C.4 Start-Up Budget

Synergy Public School's Start-Up Phase will begin February 1, 2017 and end July 31, 2017.

A. Explanation of Start-up Revenues:

Secured Funds – Other:

- Assumes $250,000 for start-up funds from the AZCSP Grant for the planning and implementation year to be received February 1, 2017 and an additional $50,000 in carry-over funds from planning year 1 (Feb 2016-Feb 2017) of the AZCSP Grant for a total of $300,000 in start-up funds.

B. List of Start-up Expenditures: Assumes total start up expenditures of $196,599.38 as broken down below:

Expenditures	Amount
AIS- Executive Director of Academics	$14,000
AIS- Executive Director of Business and Operations	$14,000
Director Benefits @10%	$2,800
AIS-Director of Curriculum	$6,250
Director of Curriculum Benefits	$625
AIS- General Education/PE/Special Education Teachers	$18,750
General /PE/Special Education Teachers Benefits	$1875
AIS-Office Manager	$2,916
Office Manager Benefits	$292
Employee Insurance- (3 Employees)	$900
Office Supplies	$1,800
Instructional Consumables	$6,000
Membership, Dues, Registration and Travel	$19,550
Curriculum and Resource Materials	$47,899.04
Other	$1,600
Operations and Maintenance (O&M) Expenditures: Supplies	$1,400
Marketing/Advertising	$4,506.71
Contracted Services: O&M	$3,400
Fees/Permits	$1,000
Property/Casualty Insurance	$400
Liability Insurance	$200
Phone/Communications/Internet Connectivity	$300
Student Furniture and Equipment	$17,341.88
Office Furniture and Equipment	$871.84
Student Technology and Equipment	$14,566

Office Technology Equipment	$13,005.91
Other Leases: Security, Copiers Etc.	$350
Total Start-Up Expenditures	$196,599.38

C. List of Assumptions for Start-up Expenditures

Administration, Instruction, & Support (AIS) Expenditures:

Executive Directors: Assumes a stipend at a rate if $1000 a month per Executive Director for 4 months (February-May). This stipend accounts for specific planning work and curriculum development during the start-up phase. Assumes a salary for the months of June and July 2017 in the amount of $5000 per month for the Executive Director of Academics and $5000 per month for the Executive Director of Business and Operations for a total of $28,000. Also assumes an additional 10% in required employer contributions for a total of $1400 for each Director totaling $2800.

Director of Curriculum: Assumes an in-service stipend of $6250 for the month of July 2017 (based on an annual salary of $75,000) to prepare curriculum and materials for the beginning of the school year. In addition, the Director of Curriculum will support the Executive Director of Academics with professional development delivery during the 9-day summer professional development. Also assumes an additional 10% in required employer contributions for a total of $625.

Teachers: (General/Physical/Special Education): Assumes an in-service stipend of $1875 (based on annual salary of $45,000) for 10 teachers (8 General Education Teachers and 1 Physical Education Teacher, 1 Special Education Teacher) to partake in a 9-day orientation on curriculum planning, training, professional development, and school start-up processes. Also assumes an additional 10% in required employer contributions for a total of $187.50 per teacher.

Office Manager: Assumes an in-service stipend of $2,916 for one office manager for the month of July (based on an annual salary of $35,000) to participate in training, professional development, and school start-up processes. Also assumes an additional 10% in required employer contributions for a total of $292.

Bookkeeper/Finance: Assumes no additional cost for a bookkeeper/finance during start-up phase than what is outlined below under O&M Contracted Services with ASPIRE Business Consultants, Inc. which will handle financial management, including payroll, accounts payable/receivable, and business consultation.

Custodial/Maintenance: Assumes no start-up costs as Founding Directors have a group of volunteers to assist with initial facility cleanup and maintenance. Synergy Public School will contract with an outside vendor for custodial and maintenance services once the school year begins in August of 2017. Please see Contracted Services (O&M) for a line item explanation.

Other: Assumes no other start-up costs.

Employee Benefits: For the first three years of operation, Synergy Public School will not offer retirement. This will be revisited in July of 2020.

