due to the school using less square footage on the charter holder's property. Insurance for Florence Crittenton is done through an allocation based on square footage.
Conference & Training - There are less people attending conferences & training due to realigning the instructional and support staff to meet the redefined needs of the amended school charter. Capacity building through job embedded professional development requires less off-site training.
Supplies - This expense line item increased due to the additional supplies costs associated with the implementation of the School Improvement Grant.
Food Service - Food service is using less commodities this year as there were some issues with the quality of the commodities received. Additionally, food costs for this fiscal year have risen.
Transportation - This expense line item increased because transportation is now provided to almost all GLAA students. In FY11 53% of the student population were residents of Florence Crittenton's therapeutic group home and lived on campus.
Student Activities - This expense line item decreased due to the elimination of any programs that did not improve student achievement.
Fees and Dues - This expense line item increased to support new teachers in implementing best instructional practices.

Other - The amount in the expense line item includes depreciation and allocated overhead costs. Florence Crittenton allocates administrative overheard which includes the following: executive, general administrative, information technology, finance and human resources expense, based on full-time equivalent employees per department. The allocation rate is determined at the beginning of each fiscal year and a monthly allocation is recorded in the accounting records as part of the month-end close. Additionally, this line item increased due to the increased depreciation expense associated with capital assets (technology) purchased for every classroom.

Fiscal 13 Notes & Assumptions

ADM NOTES & ASSUMPTIONS:	**The ADM for FY13 is a projection that is based on the assumptions associated with a rigorous marketing and recruitment campaign that has generated interest in the school. The increase of enrollment from and ADM of 81.90 to 125 is an estimate approved by the School Governing Board of GLAA.**
PER PUPIL DOLLAR (M & O) NOTES & ASSUMPTIONS:	**The per pupil dollar for FY13 M & O is based and disbursed on a weighted average that's used as a part of a formula with unknown variables. Therefore, the assumption was based on information known. To calculate the projection we took an average of the two previous fiscal years and divided by 2. This calculation provided us with a workable number that fluctuates with student enrollment. This number is the result of what the school hypothetically receives per pupil membership identified...which has been calculated by taking the FY11 actual and the FY12 anticipated M & O dollar amounts and dividing by the ADM identified on the ADMS540-1 report dated 12/13/11.**
PER PUPIL DOLLAR (CSF) NOTES & ASSUMPTIONS:	**The per pupil dollar for FY13 CSF is based and disbursed on a weighted average that's used as a part of a formula with unknown variables. Therefore, the assumption was based on information known. To calculate the projection we took an average of the two previous fiscal years and divided by 2. This calculation provided us with a workable number that fluctuates with student enrollment. This number is the result of what the school hypothetically receives per pupil membership identified...which has been calculated by taking the FY11 actual and the FY12 anticipated CSF dollar amounts and dividing by the ADM identified on the CSF301 dated 07/12/11 for FY11 and 03/16/12 for FY12.**

REVENUE NOTES & ASSUMPTIONS:

State Equalization Assistance - This revenue amount was determined by using the established per pupil dollar. The per pupil dollar was then multipled by the projected ADM to produce this amount.
Classroom Site Fund - This revenue amount was determined by using the established per pupil dollar. The per pupil dollar was then multipled by the projected ADM to produce this amount.
Federal Funds/Grants - This amount assumes only the receipt of year 3 of the School Improvement Grant & the receipt of Title 1 dollars. These are estimates based on a historical average increase of 22.73%.
Food Service - This revenue line item was calculated by dividing the FY12 amount expected by the FY12 ADM, which provides a per pupil dollar amount. This amount was then multipled by the projected ADM for FY13.
Extracurricular Tax Credits - This revenue line item is an estimate based on the consistent interest in GLAA being the first single gender public high school in the state of Arizona. The charter holder plans to launch an aggressive "Tax Credit Champions" campaign to ensure a dramatic increase in tax credit funds, with an expectation of $400 per enrolled student. If a family can not contribute, the campaign will encourage "champions" to contribute on behalf of a student. The projection includes an increase to $50,000.

	Fundraising - This revenue line item is estimated at a 50% increase from FY12. The 50% estimate is based on launching an aggressive fundraising campaign. Previous fundraising efforts focused on supporting the organization as a whole, but the new direction will be to implement specific fundraising efforts to meet the needs of GLAA.
	All remaining non-restricted revenue projections assume a 10% increase based on organizational trend and interest of donors to support GLAA and its new mission.
	Restricted Contributions & Donations - The LEA anticipates applying for and receiving another service learning grant from American express. This grant is for $40,000 and can be used over a two year period.

