C.5 Three Year Operational Budget

Synergy Public School's three-year operational budget begins from August 1, 2017 to July 31, 2020 based on the following assumptions:

A. Explanation of Expenditures

Administration, Instruction & Support (AIS) Expenditures

Salaries

Executive Director of Academics: Assumes 1 full-time employee ("FTE") for the Executive Director of Academics at annual salary of $85,000 in year one. Assumes required employer contributions, estimated at 10% of salary. Assumes solid school and job performance salary increases by 3% to $87,550 in year 2 to $90,177 in year 3. Required employer contributions estimated at 10% of salaries. The Executive Director's compensation plan will be designed and approved by the Governing Board.

Executive Director of Business and Operations: Assumes 1 full-time employee ("FTE") for the Director of Operations at an annual salary of $65,000 in year one. Assumes required employer contributions, estimated at 10% of salary. Assumes solid school and job performance salary increases by 3% to $66,950 in year 2 to $68,958 in year 3. Required employer contributions estimated at 10% of salaries. The Executive Director's compensation plan will be designed and approved by the Governing Board.

Director of Curriculum: Assumes 1 full-time employee ("FTE") for the Director of Curriculum at an annual salary of $75,000 in year one. Assumes required employer contributions, estimated at 10% of salary. Assumes solid school and job performance salary increases by 3% to $77,250 in year 2 and to $79,568 in year 3. Required employer contributions estimated at 10% of salaries.

Principal (Year 3): Assumes 1 full-time employee ("FTE") for the School Principal at an annual salary of $65,000 starting year three. Assumes required employer contributions, estimated at 10% of salary.

General Education Teacher: Assumes 8 FTE for the General Education Teacher at an average annual salary of $45,000 in Year 1 for student enrollment of 200. Assumes 14 FTE for the General Education Teacher at an average annual salary of $46,350 in Year 2 for student enrollment of 350. Assumes 17 FTE for the General Education Teacher at an average annual salary of $47,740.50 in Year 3 for student enrollment of 425. Assumes an average increase per teacher of 3% annually based upon available funds and performance reviews. Required employer contributions estimated at 10% of salaries for Y1, Y2, and Y3. (*See C.5.a. Table 1: Salary Calculations-General Education Teacher*)

C.5.a Table 1: Salary Calculations-General Education Teacher

	Year 1	Year 2	Year 3
Kindergarten	**2-Kindergarten Teachers: Assumes** 2 Kindergarten teachers at an average starting salary of $45,000	**3-Kindergarten Teachers** A) Assumes enrollment and performance goals are met and an average salary increase of 3% for 2 teachers to $46,350 in year two. B) Assumes 1 additional Kindergarten teacher at an average starting salary of $45, 000.	**3-Kindergarten Teachers** A) Assumes enrollment and performance goals are met and an average salary increase of 3% for 2 teachers to $47,740.50 in year three. B) Assumes 1 Kindergarten teacher at an average starting salary of $46,350.
Grade 1	**2-Grade 1 Teachers** Assumes 2 First Grade teachers at an average starting salary of $45,000	**3-First Grade Teachers** A) Assumes enrollment and performance goals are met and an average salary increase of 3% for 2 teachers to $46,350 in year two. B) Assumes 1 additional First Grade teacher at an average starting salary of $45, 000.	**3-First Grade Teachers** A) Assumes enrollment and performance goals are met and an average salary increase of 3% for 2 teachers to $47,740.50 in year three. B) Assumes 1 First Grade teacher at an average starting salary of $46,350.
Grade 2	**2-Grade 2 Teachers** Assumes 2 Second Grade teachers at an average starting salary of $45,000	**3-Second Grade Teachers** A) Assumes enrollment and performance goals are met and an average salary increase of 3% for2 teachers to $46,350 in year two. B) Assumes 1 additional Second Grade teacher at an average starting salary of $45, 000.	**3-Second Grade Teachers** A) Assumes enrollment and performance goals are met and an average salary increase of 3% for 2 teachers to $47,740.50 in year three. B) Assumes 1 Second Grade teacher at an average starting salary of $46,350
Grade 3	**2-Grade 3 Teachers**	**3-Third Grade teachers**	**3-Third Grade Teachers**

	Assumes 2 Third teachers at an average starting salary of $45,000	A) Assumes enrollment and performance goals are met and an average salary increase of 3% for 2 teachers to $46,350 in year two. B) Assumes 1 additional Third Grade teacher at an average starting salary of $45, 000	A) Assumes enrollment and performance goals are met and an average salary increase of 3% for 2 teachers to $47,740.50 in year three. B) Assumes 1 Third Grade teacher at an annual starting salary of $46,350.
Grade 4		**2 Fourth Grade Teachers** A) Assumes 2 Fourth grade teachers at an average starting salary of $45,000.	**3-Fourth Grade teachers** A) Assumes enrollment and performance goals are met and an average salary increase of 3% for 2 teachers to $46,350 in year two. B) Assumes 1 additional Fourth Grade teacher at an average starting salary of $45, 000.
Grade 5			**2-Fifth Grade Teachers** A) Assumes 2 Fifth grade teachers at an average starting salary of $45,000.
Average Yearly Salary	**$45,000**	**$45,900**	**$47,277**

