C. BUSINESS PLAN

TABLE 1-- OPERATIONAL EXPENDITURES / OVERHEAD				
Pre-Opening Administrative Overhead	**Reported In**	**Year 1**		
Ex. Director Adm. Fee Feb-Jul 2012 + 7% Tax	Start-Up Budget	$19,260		
Office Manager July 2012 Salary + 7% Tax	Start-Up Budget	$1,975		
1 Clerk July 2012 Salary + 7% Payroll Tax	Start-Up Budget	$1,540		
Marketing/Advertising	Start-Up Budget	$11,224		
Marketing/Advertising Reserve Fund	Start-Up Budget	$9,792		
Purchased Services (Acctg, legal, consultants)	Start-Up Budget	$916		
Property/Casualty Insurance Deposit	Start-Up Budget	$321		
Liability Insurance	Start-Up Budget	$750		
Utilities Deposit	Start-Up Budget	$1,000		
Phone Deposit	Start-Up Budget	$500		
Copier/Fax Budget	Start-Up Budget	$1,000		
Secretarial Services Budget	Start-Up Budget	$1,000		
TOTAL PRE-OPENING OVERHEAD		$49,278		
Post-Opening Administrative Overhead	**Reported In**	**Year 1**	**Year 2**	**Year 3**
66% Executive Director Salary	3-Yr Oper Budget	$49,500	$52,470	$55,618
1 School Nurse Salary	3-Yr Oper Budget	---	$48,000	$49,920
1 Office Manager/Adm Assistant	3-Yr Oper Budget	$24,960	$25958	$26,997
2 Receptionist/Clerk	3-Yr Oper Budget	$37,440	$38,938	$40,495
1 Custodial/Maintenance	3-Yr Oper Budget	$21,000	$21,840	$22,714
0.5 Accounting/Student Affairs Clerk	3-Yr Oper Budget	---	$9,734	$10,124
Total Employee Benefits	3-Yr Oper Budget	$26,580	$39,388	$41,173
Office Supplies (Paper, Postage, etc.)	3-Yr Oper Budget	$10,000	$15,872	$16,348
Purchased Services (Acctng Services, Legal)	3-Yr Oper Budget	$11,000	$17,459	$17,983
Auditor Fees	3-Yr Oper Budget	---	$8,000	$8,240
Post-Opening Operations and Maintenance Overhead	**Reported In**	**Year 1**	**Year 2**	**Year 3**
Supplies	3-Yr Oper Budget	$12,000	$16,210	$21,897
Marketing/Advertising	3-Yr Oper Budget	$15,148	$20,462	$21,076
Purchased Services (Custodial/Maintenance)	3-Yr Oper Budget	$18,000	$24,315	$32,845
School Facility Lease	3-Yr Oper Budget	$142,262	$227,911	$267,815
Property/Casualty Insurance	3-Yr Oper Budget	$7,712	$10,418	$10,730
Liability Insurance	3-Yr Oper Budget	$14,400	$19,452	$20,035
Utilities (Electric, Gas, Water, Waste)	3-Yr Oper Budget	$25,200	$34,041	$35,062
Phone/Communications/Internet Connectivity	3-Yr Oper Budget	$6,000	$8,105	$8,348
Office Furniture & Other Equipment	3-Yr Oper Budget	$8,000	$4,627	$2,723
Office Technology Equipment	3-Yr Oper Budget	$10,500	$2,704	$2,785
Loan payment	3-Yr Oper Budget	---	$48,221	$30,024
Security.	3-Yr Oper Budget	$4,200	$5,673	$5,844
Total Operational Expenditures		**$494,738**	**$666,160**	**$716,177**

C. BUSINESS PLAN

C.5. OPERATIONAL EXPENDITURES/OVERHEAD

C.5.a. Overhead Expenditures

Administrative and operational/maintenance expenses are considered overhead expenses; and together they constitute the total fixed expenses that SPA will absorb to run the school operations. To sum up:

Total Fixed Expenses = Total Administrative Expenses + Total Operational/Maintenance Expenses.