INSTRUCTIONAL EXPENSE NOTES & ASSUMPTIONS

STRATEGY 1 - ACTION STEP 1a.	**Salaries - This expense line item includes the budgeted expense from action step 1a in strategy 1: July 2012: $25/hour at 80 hrs=$2000 per teacher X 8 teachers=$16000)**
STRATEGY 1 - ACTION STEP 1c.	**Textbooks/Curriculum/Library - This expense line item includes the budgeted expense from action step 1c in strategy 1: Cost of Reading/Math textbooks/instructional materials max $2400 annually**
STRATEGY 1 - ACTION STEP 5	**Salaries - This expense line item includes the budgeted expense from action step 5 in strategy 1: Curriculum development to occur during teacher's 10 month employment. 2012-2014 Summer school = $25/hr X 20 hrs/week X 2 weeks X 1 teacher = $1000 annually**
STRATEGY 3 - ACTION STEP 1a.	**Salaries - This expense line item includes the budgeted expense from action step 1a in strategy 3: $25/hr X 40 hrs X 1 Teacher= $1000**
STRATEGY 4 - ACTION STEP 4a.	**Professional Development - This expense line item includes the budgeted expense from action step 4a in strategy 4: AVID Summer Institute Registration: $700 per teacher X 6 teachers =$4200**
STRATEGY 4 - ACTION STEP 4a.	**Travel - This expense line item includes the budgeted expense from action step 4a in strategy 4: Out of state travel expenses includes AVID Leadership Training (airfare-$1600, food-$2400, hotel-$1600, total=$5600**
	Salaries, payroll tax, and benefits - These expense line items take into consideration the increase in teachers (2 full-time).
	Purchased Services (Consultants) - This expense line item is lower because the school is no longer using the services of WestEd. Additionally, the school is not planning on using an abundance of substitute teachers, which also reduced this expense.
	Technology - This expense line item reflects decreased costs from the FY12 due to one time technology purchases.
	Supplies - This expense line item reflects decreased costs from the FY12 implementation of new curriculum and orientation of new teachers.
	All other instructional expenses assume a 1% increase over FY12 for inflation. The charter school does not project any major fluctuations in expenses and believes the 1% estimate is a solid projection.

NON-INSTRUCTIONAL EXPENSE NOTES & ASSUMPTIONS

	With the exception of the audit, legal, and advertising/marketing expenses, most other expenses assume only a 1% increase or FY12 for inflation. The charter school does not project any major fluctuations in expenses and believes the 1% estimate is a solid projection. Any additional exceptions have been identified below.

Audit - This expense line item is a flat rate identified as the cost of the single audit for the school. The charter school as a part of Florence Crittenton also receives an audit allocation to assist in the payment for audit services to complete the consolidated financial report.
Advertising/Marketing - This expense increased to reflect the charter holder's plan for an aggressive marketing strategy to support the growth of GLAA.
Conferences/Training- This expense line item decreased because previous travel expenses were associated with the implementation of the Turnaround model. Non-instructional staff are now committed to job-embedded, capacity building professional development.
Food Service - This projection is based on the assumption of the annualized expenses for FY12 divided by the identified ADM. The total was then multipled by the new projected ADM for FY13.
Transportation - This projection is based on the assumption of the annualized expenses for FY12 divided by the identified ADM. The total was then multipled by the new projected ADM for FY13.
Other - The amount in the expense line item includes depreciation allocated overhead costs. Florence Crittenton allocates administrative overheard, which includes the following: executive, general administrative, information technology, finance and human resources expense, based on full-time equivalent employees per department. The allocation rate is determined at the beginning of each fiscal year and a monthly allocation is recorded in the accounting records as part of the month-end close. Additionally, this line item increased due to the increased depreciation expense associated with capital assets (technology) purchased for every classroom.