Physical Education & Arts Teacher: Assumes 1 FTE for the Physical Education Teacher at an average annual salary of $45,000 in Year 1 for student enrollment of 200. Assumes 1 FTE for the Physical Education Teacher at $46,350 and 1 FTE Art teacher at an average starting annual salary of $45,000 in Year 2 for student enrollment of 350. Assumes 1 FTE for the Physical Education Teacher at $47,740.50 and 1 FTE Art teacher at an average annual salary of $46,350 in Year 3 for student enrollment of 425. Assumes an average increase per teacher of 3% annually based upon available funds and performance reviews. Required employer contributions estimated at 10% of salaries for Y1, Y2, and Y3. (*See C.5.a. Table 2: Salary Calculations-Physical Education & Arts Teacher*)

C.5.a. Table 2: Salary Calculations-Physical Education & Arts Teacher

	Year 1	Year 2	Year 3
Physical Education Teacher	Assumes 1 teacher at an average starting salary of $45,000.	Assumes enrollment and performance goals are met and an average salary increase of 3% for 1 teacher to $46,350 in year two.	Assumes enrollment and performance goals are met and an average salary increase of 3% for 1 teacher to $47,740.50 in year three.
Arts Teacher	Assumes no art teacher in year 1.	Assumes 1 teacher at an average starting salary of $45,000.	Assumes enrollment and performance goals are met and an average salary increase of 3% for 1 teacher to $46,350 in year two.
Average Yearly Salary	**$45,000**	**$45,675**	**$47,045**

General Education Assistant: Assumes hourly wage of $10.87 per hour at 7.5 hours per day for 184 days for 1 general education assistant in Y1. Assumes 3 general education assistants in Y2 at an hourly wage of $10.92 per hour at 7.5 hours per day. Assumes 5 general education assistants in Y3 at an hourly wage of $11.16 per hour at 7.5 hours per day. Employer contributions estimated at 10% of salaries. Assumes a 3% annual increase based upon performance and available funds.

Special Education Teacher: Assumes 1 part time (0.5 FTE) special education teacher at an average annual salary of $22,500 in year 1 based on a full time annual salary of $45,000. Assumes 1 part time (0.5) FTE for the special education teacher at an average annual salary of $23,175 in Year 2 based on a full time annual salary of $46,350. Assumes 1 FTE special education teacher at an average annual salary of $47,740.50 in Year 3. Employer contributions estimated at 10% of salaries. Assumes an average increase per teacher of 3% annually based upon available funds and performance

reviews. Required employer contributions estimated at 10% of salaries for Y1, Y2, and Y3.

Special Education Assistant (Y3): Assumes hourly wage of $10.87 per hour at 7.5 hours per day for 184 days for 1 special education assistant in Y3. Employer contributions estimated at 10% of salaries. Assumes hourly wage of $10.87 per hour at 7.5 hours per day for 184 days with a 3% annual increase based upon performance and available funds.

Office Manager: Assumes an annual salary based on $35,000 for one office manager for his or her time and effort during the school year plus an additional 10% in required employer contributions. Assumes performance goals are met, and annual salary increases based on 3% of base salary in Y2 and again in Y3.

Office Assistant/Registrar: Assumes hourly wage of $13.00 per hour at 4 hours per day for 200 days beginning in Y1 for a total of $10,400. Assumes hourly wage of $13.13 per hour at 8 hours per day for 200 days in Y2 for at total of $21,000. Assumes hourly wage of $13.52 per hour at 8 hours per day for 200 days in Y3 for a total of $21,630. Assumes an annual salary increase based on 3% of base salary if performance goals are met and available funds, Employer contributions estimated at 10% of salaries.

Bookkeeper/ Finance: Assumes no cost for a bookkeeper/finance during the first three years due to Synergy Public School plans to contract with ASPIRE Business Consultants, Inc. to be overseen by the Director of Business and Operations.

Custodial/ Maintenance: Assumes no cost for a custodial/maintenance salary during the first three years as Synergy Public School intends to contract with a custodial/maintenance company, Marsden.

Employee Retirement Benefits: Synergy Public School will not be offering retirement benefits in Y1-Y3. Synergy Public School intends to begin offering benefits in Y4.

Employee Insurance: Assumes employer-paid employee medical insurance coverage for full-time staff at a rate of $300/month per person. Assumes in Year 1 Synergy will employ 14 full-time employees (FTE) at $300 a month for 12 months totaling $50,400. In Year 2 Synergy will employ 24 full-time employees (FTE) at $300 a month for 12 months totaling $86,400. In Year 3 Synergy will employ 32 full-time employees (FTE) at $300 a month for 12 months totaling $115,200. Quote based on communication with Holmes Murphy Insurance.

Office Supplies: Assumes $400 per year per full time staff member in years 1 totaling $5,600; in year 2 totaling $8,000 and in year 3 totaling $10,000 for office supplies including copy paper, pencils, staplers, etc. Cost is based on comparable supply costs at similarly sized charter schools.

Instructional Consumables: Assumes $6,000 from the Start-Up Budget for instructional consumables to be purchased for Y1, no additional cost is necessary in Year 1 budget. Assumes $10,500 in Y2, and $12,750 in Y3 at an approximate rate of $30/student. Assumes this same rate will continue for Y4. Quote based on similar charter school budgets with similar program of

instruction and enrollment numbers.