As shown in Table 1, Seneca Preparatory Academy (SPA) total fixed expenses will be made of: 1) Pre-Opening Administrative Overhead Expenditures; 2) Post-Opening Administrative Overhead Expenditures; and 3) Post-Opening Operations and Maintenance Overhead.

Pre-Opening Administrative Overhead Expenditures

Assumptions

- Seneca Preparatory Academy (SPA) will incur these administrative expenditures between January 2012 after the charter contract award, and July 2012 before school open.
- Besides payroll tax benefits, Seneca Preparatory Academy (SPA) will not pay any other employee benefits during the pre-opening period (January to July 2012).
- As shown in Table 1, these expenses will be reported in the Start-Up Budget and will total $49,278.

Pre-Opening Administrative Expenses

The pre-opening administrative expenses are listed as following on Table 1:

- Executive Director six-month administrative fee will be $19,260. He will receive $3,000/month with a 7% payroll tax from February to July 2012.
- The Office Manager salary for July 2012 with 7% payroll tax will be $1,975.
- One Clerk salary for July 2012 with 7% payroll tax will be $1,540.
- The marketing/advertising expenditure required to implement Phase-1 Pre-Opening Advertising and Promotion Program will be $11,224.
- SPA will have a Marketing/Advertising Reserve Fund of $9,792 that will be used if school open in 2013 instead of 2012 or if additional marketing funds are needed.
- Purchased accounting, legal and consultants services: $916.
- Property/casualty insurance deposit: $321.

- Liability insurance deposit: $750.
- Utilities deposit for electricity, gas, water and sewage: $1,000.
- Phone Deposit: $500.
- Copier/Fax Budget: $1,000.
- Secretarial Services Budget: $1,000.

Post-Opening Administrative Overhead Expenditures

Assumptions

- These expenditures will incur after Seneca Preparatory Academy (SPA) opens on July 6, 2012.
- The costs of administrative materials will increase by 3% per year due to inflation; and from year to year, a specific expense will increase with the increasing number of students.
- These costs are reported in the 3-Year Operational Budget.

Post-Opening Administrative Expenses

- The Executive Director will derive 66% of his $75,000 annual salary from his administrative duties. His salary is budgeted to increase by 6% per year. Year 1: $49,500. Year 2: $52,470. Year 3: $55,618.
- SPA will hire a school nurse in Year 2; and his/her salary will increase by 4% from Year 2 to Year 3. Year 2: $48,000. Year 3: $49,920.
- The School will have an Office Manager who will also act as an administrative assistant at a salary of $24,960 in Year 1 with 4% increase every year. Year 2: $25,958. Year 3: $26,997.
- Seneca Preparatory Academy (SPA) will start with one receptionist in July 2012 but ultimately SPA will have two receptionists by the end of that month. Each will be paid $18,720 per year in Year 1with a 4% increase annually. Year 2: $19,469. Year 3: $20,248.
- The Custodial/Maintenance worker will receive a salary of $21,000 in Year 1 with a 4% increase thereafter. Year 2: $21,840. Year 3: $22,714.
- SPA will hire a part-time (50% FTE) accounting/student affairs clerk in Year 2 at an annual salary of $9,734 with a potential of 4% increase thereafter. Year 2: $9,734. Year 3: $10,124.
- SPA will contribute funds equivalent to 20% of the salary of full-time employees to their benefit accounts. Part-time employees will receive the equivalent of 7% of their salaries as payroll tax benefits and no other employee benefits. Total employee benefits for administrative and operational staffs: Year 1, $26,580. Year 2, $39,388. Year 3, $41,173.