Fiscal 14 Notes & Assumptions

ADM NOTES & ASSUMPTIONS:	**The ADM for FY14 is a projection that is based on the assumptions associated with a rigorous marketing and recruitment campaign that has generated interest in the school.**
PER PUPIL DOLLAR (M & O) NOTES & ASSUMPTIONS:	**The per pupil dollar for FY14 M & O is based and disbursed on a weighted average that's used as a part of a formula with unknown variables. Therefore, the assumption was based on information known. To calculate the projection we took an average of the two previous fiscal years and divided by 2. This calculation provided us with a workable number that fluctuates with student enrollment. This number is the result of what the school hypothetically receives per pupil membership identified...which has been calculated by taking the FY12 actual and the FY13 anticipated M & O dollar amounts and dividing by the ADM.**
PER PUPIL DOLLAR (CSF) NOTES & ASSUMPTIONS:	**The per pupil dollar for FY13 CSF is based and disbursed on a weighted average that's used as a part of a formula with unknown variables. Therefore, the assumption was based on information known. To calculate the projection we took an average of the two previous fiscal years and divided by 2. This calculation provided us with a workable number that fluctuates with student enrollment. This number is the result of what the school hypothetically receives per pupil membership identified...which has been calculated by taking the FY12 actual and the FY13 anticipated CSF dollar amounts and dividing by the ADM.**

REVENUE NOTES & ASSUMPTIONS:

State Equalization Assistance - This revenue amount was determined by using the established per pupil dollar. The per pupil dollar was then multipled by the projected ADM to produce this amount.
Classroom Site Fund - This revenue amount was determined by using the established per pupil dollar. The per pupil dollar was then multipled by the projected ADM to produce this amount.
Federal Funds/Grants - This amount assumes only the receipt of Title 1 dollars.
Food Service - This revenue line item was calculated by dividing the FY13 projected amount expected by the FY13 ADM, which provides a per pupil dollar amount. This amount was then multipled by the projected ADM for FY14.
Extracurricular Tax Credits - This revenue line item is an estimate based on the consistent interest in GLAA being the first single gender public high school in the state of Arizona. The charter holder plans to launch an aggressive "Tax Credit Champions" campaign to ensure a dramatic increase in tax credit funds, with an expectation of $400 per enrolled student. If a family can not contribute, the campaign will encourage "champions" to contribute on behalf of a student. The projection includes an increase to $70,000.

Fundraising - FY14 includes an estimated 10% increase over FY13. FY13 includes an aggressive 50% increase over FY12 as a result of launching an aggressive fundraising campaign. Previous fundraising efforts focused on supporting the organization as a whole, but the new direction will be to implement specific fundraising efforts to meet the needs of GLAA. Fundraising efforts will continue in order to ensure this 10% increase.
All remaining non-restricted revenue projections assume a 10% increase based on organizational trend and interest of donors to support GLAA and its new mission.

INSTRUCTIONAL EXPENSE NOTES & ASSUMPTIONS

STRATEGY 1 - ACTION STEP 1a.	**Salaries - This expense line item includes the budgeted expense from action step 1a in strategy 1: July 2013 : $25/hour at 80 hrs=$2000 per teacher X 8 teachers=$16000)**
STRATEGY 1 - ACTION STEP 1c.	**Textbooks/Curriculum/Library - This expense line item includes the budgeted expense from action step 1c in strategy 1: Cost of Reading/Math textbooks/instructional materials max $2400 annually**
STRATEGY 1 - ACTION STEP 5	**Salaries - This expense line item includes the budgeted expense from action step 5 in strategy 1: Curriculum development to occur during teacher's 10 month employment. 2012-2014 Summer school = $25/hr X 20 hrs/week X 2 weeks X 1 teacher = $1000 annually**
	Salaries, payroll tax, and benefits - These expense line items decrease because two additional full time faculty eliminates the need for adjuncts. Additionally, there was an elimination of salaries funded by SIG.
	All other instructional expenses assume a 1% increase over FY13 for inflation. The charter school does not project any major fluctuations in expenses and believes the 1% estimate is a solid projection.

NON-INSTRUCTIONAL EXPENSE NOTES & ASSUMPTIONS

With the exception of the audit, legal, and advertising/marketing expenses, most other expenses assume only a 1% increase or FY12 for inflation. The charter school does not project any major fluctuations in expenses and believes the 1% estimate is a solid projection. Any additional exceptions have been identified below.
Audit - This expense line item is a flat rate identified as the cost of the single audit for the school. The charter school as a part of Florence Crittenton also receives an audit allocation to assist in the payment for audit services to complete the consolidated financial report.
Advertising/Marketing - This expense is paid for 100% with restricted dollars designated for the charter school.
Food Service - This projection is based on the assumption of the projected expenses for FY13 divided by the identified ADM. The total was then multipled by the new projected ADM for FY14.
Transportation - This projection is based on the assumption of the projected expenses for FY13 divided by the identified ADM. The total was then multipled by the new projected ADM for FY14.