Membership Dues, Registrations, and Travel: Assumes fees to become members of the Arizona Charter Schools Association at a rate of $3.50/student each of the first three years. Assumes $700 in Y1; $1,225 in Y2; and $1,487.50 in Y3.

Assumes Local First Membership fee for Y1 of $129, Y2 $129, and Y3 $249.

Assumes fees and travel associated with Synergy Public School's staff attending PD conferences and training workshops in Y1, Y2, and Y 3. The allocations for each year is as follows; Y1 $10,000, Y2 $10,000, and Y3 $10,000.

AIS Contracted Services (Other): Assumes a Y1 cost of $86,433, in Y2 a cost of $75,458, and Y3 of $78,290 for the other AIS services listed below: (*See C.5.a Table 3: AIS Contracted Services*)

C.5.a Table 3: AIS Contracted Services

	Year 1	Year 2	Year 3
Professional Development	$54,250	$40,750	$40,750
Legal Services	$6,800	$6,800	$6,800
Informational Technology	$1,500	$1,500	$1,500
Financial Management -Aspire	$22,008	$23,108	$25,265
Substitute Teachers	$1,875	$3,300	$3,975

Professional Development Services: Assumes annual cost of $16,000 (to begin payments in September of 2017) in Year 1, Year 2, and Year 3 with the Center for Student Achievement (CSA) Quality Schools Program, which will provide Professional Development and support.

Assumes cost of $38,250 for Success For All Year 1. Assumes a cost of $24,750 for Success For All Year 2 and $24,750 for Year 3. Success For all will provide professional development and support for teachers and administrative staff including beginning of the year training and ongoing site support throughout the year. Based off quote from Success For All.

Legal Services: Assumes that Synergy Public School will retain legal services for $6,800 per year in years 1, 2, and 3 for circumstances in which Synergy Public School would need to bring in additional outside counsel. Cost obtained from Carter Law Group.

Informational Technology Services: Assumes 30 hours in year 1, 2 and 3 at a rate of $50 per hour to maintain staff technology. Cost assumed per year is $1,500. Cost obtained from Network Technologies International.

Financial Services. Y1: Assumes a total of $22,008 for financial business consulting

services as quoted by ASPIRE Business Consultants at a contracted annual rate for full service. Services include: Assist or prepare and submit monthly cash management reports and annual completion reports to the Arizona Department of Education; Assist in the preparation of monthly financial statements for the Governing Board; Review accounting related functions including accounts payable, payroll (through third party payroll processing company), general ledger maintenance (review of coding), and preparation of monthly bank reconciliations; Assist management in complying with state/federal laws and regulations; Assist and review the annual budgets, reports for AZ Corporation Commission and the Annual Financial Report; Assist the charter with their annual audit requirements including acting as the audit liaison.

Y2: Assumes a total of $23,108 for financial business consulting services as quoted by ASPIRE Business Consultants at a contracted annual rate for full service. Services include: Assist or prepare and submit monthly cash management reports and annual completion reports to the Arizona Department of Education; Assist in the preparation of monthly financial statements for the Governing Board; Review accounting related functions including accounts payable, payroll (through third party payroll processing company), general ledger maintenance (review of coding), and preparation of monthly bank reconciliations; Assist management in complying with state/federal laws and regulations; Assist and review the annual budgets, reports for AZ Corporation Commission and the Annual Financial Report; Assist the charter with their annual audit requirements including acting as the audit liaison.

Y3: Assumes a total of $25,265 for financial business consulting services as quoted by ASPIRE Business Consultants at a contracted annual rate for full service. Services include: Assist or prepare and submit monthly cash management reports and annual completion reports to the Arizona Department of Education; Assist in the preparation of monthly financial statements for the Governing Board; Review accounting related functions including accounts payable, payroll (through third party payroll processing company), general ledger maintenance (review of coding), and preparation of monthly bank reconciliations; Assist management in complying with state/federal laws and regulations; Assist and review the annual budgets, reports for AZ Corporation Commission and the Annual Financial Report; Assist the charter with their annual audit requirements including acting as the audit liaison.

Substitute Teachers: Assumes Synergy Public School will contract with substitute teachers to cover classrooms in the event that coverage is not possible from within the existing school staff. During teacher absences, other teachers, administrators, or other qualified school employees or Pre-selected volunteers with fingerprint clearance cards will cover classes. Synergy Public School will also budget for substitute teachers when coverage within the school is not possible.

- This assumes that teaching staff in Y1 (9 FTE) will have a total of 99 days off, but likely only use 50% or 50 days. We assume current staff can cover half of them, leaving approximately 25 days with coverage needed. At a rate of $75/day, we have budgeted $1,875 for substitute

teachers in Y1.

- This assumes that teaching staff in Y2 (16 FTE) will have a total of 176 days off, but likely only use 50% or 88. We assume current staff can cover half of them, leaving approximately 44 days with coverage needed. At a rate of $75/day, we have budgeted $3,300 for substitute teachers in Y2.
- This assumes that teaching staff in Y3 (19 FTE) will have a total of 209 days off, but likely only use 50% or 104.5 days. We assume current staff can cover half of them, leaving approximately 53 days with coverage needed. At a rate of $75/day, we have budgeted $3,975 for substitute teachers in Y3.
- Assumes that absences from the Special Education Teacher in Y1, Y2 and Y3 will result in the cancellation of services for that day and the make-up of the instructional service time for Special Education students as mandated by IEP's to remain in compliance.