- The School will budget $10,000 for office supplies in Year 1; and more funds will be available for office supplies in Year 2 and 3 as the number of students increase from 244 to 320 and 376 respectively. Year 2: $15,872. Year 3: $16,348.
- Purchased Services (accounting, legal): Year 1, $11,000. Year 2, $17,459. Year 3, $17,983.
- Auditor Fees will amount to $8,000 in Year 2; and $8,240 in Year 3.

Post-Opening Operations and Maintenance Overhead Expenditures

Assumptions

- Post-opening operations and maintenance expenditures will start incurring after school open in July 6, 2012.
- SPA used the following three sources of information to estimate Year 1 expenditures: the Arizona Charter Schools Association data, information provided by two local charter schools with the same demographics as SPA, and market research studies. Year 1 cost was converted to a cost per student since SPA intents to enroll 244 students in Year 1. The costs of goods in Year 2 and 3 were then determined from the Year 1 cost/student with a 3% increase per year for inflation. SPA will have 320 and 376 students in Year 2 and 3 respectively.
- Although all the expenditures are budgeted for the acquisition of brand new equipment, SPA will buy used furniture through vendors associated with the Arizona Association of Charters Schools. However, SPA will not purchase used electronic equipment (computers …).
- The post-opening operations and maintenance overhead as shown in Table 1 are reported in the 3-Year Operational Budget.

Post-Opening Operations and Maintenance Overhead

- Supplies

Year 1, $12,000. Year 2, $16,210. Year 3, $21,897. These expenses increase from year to year with the increasing number of students and with inflation (3% per year).

- Marketing/Advertising

In Year 1, SPA will run it Phase-2 Post Opening Advertising and Promotion Program at a cost $15,148. Year 2 and 3 estimates are $20,462 and $21,076 respectively.

- Purchased Services (Custodial/Maintenance)

A local cleaning company provided the cost estimate for custodial services in Year 1 ($21,000). The Year 2 and 3 expenses are estimated to be $28,367 and $38,319 respectively; these cost increase with the number of students and with inflation.

Seneca Preparatory Academy (SPA) will hire a company to clean the school.

- School Facility Lease

To estimate the facility lease payment, Seneca Preparatory Academy (SPA) makes the following assumptions that are corroborated by the Ike Isaacson, Vice President of Brokerage Services at CBRE (letter enclosed):

- $9.69/sf/year is the average lease rate of facilities suitable for school operations in the target area ($6.69/sf/yr average lease rate + $3/sf/yr operational expenses).
- $20/sf for the tenant improvement (TI) is a reasonable cost of the renovation required to bring the facility to school codes.
- The facility owner takes care of all the tenant improvements and this expense is added to the lease payment with an 8% annual interest rate; the TI expense is paid over 5 years.

In addition, SPA used the recommendations for school facilities square footage provided by Arizona Administrative Code R7-6-210 and by the National Charter School Resource Center to determine that with 244 students in Year 1, the School will require an 11,985 sf facility; 15,718 sf in Year 2 with 320 students; and 18,470 sf in Year 3 with 376 students.

With this information, SPA has estimated the lease rates to be $142,262 in Year 1; $227,911 in Year 2; and $267,815 in Year 3. There is a 3% increase in lease rate from year to year.

These three annual lease rates account for 11% of revenues in Year 1 and 13% in both Year 2 and 3; that is, less than the maximum 20% of revenues recommended by commercial lenders (Diamond, 2010; Charity Navigator, 2010).

- Property/Casualty Insurance

This expense has been estimated to be $7,712 in Year 1; it will increase with the increasing number of students in Year 2 and 3 to $10,418 and $10,730.

- Liability Insurance

This expense will amount to $14,400; $19,452; and $20,035 in Year 1, 2 and 3 respectively.

- Utilities (Electric, Gas, Water and Sewage)

Year 1: $25,200. Year 2: $34,041. Year 3: $35,062.

- Phone/Communications/Internet Connectivity

Year 1: $6,000. Year 2: $8,105. Year 3: $8,348.