Other - The amount in the expense line item includes depreciation allocated overhead costs. Florence Crittenton allocates administrative overheard, which includes the following: executive, general administrative, information technology, finance and human resources expense, based on full-time equivalent employees per department. The allocation rate is determined at the beginning of each fiscal year and a monthly allocation is recorded in the accounting records as part of the month-end close. Additionally, this line item increased due to the increased depreciation expense associated with capital assets (technology) purchased for every classroom.

Fiscal 15 Notes & Assumptions

ADM NOTES & ASSUMPTIONS:	**The ADM for FY15 is a projection that is based on the assumptions associated with a rigorous marketing and recruitment campaign that has generated interest in the school.**
PER PUPIL DOLLAR (M & O) NOTES & ASSUMPTIONS:	**The per pupil dollar for FY15 M & O is based and disbursed on a weighted average that's used as a part of a formula with unknown variables. Therefore, the assumption was based on information known. To calculate the projection we took an average of the two previous fiscal years and divided by 2. This calculation provided us with a workable number that fluctuates with student enrollment. This number is the result of what the school hypothetically receives per pupil membership identified...which has been calculated by taking the FY13 actual and the FY14 anticipated M & O dollar amounts and dividing by the ADM.**
PER PUPIL DOLLAR (CSF) NOTES & ASSUMPTIONS:	**The per pupil dollar for FY15 CSF is based and disbursed on a weighted average that's used as a part of a formula with unknown variables. Therefore, the assumption was based on information known. To calculate the projection we took an average of the two previous fiscal years and divided by 2. This calculation provided us with a workable number that fluctuates with student enrollment. This number is the result of what the school hypothetically receives per pupil membership identified...which has been calculated by taking the FY13 actual and the FY14 anticipated CSF dollar amounts and dividing by the ADM.**

REVENUE NOTES & ASSUMPTIONS:

State Equalization Assistance - This revenue amount was determined by using the established per pupil dollar. The per pupil dollar was then multipled by the projected ADM to produce this amount.
Classroom Site Fund - This revenue amount was determined by using the established per pupil dollar. The per pupil dollar was then multipled by the projected ADM to produce this amount.
Federal Funds/Grants - This amount assumes only the receipt of Title 1 dollars.
Food Service - This revenue line item was calculated by dividing the FY14 projected amount expected by the FY14 ADM, which provides a per pupil dollar amount. This amount was then multipled by the projected ADM for FY15.
Extracurricular Tax Credits - This revenue line item is an estimate based on the consistent interest in GLAA being the first single gender public high school in the state of Arizona. The charter holder plans to launch an aggressive "Tax Credit Champions" campaign to ensure a dramatic increase in tax credit funds, with an expectation of $400 per enrolled student. If a family can not contribute, the campaign will encourage "champions" to contribute on behalf of a student. The projection includes an increase to $80,000.

Fundraising - FY15 includes an estimated 10% increase over FY14. FY13 includes an aggressive 50% increase over FY12 as a result of launching an aggressive fundraising campaign. Previous fundraising efforts focused on supporting the organization as a whole, but the new direction will be to implement specific fundraising efforts to meet the needs of GLAA. Fundraising efforts will continue in order to ensure this 10% increase each year.
All remaining non-restricted revenue projections assume a 10% increase based on organizational trend and interest of donors to support GLAA and its new mission.

INSTRUCTIONAL EXPENSE NOTES & ASSUMPTIONS

STRATEGY 1 - ACTION STEP 1a.	**Salaries - This expense line item includes the budgeted expense from action step 1a in strategy 1: July 2014: $25/hour at 80 hrs=$2000 per teacher X 8 teachers=$16000**
STRATEGY 1 - ACTION STEP 1c.	**Textbooks/Curriculum/Library - This expense line item includes the budgeted expense from action step 1c in strategy 1: Cost of Reading/Math textbooks/instructional materials max $2400 annually**
STRATEGY 1 - ACTION STEP 5	**Salaries - This expense line item includes the budgeted expense from action step 5 in strategy 1: Curriculum development to occur during teacher's 10 month employment. 2012-2014 Summer school = $25/hr X 20 hrs/week X 2 weeks X 1 teacher = $1000 annually**
	Salaries, payroll tax, and benefits - These expense line items take into consideration the increase in teachers (2 full-time).
	All other instructional expenses assume a 1% increase over FY14 for inflation. The charter school does not project any major fluctuations in expenses and believes the 1% estimate is a solid projection.