Employee Insurance: The Executive Director of Academics and the Executive Director of Business and Operations will have insurance benefits from their previous employers through June 2017. The Executive Director of Academics, Director of Curriculum, and the Office Manager will begin her health insurance on July 1, 2017. The general education teachers and educational assistants will not begin active insurance until August of 2017. Assumes employer-paid employee health insurance coverage of $300/month for each of the full-time employees for the in- service month of July 2017. Therefore, the Executive Director of Academics, Director of Curriculum and Office Manager for one month of insurance is $900. Assumes no cost for the Director of Business and Operations, as she will receive insurance through previous employer early retirement benefits. Quotes are based on communication with Holmes Murphy Insurance.

Office Supplies: Assumes a total of $1,800 @ $300 per month for supplies such as copy paper, staplers, envelopes, pens, pencils, labels, folders, notebooks, etc. for planning purposes from February to July 2017. Cost based on estimates from Costco.com.

Instruction Consumables: Assumes a total of $6,000 for instructional consumables and curriculum resource materials in preparation for the first day of school. See below for preparation for the first day of school. This averages to $30 per student. Cost based on estimates from Costco.com and Walmart.com.

Dixon Ticonderoga HB #2 Pencils, 96ct DIX Item #684756	*10@ 15.39*	*153.9*
Post-it Super Stick Notes 3" x 3" Assorted Colors 12ct Item #600552	*11 @ 14.89*	*163.79*
Pacon Chart Tablet w/Manuscript Cover White 25ct Item #860390	*10 @6.49*	*64.9*
Post-It Self-Stick Easel Pads, 25 in. x 30 in., White, 2ct MMM 559 Item #115924	*10 @ 44.69*	*446.9*
Neenah Exact Index Card Stock, Letter, White, 90lb, 250ct Item #631068	*8@ 8.09*	*64.72*
Office Impressions Desk Style Highlighter, Chisel Tip, Fluorescent Pink, 12ct OFF 82422 Item # 116822	*17 @ 5.59*	*95.03*
Avery Clear Application Permanent Glue Sticks, .26 oz, 18ct AVE 98089 Item #115583	*15 @ 7.49*	*112.35*
Poster Boards	*48 @1.00*	*48*
Dry Erase Markers-EXPO Erase Marker Kit, Chisel/Fine Points, Assorted Colors	*10 @ 8.19*	*81.9*
Dry Erase Markers- EXPO Chisel Tip Black 36ct Item #688050	*10 @ 41.69*	*416.9*
Colored Pencils-Crayola 12 ct	*200 @ 2.29*	*458*
Crayola Crayons- 24ct	*300 @ 1.00*	*300*
Crayola Markers -12 ct	*64 @ 3.59*	*229.76*

Costco Copy Paper, Letter, 20lb, 92-Bright, 5,000ct 6+ Case Pricing CS1 677776	*40 @ 31.99*	*1279.6*
Mead Five-Star Composition Book, College Rule, 100 Sheets Item #860392 (2 per student)	*400 @ 1.99*	*796*
Pacon 9 x 12 Construction Paper Asst 50 ct Item #629359	*100 @ 1.69*	*169*
Westcott 5" Kids Scissors Blunt 12ct	*20 @ 16.54*	*330.8*
Elmer's School Glue Bottles	*200 @.50*	*100*
Avery Economy Round Ring Reference Binder, 1" Capacity, White Item #853511 (2nd & 3rd Grade)	*100 @ 2.39*	*239*
Bic Ball Point Red Pen 12ct Item #188499	*100 @ 2.09*	*209*
Paper Mate Pink Pearl Erasers 24ct Item #719046	*9 @ 10.19*	*91.71*
Westcott Standard Ruler 12" Wood Item #625735	*150 @.99*	*148.5*
	Total	*5999.76*

Membership Dues, Registrations, & Travel:

Assumes $12,500 for New Schools for Phoenix Fellowship Program.

Assumes $1050 for Charter School Association Education Summit July 2017. Registration for 3 staff members.