- Office Furniture & Other Equipment

Year 1: $8,000. Year 2: $4,627. Year 3: $2,783.

- Office Technology Equipment

These funds will be use to buy computers, and heavy-duty commercial printers for the front office. The estimated expenditures are $10,500 in Year 1; $2,704 in Year 2 or a 25% replacement cost for Year 1 equipment in Year 2. Year 3: $2,785.

- Loan Payment

Dr. Abougou and Mrs. Dyer-Abougou will provide Seneca Preparatory Academy (SPA) with two loans totaling $62,150 and payable in two years, starting in Year 2 at 10% annual interest rate. The payments will be $48,221 and $30,024 respectively in Year 2 and 3.

Financial Feasibility Analysis of Seneca Preparatory Academy (SPA) project

	YEAR 1	YEAR 2	YEAR 3
EXPENDITURE DATA			
School Facility Lease	$142,262	$227,911	$267,815
Total Instructional Expenditures	$797,714	$970,557	$1,058,001
Total Administrative Expenditures	$180,480	$277,660	$289,612
Total Operations & Maintenance Expenditures	$263,422	$422,137	$459,243
Total School Expenditures	$1,241,616	$1,670,354	$1,806,856
REVENUE DATA			
Projected Students Enrollment	244	320	376
Number of Students used for Budget Calculations	222	294	347
Total Equalization Revenues	$1,347,392	$1,764,210	$2,064,106
FINANCIAL FEASIBILITY INDICATORS			
Total Administrative Expenditure / Total Revenues	13%	16%	14%
School Facility Lease / Total Revenues	11%	13%	13%
Instructional Expenditures / Total Revenues	59%	55%	51%
Breakeven Student Enrollment for Operations/Maintenance Exp	44	70	77
Breakeven Student Enrollment for SPA Project Total Expenses	215	273	296

Table 2. Financial Feasibility Data of Seneca Preparatory Academy (SPA)

Using the information presented in Table 2 leads to the conclusion that Seneca Preparatory Academy (SPA) will be a successful financial project because:

- The administrative expenses will be reasonable since they will use 13%, 16% and 14% of the school equalization revenues in Year 1, 2 and 3 respectively.

- The facility lease expense will also be reasonable and within the recommended ranges for commercial operations; that is less than 20% of revenue (Diamond, 2010; Charity Navigator, 2010). Indeed, the facility lease expenses will amount to 11% of revenues in Year 1 and 13% in Year 2 and 3.
- Seneca Preparatory Academy (SPA) will use the state equalization revenues adequately because over 50% of these funds will be used to cover instructional expenditures (Diamond, 2010; Charity Navigator, 2010). Instructional expenses will account for 59%, 55% and 51% of revenues in Year 1, 2 and 3 respectively.
- Enough students will enroll to generate the revenues required for operations and maintenance. Indeed, in Year 1, 2 and 3 at least 44, 70 and 77 student-generating revenues (or 54, 80 and 87 total student enrollment) will be needed to enroll to generate the revenues needed for operations and maintenance. The projected enrollments of students-generating revenues in Year 1, 2 and 3 are respectively 222, 294 and 347; that corresponds to total enrollments of 244, 320 and 376 for Year 1, 2 and 3.
- Enough students will enroll at SPA to cover all the instructional and operational/maintenance activities since the breakeven of students-generating revenues are 207, 278 and 301 while their projected enrollments are 222, 294 and 347 for Year 1, 2 and 3 respectively.

  Note: the number of students-generating revenue is calculated as following:

  Total student enrollment – 50% kindergarten enrollment – 5% total enrollment.

  Using Year 1 enrollment as an example, with an enrollment projected at 244 students and with 1 kindergarten class with 20 students. The number of students that SPA will use to calculate the equalization revenues provided by the state of Arizona is:

  244 – (50% x 20) – (244 x 5%) = 222.

  SPA is using 50% kindergarten enrollment because kindergarteners receive only 50% of state equalization funds.