NON-INSTRUCTIONAL EXPENSE NOTES & ASSUMPTIONS

With the exception of the audit, legal, and advertising/marketing expenses, most other expenses assume only a 1% increase for inflation. The charter school does not project any major fluctuations in expenses and believes the 1% estimate is a solid projection. Any additional exceptions have been identified below.
Audit - This expense line item is a flat rate identified as the cost of the single audit for the school. The charter school as a part of Florence Crittenton also receives an audit allocation to assist in the payment for audit services to complete the consolidated financial report.
Advertising/Marketing - This expense is 100% being paid for using restricted dollars designated for the charter school.
Food Service - This projection is based on the assumption of the projected expenses for FY14 divided by the identified ADM. The total was then multipled by the new projected ADM for FY15.
Transportation - This projection is based on the assumption of the projected expenses for FY14 divided by the identified ADM. The total was then multipled by the new projected ADM for FY15.

Other - The amount in the expense line item includes depreciation allocated overhead costs. Florence Crittenton allocates administrative overheard, which includes the following: executive, general administrative, information technology, finance and human resources expense, based on full-time equivalent employees per department. The allocation rate is determined at the beginning of each fiscal year and a monthly allocation is recorded in the accounting records as part of the month-end close. Also...this line item increased due to the additional depreciation expense associated with capital assets (technology) purchased for every classroom.

Financial Sustainability Narrative

The charter holder, Florence Crittenton Services of AZ, Inc. is one of the oldest non-profit social services agencies in Arizona. A committed Board of Directors along with enormous support and goodwill from the community ensures its place in Arizona's history. In 1997, Florence Crittenton was granted a charter to operate Crittenton Youth Academy, a school for 6th – 12th grade students. As a social services agency, Florence Crittenton's programs were driven primarily by the therapeutic needs of its residential population which did not always align with the educational responsibilities of a public charter school. This may have contributed to the school's failure to make Adequate Yearly Progress (AYP) for 5 consecutive years resulting in a designation as "Persistently Lowest Achieving (PLA)" in 2009. Subsequently, in Spring 2010, the charter holder received a Federal School Improvement Grant (SIG) to implement the Turnaround Model in order to begin meaningful, sustainable improvement efforts at the school. SIG funds have been, and continue to be used to integrate technology, improve curriculum and assessment, and provide high quality job embedded professional development. During this time, inspired by a vision that all young women will have the opportunity to develop as leaders shaping their lives for success, Florence Crittenton Services of Arizona, Inc. also spearheaded the "Crittenton Bill" legislation enabling the charter's redesign as Girls Leadership Academy of Arizona (GLAA), the first single-gender public school in the state. To that end, the charter school's Governing Body approved amendments to the charter's name, mission, and grade levels served. This eliminated the self-contained middle school classroom which had been serving 6th-8th grade students. Such a significant change resulted in a complete turnover in staff as well as a drastic decrease in enrollment, which resulted in reduction in state equalization. However, by the 2014-2015 academic year, with full implementation of the school's improved academic program, the charter holder anticipates full enrollment.

Florence Crittenton continues to fully support the implementation of the redesign of GLAA and the potential financial deficit associated with such significant change. As shown by the attached minutes from the Board of Directors meeting on June 23, 2011, the charter holder approved the agency wide FY12 budget which includes the approval of a $669,246 operating deficit for GLAA. As the attached Consolidated Financial reports illustrate, as of June 30, 2011, the charter holder holds in excess of $13.8 million in net assets and very minimal debt. The charter holder owns all but one real property debt-free including the building that houses GLAA. Additionally, the Arizona Department of Housing (ADOH) loan on one transitional housing property will be forgiven March 31, 2020, given that the property is maintained for its current use. Furthermore, for at least the past eleven years, Florence Crittenton Services of Arizona, Inc. has received unqualified opinions on its annually audited financial statements. Clearly, the charter holder remains financially viable.

Since June 2011, the charter holder has experienced significant change in executive leadership (CEO, CFO and Chief Development Officer, Chief Human Resources Officer). These changes are to more effectively meet the future organizational needs. The charter holder believes FY11 results reflect inadequate charter school accounting knowledge and skills. However, this has been rectified as of September 2011 with the creation of a new position dedicated solely to the accounting, financial reporting, and fiscal compliance needs of the charter school. Additionally, our financial operation is supported by effective accounting software and an appropriate budget process. Both financial accounting and recordkeeping have been excellent demonstrating our progress toward enhancing managerial accounting and grant reporting.