AIS Contracted Services (Special Education)

Special Education Services: Assumes that the percentage of students with disabilities enrolled at Synergy Public School will be 10%, however Synergy Public School wants to ensure enough funding is budgeted so assumptions will be increased to 12%.

School Psychologist Services. Synergy Public School assumes that in Y1, there will be 24 students identified with a disability. Synergy Public Services assumes that one-third of our special education students will be due for their 3 year Multi-Evaluation Team (MET) also known as re-evaluations annually. Each evaluation is approximately $500 for the school psychologist to complete the testing portion of the determination of eligibility. Additional services will be billed at an hourly rate of $74 as quoted by Ridge Zeller Therapy Services.

- In Y1, it is assumed that 24 students enrolled will be receiving special education service with 8 students needing re-evaluations (MET). It is assumed that $4,000 of the $6,000 for psychological services will be spent on re-evaluation with $2,000 allocated for 4 initial evaluations as quoted by Ridge Zeller Therapy Services.
- In Y2, it is assumed that 42 students enrolled will be receiving special education services with 14 needing re-evaluations (MET). It is assumed that $7500 of the $11,500 for psychological services will be spent on re-evaluation with $4,000 for eight initial evaluations as quoted by Ridge Zeller Therapy Services.
- In Y3, it is assumed that 51 students enrolled will be receiving special education services with 17 needed re-evaluations. It is assumed that $8500 of the $13,000 for psychological service will be spent on re- evaluation with $4,500 for nine initial evaluations as quoted by Ridge Zeller Therapy Services.

Speech Services.

- Assumes in Y1, 12 students will be receiving speech services through a contracted provider at a rate of $62/hr. as quoted by Ridge Zeller Therapy Services. It is assumed that student's services will be delivered in small groups of three in weekly 30 minute sessions for a total of 8 total hours per month or 80 hours for the academic year. The assumed cost of Y1 is $4,960.
- Assumes in Y2, 21 students will be receiving speech services through a contracted provider at a rate of $62 /hr. as quoted by Ridge Zeller Therapy Services. It is assumed that student services will be delivered in small groups of three in weekly 30 minute sessions for a total of 14 total hours per month or 140 hours for the academic year. The assumed cost of Y2 is $8,680.
- Assumes in Y3, 26 students will be receiving speech services through a contracted provider at a rate of $62 /hr. as quoted by Ridge Zeller Therapy Services. It is assumed that student services will be delivered in small groups of three in weekly 30 minute session for a total of 18 total hours per month or 180 hours for the academic year. The assumed cost of Y3 is $11,160.

Physical Therapy.

- Assumes in Y1, 4 students will be receiving physical therapy services through contracted provider at a rate of $ 74/hr. as quoted by Ridge Zeller Therapy Services. It is assumed that student services will be delivered in small group settings of 2 students for 30-minute bi-monthly sessions for a total of 2 hour per month or 24 hours for the academic year. The assumed cost of Y1 is $1,776.
- Assumes in Y2, 7 students will be receiving physical therapy services through contracted provider at a rate of $74 /hr. as quoted by Ridge Zeller Therapy Services. It is assumed that student services will be delivered in small group settings of two students for 30-minute bi- monthly sessions for a total of 3.5 hour per month or 35 hours for the academic year. The assumed cost of Y2 is $2,590.
- Assumes in Y3, 9 students will be receiving physical therapy services through contracted provider at a rate of $74/hr. as quoted by Ridge Zeller Therapy Services. It is assumed that student's services will be delivered in small group settings of two students for 30-minute bi- monthly sessions for a total of 4.5 hour per month or 45 hours for the academic year. The assumed cost of Y3 is $3,330.

Occupational Therapy.

- Assumes in Y1, 8 students will be receiving occupational therapy services through contracted provider at a rate of $ 74/hr. as quoted by Ridge Zeller Therapy Services. It is assumed that student services will be delivered in small group settings of three students for 30 minute weekly sessions for a total of 6 hour per month or 60 hours for the academic year. The assumed

cost of Y1 is $ 4,440.

- Assumes in Y2, 14 students will be receiving occupational therapy services through contracted provider at a rate of $ 74/hr. as quoted by Ridge Zeller Therapy Services. It is assumed that student's services will be delivered in small group settings of three students for 30 minute weekly sessions for a total of 10 hour per month or 100 hours for the academic year. The assumed cost of Y2 is $7,400
- Assumes in Y3, 17 students will be receiving occupational therapy services through contracted provider at a rate of $ 74/hr. as quoted by Ridge Zeller Therapy Services. It is assumed that student's services will be delivered in small group settings of four students for 30 minute weekly sessions for a total of 17 hour per month or 170 hours for the academic year. The assumed cost of Y3 is $12,580.