Assumes $6,000 for exemplary school visits. Assumption is based on two exemplary school visits for 3 staff members. Each assumes average round trip ticket fare of $500, a hotel stay at $200 a night for 2 nights, a per diem of $75 per day, and a car rental for two days at $75 per day. Prices based upon estimates from ww.kayak.com.

AIS Contracted Services: Assumes no additional cost for AIS contracted services, as there are no contracted services for AIS in our start-up process.

Special Education Contracted Services: Assumes no cost for contracted special education services, as start-up occurs prior to first day of school for students. The Executive Director of Business and Operations will oversee newly enrolled paperwork for review and scheduling to provide services once the school year has officially begun.

Curriculum & Resource Materials: Assumes a total cost of $47,899.04 for start-up curriculum and resource materials. Success for All start-up costs will include books, teacher manuals, classroom materials and teacher training for 8 classrooms totaling $33,316. Assumes a cost of $8,500 for literature and informational trade books to be used for English Language Arts Instruction. Math manipulative kits for 8 classrooms to support hands-on math instruction is an additional $6083.04.

Library/Software: Assumes no upfront cost for software in the start-up phase.

- SAIS Software: Assumes no costs for SAIS software, as these costs will be incurred beginning August 2017, and paid with Year 1 funds. Synergy will likely be our SAIS

program at $12 per student per year. Synergy will negotiate with SAIS to have access to the software in July 2017 and pay in August 2017.

- SRI (Scholastic Reading Inventory) License: Assumes no costs for SRI software, as these costs will be incurred beginning August 2017, and paid with Year 1 funds. Synergy will negotiate with SRI to have access to the software in July 2017 and pay in August 2017.

Other: Assumes $1,600 license for Year 1 for assessment materials through Galileo at a cost of $8 per student for 200 students.

Operations & Maintenance (O&M) Expenditures:

Supplies: Assumes $1400 for supplies that will be needed during start-up, including but not limited to wastebaskets, paper towel dispensers, trash bags, paper towels, tissue, hand sanitizer, etc. (Based on estimates from Costco.com)

Marketing/Advertising: Assumes $4506.71 for marketing and advertisement expenses for the recruitment of 200 students in Year 1 at a cost of $22.53 per student. The cost includes meet and greet family events, door-to- door campaign flyers and canvassing neighborhood with Spanish translators, open house events, start-up kid kits for school which include school supplies students can use at home, and various marketing and promotional materials.

O & M Contracted Services: Assumes cost of $3400 as Synergy Public School will only contract with outside operations and maintenance vendors for:

- Financial/business services during the start-up phase. Assumes business consultation and handling of payroll through ASPIRE Business Consultants at a reduced rate of $450 for June and $450 for July 2016.
- Legal services during the start-up phase. Assumes a total of $2,500 for legal services provided. Synergy Public School intends to utilize the Carter Law Group during the start-up for governance consultation.
- Assumes no upfront cost for Marsden maintenance services for July of 2017.
- Assumes no upfront cost for Marsden security services for July of 2017.

Building Rent/Lease/Loan: Assumes rental fee of a facility for July will be deferred and divided into monthly payments through increasing the lease price per square foot beginning in August 2017. Therefore, there will be no cost for building rent/lease/loan in the start-up budget.

Building & Improvements: Assumes no upfront building improvement costs out of Start-up Budget as improvement costs will be rolled into the monthly rental fees beginning in August of 2017 at both facility options laid out in C.1. Both landlords are open to this option with tenant leases. In addition, Synergy Public School has a contingency of $10,000 allocated for building and improvements each year 1 through year 3.

Land & Improvements: Assumes no upfront land improvement costs are to be paid by Synergy Public School. Assumes landlord will pay or absorb into the cost of the lease any building improvement costs based on conversations with other charter startups. In the event that the landlord is unable to cover the costs of any needed improvements prior to the school opening, Synergy Public School will work with the Governing Board to assume short-term loans from

community entities such as Arizona Community Foundation building fund or Charter School Development Corporation, as identified by other recent charter start-up schools. Assumes that if short-term loans were necessary, other non- essential line items would be reduced to pay back the loan in a timely manner. Synergy Public School has also allocated a contingency of $5,000 annually for land and improvements in years 1 through year 3 and could use that to pay back necessary loans.