Florence Crittenton

Board of Directors
Meeting Minutes
Thursday, June 23, 2011

A meeting of the Board of Directors of Florence Crittenton Services, Inc. was held at Florence Crittenton, 715 W. Mariposa Street, Phoenix, AZ, 85013 on Thursday, June 23, 2011. Mike Olsen called the meeting to order at 11:50 A.M. Mifi Martinelli-Gange served as recording secretary. Persons attending the meeting were:

Directors: Melissa Baffert, Theresa Dwyer-Federhar, Tammy Escobar-Miller, Sue Glawe, Rona Kasen, Ina Manaster, Kathy Munson, Carole McManus, Sophia Nicholson, Dawn Olsen, Cecilia Rosales, Ruth Young and Mike Olsen

Staff: Gayle Jackson, George Allman, Beckie Mayberry, Kellie Warren, and Yvonne Watterson

Guest: Darlene Shephard

Welcome *(Mike Olsen)*

- Mike Olsen welcomed Board and staff members.
- The next Board meeting will be the annual meeting on September 27th.
- Departing Board members and the induction of new Board members will be recognized.

Finance Report *(Melissa Baffert)*

- Melissa reviewed the FY 2012 Summary Budget with the Board (see attached), which included FY 2011 budget results.
- Melissa reported the following with respect to Projected FY 2011 and Budgeted FY 2012:
  - Revenue is expected to end at $8.5 million vs. the $12.3 million budgeted. Factors that contributed to the deficit were a decrease in program revenue and decline of enrollment and donations.
  - FY 2011 will likely end with approximately $747K income before non-cash items.
  - Expenses for FY 2012 will increase slightly vs. 2011 Actual as we are anticipating an increase in employee benefits and printing/advertising and a decrease in contract and professional expenses. As always, successful fund raising will be key to covering shortfalls.
  - FY 2012 budget projections are based on maintaining 35 residential clients in the Residential Program and an enrollment rate of at least 80 students at the Girls Leadership Academy (enrollment and pending applications are currently at 78 students).
- Melissa reported that the Dierking trust is expected to be liquidated and distributed in July 2011. This will lead to a $1.2 million cash increase. A review of the Windfall Allocation Policy will be presented at the next board meeting as well as a recommendation on application of the funds.
- George Allman explained that it may be necessary in FY 2011-2012 to utilize income or assets from the general investments to cover cash flow shortfalls as we wait for the endowment investments increase.
- George informed the Board that the current variables that may effect the budget are as follows:

- RFP decision for the Independent Living Program (estimated positive contribution margin of over $300K included in the budget).
- Residential Census remaining above 35 clients – 35 budgeted.
- Girls Leadership Academy enrollment reaching and maintaining 80 or more students – 80 budgeted.
- Girls Ranch RFP results allowing us to reinstate the program and reinstating revenue – no revenue budget for Girls Ranch.

- Melissa reported that cash flow statements will be provided to the Board periodically moving forward.
- It was discovered that the contributions budgeted for the year were missing the $1 million Board of Visitors contribution and a request to have that added back into the contribution line before Budget approval was made.
- A motion to approve the 2012 Budget subject to the addition of the $1million Board of Visitors match was made by Ina Manaster and seconded by Theresa Dwyer-Federhar.
  - Vote Results: All were in favor.
- Melissa presented the Board Resolution regarding the 401(k) Plan (see attached) which allows the school staff to participate in the agency 401k program until enrollment in the state retirement plan can be finalized. The motion to approve the resolution was made by Melissa Baffert and seconded by Carole McManus.
  - Vote Results: All were in favor.
- Mike presented the updated Investment Policy (Revised May 19, 2011) (see attached Policy). Changes made include the deletion of a deferred compensation plan, the additions of benchmarks and how the current investments are diversified have been made to allow an increase allocation to alternative investments up to 10% on a case by case basis. Further changes will be edited based on conversations and brought back to the Board for review in September.
- Melissa presented the April financial statement (see attached April financial report).