Synergy Public School assumes to total expenditure for special education contracted services to be Y1 $17,176, Y2 $30,170, and Y3 $40,070. (*See C.5.a Table 4: Synergy Public School Special Services Budget*)

C.5.a Table 4: Synergy Public School Special Services Budget

	Year 1	Year 2	Year 3
School Psychologist	$6,000 (12% of 200)	$11,500 (12% of 350)	$13,000 (12% of 425)
Speech Services	$4,960 (6% 0f 200)	$8,680 (6% of 350)	$11,160 (6% of 425)
Physical Therapy Services	$1776 (2% of 200) 4 students	$2,590 (2% of 350) 7 students	$3330 (2% of 425) 9 students
Occupational Therapy Services	$4,440 (4% of 200) 8 students	$7,400 (4% of 350) 14 students	$12,580 (4% of 425) 17 students
Total	**$17,176**	**$30,170**	**$40,070**

Curriculum & Resource Materials*:*

English Language Arts:

Success For All (Reading): Assumes Year 1 start-up material will be paid for out of Start-

Up budget and received prior to August 1, 2017 to be used during Year 1 of operation. No Year 1 cost.

Assumes Year 2 costs of $22, 915 for additional grade level and classrooms added and $3,309 for replenishment of consumable and replacement materials totaling $26,224.

Assumes Year 3 costs of $11,545 for additional grade level and classrooms added and $3, 309 for replenishment of consumable and replacement materials totaling $14,854. Quote received by Success For All.

Trade Books for English Language Arts Instruction: Assumes a cost of $8,500 in Y1, $8,500 in Y2 and $8,500 in Y3 for a variety of literature/informational text. Costs quoted by Gardner's Books.

Science:

Assumes Science kits for Grade K (2 Full Year Classroom Kits-13 kits per classroom at a cost of $845 each, totaling $1690), Grade 1 (2 Full Year Classroom Kits-9 kits per classroom at a cost of $625 each, totaling $1250), Grade 2 (2 Full Year Classroom Kits-9 kits per classroom at a cost of $625 each, totaling $1250), and Grade 3 (2 Full Year Classroom kits-9 Kits per classroom at a cost of $625 each, totaling $1250) Cost in Y1 totals $5,440 at a cost of $27.20 per student.

In Y2, a cost of $1380 for Grade 4 (2 Full Year Classroom Kits-10 kits per classroom at a cost of $690 each), and $8,160 for grades K-3 (Kindergarten- 3 Full Classroom kits, 1st Grade- 3 Full Classroom kits, 2nd Grade-3 Full Classroom kits, and 3rd Grade-3 Full Classroom Kits) totaling $9,540 at a cost of $27.25 per student.

In Y3, assumes a cost of $1780 for the addition of 2 Grade 5 classrooms at a cost of $890 each and $8,850 for grades K-4 (Kindergarten- 3 Full Classroom Kits, 1st Grade- 3 Full Classroom Kits, 2nd Grade-3 Full Classroom Kits, 3rd Grade-3 Full Classroom Kits, 4th Grade-3 Full Classroom Kits) totaling $10,630 at a cost of $25 per student.

Costs estimated from scittkits.com.

Social Studies:

Assumes Social Studies Resource materials for Grade 1 $395, Grade 2 $395, and Grade 3 for $395 for 6 classrooms totaling $2370. Assumes the cost of $159 for complete social studies literature set for grades 1-3 for 6 classrooms totaling $954. Year 1 total cost $3,324.

In Year 2, assumes the cost of $215 for 2 4th grade classrooms at a total cost of $430 for resource materials and a cost of $400 for social studies literature sets. Assumes an additional 1st, 2nd and 3rd grade classroom cost of $872 totaling $1,702 for Year 2.

In Year 3, assumes the cost of $215 for 2 fifth grade classrooms at a total cost of $430

for resource materials and $400 for social studies literature sets. Assumes an additional 4th grade classroom cost of $415 totaling $1,245 for Year 3.

Assumes no additional kindergarten cost as resources are embedded in the Success For All reading program. Costs estimated from Lakeshore Learning.

Special Education:

Assumes Special Education Wilson Reading Fundations Program at a cost of $489 for teacher kit and $1056 for student materials (non-consumable) based off of 12% (24 students) of enrollment needing special education services totaling $1545 in Year 1.

In Year 2, assumes $489 for a teacher kit and $792 for student materials for an additional 18 students based off Year 2 enrollment totaling $1281.

In Year 3 assumes $489 for a teacher kit and $396 for student materials for an additional 9 students based off Year 3 enrollment totaling $885.

Physical Education:

In Y1, assumes $199.00 for K-2 curriculum and $199.00 for 3-6 curriculum. Assumes $10,039.17 for K-5 standard equipment set. Totaling $10,437.17.

In Y2, assumes equipment replacement cost only as all curriculum and equipment for K-5 was purchased in Y1. Assumes Y2 equipment replacement cost $716.58 for assorted balls, jump ropes, and flags.

In Y3, assumes equipment replacement cost only as all curriculum and equipment for K-5 was purchased in Y1. Assumes Y3 equipment replacement cost $716.58 for assorted balls, jump ropes, and flags.

Cost estimated by schoolspecialty.com and sparkpe.org

Library Resources/Software:

Assumes reading progress monitoring program as quoted through Scholastic, Inc. for the Scholastic Reading Inventory (SRI) for Y1 at $2,950 for 200 site license, Y2 at $0 no additional license need to be bought, and Y3 at $598 for 100 additional licenses.

Assumes Success For All Technical Fee of $1000 per year in Year 1, 2, and 3 as quoted by Success For All.