Fees/Permits: Assumes $1,000 for fees and permits such as a Certificate of Occupancy and Fire Marshall's inspection based on similar charter school start-up estimates in order to prepare for building occupancy.

Property/Casualty Insurance: Assumes $400 for one month starting in July for property/casualty insurance during the start-up phase based on a quote from Holmes Murphy.

Liability Insurance: Assumes $200 for one month for liability insurance starting in July, insurance during the start-up phase based on a quote from Holmes Murphy.

Utilities: Assumes no upfront cost to Synergy Public School for July 2017. Synergy Public School intends to negotiate occupancy during this month, which would delay the month of utilities to come due in August of 2017. Assumes total square footage of 8,550 (200 students times $57 square foot) at a rate of $1.50/square foot.

Phone/Communications/Internet Connectivity: Assumes $300 for the month of July 2017 for one Internet and Phone line service through Cox. Assumes Directors will utilize personal Internet and phone for months leading up to July of 2017. Based on quote from Cox communications.

Classroom Furniture & Equipment: Assumes $17,341.88 in classroom equipment, an average of $86.71 per student in Y1. The cost is broken down below and based on estimates from schooloutlet.com, walmart.com and ikea.com

Item	Per Unit Price	Total
Tables	54 @ $86.85	$4,689.90
Chairs	250 @ $19.95	$4,987.50
White Boards	9 @ $126.45	$1,138.05
Teacher Chairs	9 @ $115.84	$1,043.00
Teacher Desks	9 @ $319.99	$2,879.91
Standing Desks/Tables	16 @$39	$624.00
Stools	16 @ $4.99	$79.84
Bean Bag Chairs	16 @ $38.48	$615.68
Stability Balls	8 @ $32.59	$260.72
Benches	8 @ $37.99	$303.92
Cozy Chairs	16 @ $29.99	$479.84
Cushions	48 @ $4.99	$239.52
	Total	$17, 341.88

Office Furniture: Assumes total cost of $871.84 for office furniture for Office Manager/Assistant. Figure broken down below based on estimates from Office Depot.

Item	Per Unit Price	Total
Office Assistant Desk	1 @ $279.00	$279.00
Office Chair	1 @ $115.84	$115.84
File Cabinets	3 @159.00	$477.00
	Total	$871.84

Student Technology Equipment: Assumes a total of $14,566 for 75 student laptops (Chromebooks at $179.99 a piece) from Fry's Electronics.

Office Technology Equipment: Assumes cost of $13,005.91 for office technology equipment. Assumes $5,364 for school laptops for 9 teachers at a cost of $549/laptop, $200 for 10 Microsoft Office subscriptions, 1 desktop computer for office manager at a cost of $1084/desktop computer. Assumes $2695 for 9 projectors for the 9 classrooms at $276/projector, $3662.91 for 9 document cameras for the 9 classrooms at $367.99/camera purchased from Dell.com.

Other Leases (Security, Copiers, etc.): Assumes one large black and white copier, which also scan and fax, at $350/month for 40,000 copies per month x 1 month. Quoted by administration at Create Academy, a similar sized start up charter school.

Loan Repayment: Assumes no loan repayment due at time of start-up.

Other: Assumes no additional expenses for maintenance and operations for Synergy Public School.

D. Revenues vs. Expenditures

The total revenue for the start-up budget is $300,000. The total expenditures are $196,599.38. This leaves a surplus of $ $103,400.62. Synergy Public School intentionally budgeted to leave contingency funds to assist with operations in case of delay in equalization pay for August of 2017.

E. Consistency of Time Frames

The timeframes described in all sections of the application package are consistent with the timeframes listed on the start-up budget.

F. Consistency with All Sections

This section, C.4 Start-up Budget is consistent with all sections of the application package.