School Board Update *(Rona Kasen)*

- Rona Kasen presented a special thank you card to Dawn for the hard work on obtaining the Dorrance Gift.
- Rona reported that we have reapplied for the SIG Grant, and the Department of Education is allocating the full amount that will afford the opportunity to add the following programs and products:
  - AVID Program (college readiness for special needs children)
  - Smart Boards
  - Hiring of an IT Integration Specialist
  - 120 laptops
  - Professional development training for teachers
  - Three weeks of special training in July
- Rona reported that other summer programs include 15 kids currently in Math Boot Camp and ECO Camp and that the school will also be getting two chemistry teachers through Teach for America.
- Rona reported the progress of enrollment for the Girls Leadership Academy
  - Enrollment is up to 66
  - Intent to enroll is at 12
  - Expecting to reach our goal of 80 in July and feels confident that enrollment will eventually increase to 100
- Rona informed the Board that the GLAA marketing is complete and includes print materials, post card mailer within a target market, kiosk at Spectrum Mall, billboards, media coverage

and a GLAA website (glaaz.org). A ribbon cutting and media event will held on campus Friday, June 24, 2011. Rona is confident that the enrollment will continue to increase and possibly reach 100 by the Fall Semester.

- Yvonne presented new uniforms and expressed a special thank you to Carole McManus for her help and support.
- Yvonne also presented the graduation video developed by the students to the Board.

Programs Committee *(Theresa Dwyer-Federhar)*

- Theresa reported that a Community Based Services Director has been hired and will start in July. Recruiting is currently underway for a Residential Education Director and a decision is expected to occur by June 24th.
- Theresa commended Dr. Warren on her planning and implementation of a successful residential education program without the benefit of having an Education Director on Board.
- Theresa discussed the recent alliance with Pinnacle and a June 6th launch of online computer educational programs for our residents free of charge and that it is going very well.
- Dr. Warren informed the Board that Life Skills classes have started for students and is going very well, a liaison from Pinnacle is on campus twice a week, that graduation plans have been made for each student and that five tutors have been recruited to assist students in their academic success.
- Theresa explained the Program Committee will continue to work over the summer with special emphasis on the following high-level priorities:
    - Girl's Ranch: A DES bid application is being submitted on June 29th to obtain a contract for services. Promotion of our facility will include open houses and networking to applicable agencies and justices for client referrals.
    - The COA accreditation process continues and is on track. The self survey is in October and a site visit will be in February 2012.
- Mike charged the Program Committee with studying opportunities to reopen the Scottsdale facility. He mentioned the possibility of selling the property in Mesa to an assisted living facility as a potential source of funding.

Advancement Initiative *(Dawn Olsen)*

- Dawn encouraged Board members to remit their unpaid pledges prior to June 30 to help close the gift shortfall.
- Dawn reported that there are 22 new Crittenton Society members, with Jerry Bisgrove as being the latest new member (see attached Dashboard).
- Dawn reported that we have secured the Dorrance Gift for $1 million subject to providing them with an Endowment Policy.
- Dawn called for a motion to approve the current Endowment Policy (see attached) subject to any changes made to the Investment Policy that will affect the Endowment Policy. Ina Manaster seconded the motion.
    - Vote Results: All were in favor.
- Beckie is working diligently on securing large corporate grants and expects positive results in August and September.
- Beckie reports that the advancement initiative is at 30% complete and is driving towards being at 50% within the first year.
- Beckie reported that the Emerald Foundation (Shamrock Foods) invited us to apply for a grant to be used towards the transitional living program. Emerald Foundation is requiring we

provide them with a conceptual plan to be considered. Architect Jack De Bartolo will be developing a conceptual plan, and TW Lewis has committed to overseeing the construction.

Governance Committee (*Mike Olsen for Oonagh Boppart*)

- Mike presented the resignations of Marc Cavness and Scott Schaffer and called for a motion to approve. Dawn Olsen made the motion and Ina Manaster seconded.
  - Vote Results: All were in favor.
- Mike requested that the minutes reflect deep thanks to Marc for his service in the execution of the Dierking Trust liquidation and distribution.
- Mike reported that Oonagh intends to induct seven new Board members at September's Annual Board Meeting.

Auxiliary Report (*Tammy Escobar- Miller*)

- Darlene Shephard reported the Auxiliary activities include:
  - Monthly birthday bash
  - Two trips to Camp Lady Jane
  - Two summer pool parties
- Tammy reported that a $500 contribution was made to the auxiliary scholarship fund in honor of Linda Volhein.
- Tammy reported that the relationship building with the 20/30 club is going well, and their membership is being targeted to integrate them into Auxiliary members. Also, a Facebook presence is being established to take advantage of social media.

Search Committee (Mike Olsen for Cathy Hardwick)

- Mike, reporting for Cathy, advised the Search Committee (Mike, Cathy, Larry and Dan) is currently identifying and interviewing national search firms for the replacement for CEO.
- Mike requested that Board members provide recommendations for search firms with whom they may have established relationships.