Assumes no cost in Y1 for library books, but $2000 for Y2 and $2000 for Y3 to build school library.

SAIS Software: Assumes $12 per student per year for the Synergy SAIS software system. Y1: $2400, Y2: $4200, Y3: $5100.

Auditor Fees/Services. Assumes an annual rate of $8,500 for auditing services as quoted by Brett V. Backlund in year 2 and year 3.

Other*:* Assumes an annual rate of $10 per student for NWEA-Map testing for quarterly benchmark assessments. Y1: $2,000, Y2: $3500, Y3: $4,250

Assumes an annual rate of $8 per student Galileo assessment services. Assumes Y1 cost in start-up budget. Assumes an annual rate of $8 per student for 350 students totaling $2800 for year 2 and in Year 3 $8 per student for 425 students totaling $3400.

Explanation of Operations & Maintenance (O&M) Expenditures:

Supplies: Assumes $9,600 for supplies in Y1, and $16,800 in Y2 and $20,400 in Y3. These supplies will include items such as toilet paper, paper towels, trash bags, miscellaneous cleaning, office, and classroom supplies. Assumes cost for supplies will be 4*(number of students)*12 months. This quote was attained through analysis of other charter schools with similar enrollment numbers and facility size.

Marketing/Advertising: Assumes $4506.71 for marketing and advertisement expenses in the start-up budget for the recruitment of 200 students for Year 1 at $22.53 per student. Assumes $3,379.50 in Year 1 for the recruitment of an additional 150 students in Year 2 at $22.53 per student. Assumes $1,689.75 in Year 2 for the recruitment of an additional 75 students in Year 3 at $22.53 per student. Assumes a static amount of $1,689.75 in Year 3 for student mobility to maintain an enrollment of 425 students in Year 4. These cost will cover expenses for printing, material and recruitment events. In recruiting for our second and third years, we will rely significantly on the help of current parents to recruit additional families to our school.

Contracted Services: (O&M):

Maintenance. Assumes custodial services for 40 weeks, including 36 weeks with the students and one week prior to school starting and a week after school is out. Assumes once a week cleaning during off school months will be 10 days or two weeks. Assumes Y1 is based on a rate of $2 per enrolled student per week is $400/per week (40 weeks) totaling $16,000; $700 per week (40 weeks) totaling $28,000 for Year 2 and $850/week (40 weeks) totaling $34,000 in year 3. The increase in rate corresponds to the increase in the number of students each year, and is based on a quote Synergy received from Marsden, who has contracted with other charter schools, including Arizona Charter Academy.

Building Rent/Lease/Loan:

With a square footage suggested range of 45 to 57 square feet/student, based on a recommendation from Keyser, a real estate broker who has brokered numerous charter school facility deals, assumes the high end of the range of 57 square feet/student for facility costs to ensure fidelity within the budget.

Assumes rent at a rate of $12/square foot, comparable to market rates as quoted by realtor and reflective of the higher viable sample property as described in C.1 Facilities Acquisition which is $11.37/square foot. The $12/square foot allows for a small cushion to allow for any additional costs. (Outlined in C.1. Facility #2 was quoted at $11.37/square foot.) The total amount for rent each year is based on 11,400 square feet in Y1, 19,950 square feet in Y2, and 24,225 square feet in Y3.

Building & Improvements:

Assumes up to an annual cost of $10,000 for tenant building improvements in Y1, Y2, and Y3. This assumes that the improvements would happen as student enrollment expanded and the need for additional space presented itself. Assumes a percentage of the building improvements would be paid by the landlord or absorbed into the cost of the lease based on conversations with other charter start-ups.

Land & Improvements:

Assumes up to an annual cost of $5,000 for tenant building improvements in Y1, Y2, and Y3. This assumes that the improvements would happen as student enrollment expanded and the need for additional space presented itself. Assumes a percentage of the building improvements would be paid by the landlord or absorbed into the cost of the lease based on conversations with other charter start-ups.

Fees/Permits:

Assumes $1,000 for fees and permits that may be necessary to annually renew, based on estimates from other charter school start-ups in the Phoenix area.

Property/Casualty Insurance:

Assumes conservative estimate from Holmes Murphy for insurance including: General Liability, Property, Educators Liability, Directors and Officers, Employment Practices Liability, Employee Benefit Liability, Abuse & Molestation, Umbrella, Business Interruption, Crime, Student Accident, and Workers Compensation (etc.).

Year 1- $5,000, Year 2- $10,000, Year 3 - $14,000 based increased enrollment and staff numbers.

Liability Insurance:

Assumes conservative estimate from Holmes Murphy for insurance including: General Liability, Property, Educators Liability, Directors and Officers, Employment Practices Liability, Employee Benefit Liability, Abuse & Molestation, Umbrella, Business Interruption, Crime, Student Accident, and Workers Compensation (etc.)

Assumes cost of $4,000 for Y1, $5,500 for Y2, and 7,000 for Y3 based on increased enrollment and staff numbers.

Utilities:

Assumes utilities at a rate of $1.50/square feet for all years as determined by similar cost estimations from recent charter school start-ups. For Y1 estimated square footage of 11,400 (57sq.ft x 200 students), Synergy Public School assumes a cost of $17,100. For Y2 square footage of 19,950 (57sq.ft x 350 students), Synergy Public School assumes a cost of $29,925. For Y3 square footage of 24,225 (57sq.ft x 425 students), Synergy Public School assumes a cost of $36,337.50.