  SPA decreases the enrollment by 5% to be conservative and account for students who will register but not show up at school.

C.5.b. Financial Arrangements and Timeline for Securing Goods.

Financial Arrangements for Securing Goods

The following three examples come from a long list of activities initiated and conducted by Seneca Preparatory Academy (SPA) to make the financial arrangements needed to secure the school facility or lease guarantee, and the goods required for school operations.

Financial Arrangements made by securing $62,150 Personal Loans

Seneca Preparatory Academy (SPA) will receive two loans amounting to $62,150 from the personal funds of Dr. Abougou and Mrs. Dyer-Abougou. These funds will be available to SPA once a charter contract is awarded and signed by Seneca Preparatory Academy (SPA) Foundation. The loan proceeds will allow SPA to secure goods in a timely manner so that the School can be open in August 2012. The loan proceeds are reported in the Start-Up Budget.

Financial Arrangements made with Facility Owner(s) on Tenant Improvement Costs

Seneca Preparatory Academy (SPA) has conducted an extensive due diligence with regard to the academic and financial feasibility of this school project. In this process, SPA has learned that to secure long-term lease on their properties, commercial facilities owners finance the tenant improvements needed to meet customers' needs. These tenant improvement costs are then added to the facility lease rates at shown by the enclosed letter from Ike Isaacson, Vice President at CBRE.

SPA intends to use this process to get a school ready facility with the facility owner(s) handling all tenant improvement costs.

Financial Arrangements made with Community Development Financial Institutions (CDFI)

Seneca Preparatory Academy (SPA) has been involved in some positive financial arrangement negotiations with a national community development financial institution (CDFI) that specializes solely in charter school financing and that has been very active in the financing of charter school facilities in Arizona. These financial arrangements will move to higher gears once a charter contract is awarded to Seneca Preparatory Academy (SPA) in January 2012. The CDFI will either act as a "co-signer" on the facility lease agreement or through its Turnkey Development Program will finance, design, and renovate a build to suit facility for SPA.

This financial arrangement will positively affect the outcome of this project.

Timeline for Securing Goods

Important Assumption about the Timeline

This timeline is developed on the assumption that school will start in August 2012. However, it is possible that Seneca Preparatory Academy (SPA) is also ready and prepare to start school in 2013 if a certificate of educational occupancy is not secure in early enough in 2012. In this situation, SPA will set aside $9,792 in a Marketing/Advertising Reserve Fund for the additional advertising and promotion expenditures that will be required for adequate coverage in 2013.

June – December 2011

Apply for Charter Contract and Conduct Preliminary Real Estate Financial Discussions and Arrangements

- June 30, 2011; Seneca Preparatory Academy (SPA) Foundation applies for a charter school contract with the Arizona State Board for Charter Schools
- Jean-Claude Abougou, PhD., MBA, President of Seneca Preparatory Academy (SPA) Foundation initiates exploratory financial arrangement discussions for securing funding for the school facility with a local bank and two Community Development Financial Institutions (CDFIs), and with a few real estate brokers.
- Dr. Abougou works with a real estate broker to identify school facilities that would require as little tenant improvements as possible to be brought to school code.
- Dr. Abougou initiates discussions with his real estate broker about facility owners financing tenant improvements and starting the renovations soon after the charter contract is awarded to SPA in January 2012.

January 2012

SPA Receive Loan Proceeds; Apply for AZ CSP Grant and Secure Facility Financing through a Community Development Financial Organization (CDFI)

- Charter school contract is awarded by the Arizona State Board for Charter Schools; and the contract is accepted and signed by Seneca Preparatory Academy (SPA) Foundation.
- SPA receives $62,150 from loans secured from Jean-Claude Abougou and Donka Dyer-Abougou accounts.
- Dr. Abougou applies for the Arizona Charter School Program (AZ CSP) Start-Up Grant.
- Dr. Abougou submits a formal application to the Community Development Financial Institution (CDFI) to secure funding and/or lease guarantee for the school facility.
- Dr. Abougou formally hires the current real estate agent who has been in the project since 2010.