Consent Agenda (*Mike Olsen*)

- Mike Olsen asked for a motion to accept and approve the April financial statements and the May Board Minutes. Ina Manaster made the motion and Melissa Baffert seconded the motion.
  - Vote Results: All were in favor.
- Ina Manaster thanked the board for the experience of service for the past six years and she described how proud she is to have been a part of the board and its growth. Ina pledged to stay involved and to continue her commitment to Florence Crittenton

With no further business, Mike Olsen adjourned the Meeting at 1:28 p.m.

Respectfully Submitted,

George Allman

George Allman
Secretary

Florence Crittenton Services - FY 2012 Summary Budget by Program

REVISED

Draft 6/23/2011 17:13

	FY 2012 Budget	Administration	Fund Raising	Residential	Community Based Srvs	GLAA	Flo's Resale	Transitional Living	Community Partners
REVENUE									
Contributions	$ 4,230,736	$ -	$ 4,222,536	$ -	$ -	$ -	$ -	$ -	$ 8,200
Grants	756,500	-	750,500	-	-	6,000	-	-	-
Special event revenue	615,000	-	615,000	-	-	-	-	-	-
Program revenue	3,827,858	-	-	2,473,008	1,271,000	32,640	-	51,210	-
State aid to charter school	571,946	-	-	-	-	571,946	-	-	-
Grants for education	701,713	-	-	-	-	701,713	-	-	-
Retail sales - net	345,792	-	-	-	-	-	345,792	-	-
Investment income	36,840	36,840	-	-	-	-	-	-	-
Realized gain (loss) on investments	917,290	917,290	-	-	-	-	-	-	-
Other revenue	24,270	10,450	-	-	-	-	600	-	13,220
Total Revenue	$ 12,027,945	$ 964,580	$ 5,588,036	$ 2,473,008	$ 1,271,000	$ 1,312,299	$ 346,392	$ 51,210	$ 21,420
EXPENSES									
Salaries & wages	$ 5,497,090	$ 832,204	$ 518,216	$ 1,949,906	$ 784,019	$ 966,027	$ 170,014	$ 124,968	$ 151,736
Employee benefits	1,055,223	168,127	92,087	342,921	139,320	233,386	30,212	22,207	26,963
Contract & professional	410,726	180,060	30,399	95,581	2,701	100,363	857	383	381
Supplies	446,764	24,920	18,963	170,552	95,077	85,870	7,486	13,915	29,981
Network & computer	112,130	19,970	14,829	16,852	10,661	34,044	4,965	3,708	7,101
Occupancy	513,189	22,723	34,671	210,708	34,572	186,350	8,046	10,755	5,364
Special events expense	126,955	240	126,715	-	-	-	-	-	-
Postage, printing & advertising	162,959	8,088	108,465	2,016	145	25,313	17,403	14	1,514
Travel & meetings	153,456	18,930	3,938	28,037	67,681	26,804	101	2,533	5,432
Transportation	40,960	-	-	23,000	-	17,960	-	-	-
Other expenses	57,628	18,740	11,552	2,279	79	9,424	300	181	15,073
Total Expenses	$ 8,577,080	$ 1,294,002	$ 959,835	$ 2,841,851	$ 1,134,257	$ 1,685,542	$ 239,384	$ 178,663	$ 243,546
GROSS MARGIN	$ 3,450,865	$ (329,422)	$ 4,628,201	$ (368,843)	$ 136,743	$ (373,243)	$ 107,008	$ (127,453)	$ (222,126)
Administrative Overhead Allocation	-	1,294,002	(92,133)	(651,530)	(230,332)	(181,549)	(72,464)	(26,398)	(39,596)
INCOME BEFORE NON-CASH ITEMS	$ 3,450,865	$ 964,580	$ 4,536,068	$ (1,020,373)	$ (93,590)	$ (554,791)	$ 34,544	$ (153,851)	$ (261,723)
Unrealized gain (loss) on investments	(187,648)	(187,648)	-	-	-	-	-	-	-
Change in split interest agreements	(24,000)	(24,000)	-	-	-	-	-	-	-
Depreciation	(362,548)	-	(14,751)	(116,481)	(10,008)	(114,455)	(77,441)	(27,453)	(1,960)
CHANGE IN NET ASSETS	$ 2,876,669	$ 752,932	$ 4,521,317	$ (1,136,854)	$ (103,597)	$ (669,246)	$ (42,896)	$ (181,304)	$ (263,683)