Phone/Communications/Internet Connectivity:

Assumes upfront technical set-up fees of $18,000 as quoted, an independent contractor and technical support specialist, for Year 1 for setup and maintenance costs to maintain Internet connectivity. Specifically, assumes setup of CIPA filter, wireless network, including Wireless Access Points, routers, and modem at a cost of $1,800 per classroom x 9 classrooms and 1 office= $18,000 total. Assumes an additional 20 hours of support as needed to troubleshoot problems during the school year = 20 hours x $50 per hour = $1,000 totaling $19, 000.

Also accounts for lower amounts in Y2 and Y3, as the setup charges will no longer be necessary in those and future years. Accounts for adjustments in bandwidth needed over the course of the first three years of operation. For Y2, assumes regular maintenance of filter and wireless network, addition of 75 computers for 20 hours per school year at $50 an hour = $1,000. As well as 7 additional classrooms at a cost of $1,800 per classroom = $12,600. For Y3: Assumes regular maintenance of filter and wireless network, addition of 75 student computers for 20 hours per school year at $50 an hour = $1,000, as well as 3 additional classrooms at a cost of $1,800 per classroom = $5,400.

Assumes two phone lines, a fax line, and wireless Internet at an annual rate of $3,600 through Cox Communications for Y1 as quoted from leaders of other start-up charter schools. Assumes $4,800 in Y2, and $6,000 in Y3 to account for increased capacity due to additional devices used as enrollment increases. Assumes that teachers will use their personal cell phones for any emergency communication during the school day.

Transportation:

Assumes no cost as transportation to and from school will not be provided at Synergy Public School

Food Service:

Assumes Synergy Public School students will qualify for reimbursed student breakfast and lunch from the National School Lunch Program (NSLP) and School Breakfast Program (SBP) and will therefore not incur any expenses from the school budget. Assumes student who do not qualify for the NSLP will pay their individual breakfast and lunch costs. Assumes contracting L&M, a service used and recommended by several

start-up charters, including CASA Academy and Create Academy. L&M rate is inclusive and matches the amount allocated through the NSLP and SBP. Assumes an overage budget of $5,000 for Y1, Y2, and Y3 for incidentals that occur when providing a meal program.

Student Furniture & Equipment:

Assumes student furniture for Y1 will be paid for in Start-up Budget, however Y1 assumes a $2000 contingency in case of any unexpected equipment needs. Assumes Y2 cost of $10,946.67 as student enrollment will grow from 200 to 350 students and staff will increase by 6. (*See C.5.a Table 5: Synergy Public School Student Furniture and Equipment-Y2*)

C.5.a Table 5: Synergy Public School Student Furniture and Equipment-Y2

Item	Per Unit Price	Total
Tables	36 @ $86.85	$3,126.60
Chairs	125 @ $19.95	$2,493.75
White Boards	6 @ $126.45	$758.70
Teacher Chairs	6 @ $115.84	$695.04
Teacher Desks	6 @ $319.99	$1,919.94
Standing Desks/Tables	12 @$39	$468
Stools	12 @ $4.99	$59.88
Bean Bag Chairs	12 @ $38.48	$461.76
Stability Balls	6 @ $32.59	$195.54
Benches	6 @ $37.99	$227.94
Cozy Chairs	12 @ $29.99	$359.88
Cushions	36 @ $4.99	$179.64
	Total	$10,946.67

Assumes cost in Y3 of $6,221.46 to proportionately address student enrollment increase an additional 75 students and 3 staff members. (*See C.5.a Table 6: Synergy Public School Student Furniture and Equipment-Y3*)

C.5.a Table 6: Synergy Public School Student Furniture and Equipment-Y3

Item	Per Unit Price	Total
Tables	18 @ $86.85	$1,563.30
Chairs	100 @ $19.95	$1,995.00
White Boards	3 @ $126.45	$379.35
Teacher Chairs	3 @ $115.84	$347.52

Teacher Desks	3 @ $319.99	$959.97
Standing Desks/Tables	6 @$39	$234
Stools	6 @ $4.99	$29.94
Bean Bag Chairs	6 @ $38.48	$230.88
Stability Balls	3 @ $32.59	$97.77
Benches	3 @ $37.99	$113.97
Cozy Chairs	6 @ $29.99	$179.94
Cushions	18 @ $4.99	$89.82
	Total	$6,221.46

Office Furniture & Equipment:

Assumes an annual cost of $2,000 in Y1, Y2, and Y3 to accommodate increasing enrollment and staff numbers. Assumes purchases at discount suppliers and used stores such as Treasures for Teachers, and ASU Surplus as well as donated furniture as recent charter start-up schools have secured.

Student Technology Equipment:

Assumes purchasing 75 Google Chromebooks out of the start-up budget, so no cost for student computers in Y1 budget. In Y2, assumes cost of purchasing an additional 75 Google Chromebooks ($14,566.00). In Y3, assumes cost of purchasing 75 additional Google Chromebooks ($14,566.00). Quote based on online price at Fry's Electronics in March of 2016.