February 2012

SPA Hire the Executive Director on Full-Time Basis; Develop Advertising and Marketing Product and Initiate Phase-1 Pre-Opening Advertising and Promotion Program

- The Executive Director of Seneca Preparatory Academy (SPA), Dr. Abougou, starts working full-time on the school project and receives a monthly administrative fee of $3,000/month plus 7% payroll tax benefit. This administrative fee will be adjusted properly if more funding becomes available.

  For 6 months (February-July 2012), the Executive Director will be paid an administrative fee totaling $19,260.

  This administrative overhead expense is reported in the Start-Up Budget as shown in Table 1.

SPA will not provide employee benefits to any employee before school start on August 6, 2012. The School will provide only payroll tax benefits.

- No office space is rented for the school. Dr Abougou will work from his home but he will have the freedom to contract with an outside company that provides secretarial services. He will have a $1,000 budget for secretarial services and $1,000 for xeroxing and faxing expenses.

  These administrative expenses are recorded in the Start-Up Budget as shown in Table 1.

- SPA initiate Phase-1 Pre-Opening Advertising and Promotion Program with the full implementation of the following advertising and marketing plans:
  - Word of Mouth Advertising Plan through SPA Foundation Corporate Directors, friends and supporters.
  - Online Advertising Plan through the school website and ads placed in social networks such as Facebook, MySpace, Google and Tweeter.
  - Outdoor Advertising Plan through the lease of two poster billboards from Clear Channel.
  - Newspapers/Online Advertising Plan with advertisements placed in The Arizona Daily Star and its online edition.
  - Direct Interaction Advertising and Promotion Plan where SPA staffs and supporters have face-to-face meetings or direct person-to-person phone interactions with those interested in the School.

  SPA uses has allocated $11,224 for the implementation of the Phase 1 Pre-Opening Advertising and Promotion; and a $9,792 Marketing/Adverting Reserve Fund is kept in reserves to be used if school open in 2013 instead of 2012.

  These operational expenditures are reported in the Start-Up Budget as shown in Table 1.

- SPA recruits additional School Board Members to reach and surpass the minimum stipulated by Seneca Preparatory Academy (SPA) Foundation's bylaws. The School will organize a training session on governance and board for this group on July 15, 2012

- SPA finalizes funding and/or lease guarantee transactions for school facility with the specific Community Development Financial Institution (CDFI) that is well known for financing several charter schools in Arizona.

March – June 2012

Start Tenant Improvement; Phase-1 Pre-Opening Advertising and Promotion is Running at Full Speed; Hire Teachers and Non-Teaching Staffs; Order Instructional Resources; Secure Certificate of Educational Occupancy.

- ***No later than March 15, 2012:*** School facility owners start tenant improvement with the financial support and/or lease guarantee provided by the Community Development Financial Institution (CDFI); or the CDFI itself uses it Turnkey Development Program to renovate the facility for SPA.

  In both case, the CDFI guarantees the payments for the first and last months of lease. Therefore, SPA will have no lease payment due in July 2012 when it will take possession of the school facility.

- SPA hires the Assistant Director of Curriculum and Instruction. He/she will start on July 1, 2012 and will receive one-month salary ($3,846) and 7% payroll tax deduction or $4,115 for the month of July 2012. This instructional expense is reported on the Start-Up Budget. No other employee benefits will be provided.

- Seneca Preparatory Academy (SPA) interviews and hires teachers; their first day of work will be when school open on August 6, 2012. However, they will attend a 5-day pre-service training from July 30 to August 3, 2012 and teachers will receive a pre-service stipend of $654 for teachers including a 7% allowance for payroll taxes. Non-teaching staff and teacher aides will receive $440. This payment will total $11,803 and will be included in the first regular paycheck that employees will receive in August 2012. It is not reported here because it is an educational not an operational expense.

- Seneca Preparatory Academy (SPA) interviews and hires non-teaching staffs. The starting day for the Business Manager and one of the two clerks is July 1, 2012. These two employees receive their salary for July 2012 + 7% payroll tax; that is, $1,978 and $1,540 respectively for the Office Manager and the Clerk.

  These administrative expenses are reported in the Start-Up Budget.

- Phase-1 Pre-Opening Advertising and Promotion Program is in full swing. Dr. Abougou who has formal training in marketing and business administration (MBA), and field experience in the marketing and launch of pharmaceutical products will direct and implement all the advertising and promotion activities associated with SPA Advertising and Marketing Program.

- May 2012
  - SPA orders all curriculum and instructional resources (books, furniture, computers…) for delivery in July 18-31, 2012. Except for electronic equipment like computers that will be ordered brand new; the School will purchase used books and furniture with a delivery date of July 18-31, 2012.
  - SPA uses the Arizona Charter Schools Association Joint Purchasing Program to buy goods at discount prices.

- SPA negotiates and convinces vendors to accept payments in three monthly installments starting on July 18, 2012 for major brand new curriculum and instructional expenditures.

- June 2012
  - By the end of May, the renovation of the school facility is advanced enough to qualify and pass the certificate of educational occupancy visit in early June 2012.
  - SPA make the following payments for services required when the school facility open in July:
    - $916 for accounting/legal.
    - $507 for the first monthly payment of SAIS software.
    - $1,000 for the utility deposit (gas, electric, water and waste).
    - $500 for phone deposit.
    - $321 for property insurance deposit.
    - $750 for liability insurance deposit.

These operational expenses are reported in the Start-Up Budget.

July 1, 2012

Seneca Preparatory Academy (SPA) Takes Possession of a School-Ready Facility; Assistant Director and Office Staffs Start Working Full-Time; Instructional Resources ordered in May 2012 are received on July 18-31, 2012; Pre-Service Training Starts.

- July 1 SPA receives the keys of the facility that has received a certificate of educational occupancy.
- July 3 First day of work for Assistant Director of Curriculum & Instruction; Office Manager and one Clerk.
- July 15 Board Governance Training for School Board Members.
- July 30-August 3 All staffs attend Pre-Service training. SPA hires consultants to run this training conjointly at a cost of $5,000; and $1,500 in pre-service curriculum training is purchased. These two educational/instructional expenditures are reported in the Start-Up Budget.
- July 18 - 31 Instructional resources ordered in May are delivered.
- July 30 – August 3 Pre-service training for all school staffs takes place.
- Full implementation of the Direct Interaction Advertising and Promotion Plan at School.
- Open house during the whole month of July.

***August 6, 2012*: First day of school.**

C.5.c. Overhead Expenditures Reported in Start-Up Budget and 3-Year Operational Budget.

All overhead expenditures are reported in the Start-Up Budget or the 3-Year Operational Budget as shown in Table 1 and throughout the narrative.

REFERENCES

- R7-6-210. Arizona Administrative Code. http://www.azsos.gov/public_services/Title_07/7-06.htm. Retrieved on 11-26-11.
- NCSRC, 2011. National Charter School Resource Center. From http://www.charterresource.org/files/TFPCostEstimationTool.pdf.
- Diamond, M. 2010. Financial and Business Management Presentation at the Charter School Starter Program. Organized by the Arizona Charter Schools Association. March 13, 2010. Phoenix, Arizona.
- Charity Navigator. 2010. Charity Navigator. 2010. http://www.charitynavigator.org/index.cfm?bay=content.view&cpid=48. Retrieved on Oct. 3, 2010.
- Bureau of Labor Statistics. 2011. http://www.bls.gov/.
- Ellis, J. 2010. Charter School Facility Primer. Self Help website. http://www.self-help.org/.