Assumes any funds raised through in-kind donations, individual giving, and technology grants will help offset the above costs as well as purchase enough equipment for every student to have access to either a tablet or a laptop.

Office Technology Equipment:

In Y1, assumes no cost for office technology as equipment was purchased with start up funds.

In Y2, assumes $3843 for school laptops for seven additional certified staff members (6 General Education Teacher, 1 Arts Teacher) to be paid at a cost of $549/laptop, $99 for 5 Microsoft Office subscriptions. Assumes $1932 for seven projectors at $276/apiece (for the six additional classroom spaces, one for the Art teacher space), $2569 for 7 document cameras for the 9 classrooms at $367/camera as quoted by Dell.com. Totaling $8443

In Y3, assumes $1647 for school laptops for each of the three additional staff members at a cost of $549/laptop, $99 for 5 Microsoft Office subscriptions Assumes $828 for

three projectors at $276/projector used (for the four additional classroom spaces), $1101 for three document cameras for three classrooms at $367/a camera as quoted by Dell.com Totaling $3675

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 11 months in Y1 for $3,850. (One month paid for out of Start-up Budget) Assumes 350/month for 12 months at a total $4,200 for Y2 and Y3. Quoted by Ricoh Copiers.

Loan Repayment: Assumes no loan repayment in the first three years of operation.

Other: Assumes no additional expenses for maintenance and operations for Synergy Public School in the first three operational years.

B. Explanation of Student Count and Equalization

Synergy Public School assumes that there will be 200 students in Year 1 (Y1), 350 in Year 2 (Y2), and 425 in Year 3 (Y3). In Y1, Synergy Public School assumes that there will be 50 students in Kindergarten, 50 students in grade 1, 50 students in grade 2, and 50 students in grade 3. In Y2, Synergy Public School assumes that there will be 350 students; 75 students in Kindergarten, 75 students in grade 1, 75 students in grade 2, 75 students in grade 3 and 50 students in grade 4. In Y3, Synergy Public School assumes that there will be 425 students; there will be 75 students in Kindergarten, 75 students in grade 1, 75 students in grade 2, 75 students in grade 3, 75 students in grade 4 and 50 in grade 5. This information aligns to the Target Population section of this charter application. (*See C.5.a Table 7: Student Enrollment Projections*)

C.5.a Table 7: Student Enrollment Projections

	Year 1	Year 2	Year 3
Kindergarten	50	75	75
1st Grade	50	75	75
2nd Grade	50	75	75
3rd Grade	50	75	75
4th Grade		50	75
5th Grade			50
Total	200	350	425
90% of Total	180	315	382.5

C. Rationale Student Count Add-on Levels

State equalization funding is based at 90% of the following grade-level target enrollments for its

first three years of operation in the Projected Revenue Calculator for assumed equalization funding. No add-ons were included. (*See C.5.a Table 7: Student Enrollment Projections*)

D. Rationale for the Percent of Full Enrollment.

Whereas, Synergy Public School anticipates a full enrollment of 200 students in Y1, 350 in Y2, and 425 in Y3; the budget projection includes a conservative 90% enrollment projection of the total enrollment capacity for the student body to compensate for students enrolled late, attrition, or lower demand than expected, all causing a lower ADM.

E. Demonstration of Assumptions

All assumptions in the three-year operational budget are viable and adequate.

F. Operational Revenue For Start-up Expenses

Synergy Public School received a three-year, AZCSP grant. Assumes $250,000 from February 2016-February 2017 for the planning phase, of which $50,000 will carry over into the start-up period. Assumes another $250,000 allocation from February 2017 to February 2018 for start-up and implementation. Assumes $103,400.62 left over in planning/start-up funds to be carried over into year 1 operational budget.

Other Funds:

Assumes the third year of AZCSP grant funding in the amount of $250,000 will be allocated in February 2018 during second semester of our first year of operation.

G. Ensure revenues cover expenditures.

Explanation of Revenues:

> *State Funding (Equalization Assistance*)- Total revenue amount was calculated using the provided Revenue Calculator. It assumes the per ADM funding amount and student weights provided in the revenue calculator as well as the student count figures explained above, including 90% enrollment for each of the first three years, with kindergarten enrollment divided in half. Although Synergy Public School anticipates that a percentage of students will qualify for special education and/or ELL services, the total revenue calculated conservatively assumes no Student Count Add-Ons for special education or English Language Learners, and therefore were not used.
>
> *Secured Funds*- Private Donations. Synergy Public School will file for 501(c)(3) status with the IRS, allowing for tax-exempt donations from private donors. While Synergy Public School fully intends to continue pursuing financial support from private donations, the budget assumes entire revenue stream for start-up from the AZCSP Grant.

Secured Funds- Other. Assumes the AZCSP grant funds of $250,000 per year. February 2016-2017 (planning year), February 2017-2018 (Start-up and Y1), February 2018-2019 (Y1/Y2)

Explanation of Carryover:

Carryover (Balance from Start-Up Budget in Year 1 of the previous year):

Assumes $103,400.62 of carryover from the Start-Up Budget to Y1, from Y1 the amount of $203,080.33 to Y2, and from Y2 the amount of $193,697.00 to Y3, and from Y3 the amount of $169,297.22 to Y4.

In addition, these figures do not take into consideration any fundraising, so these are the lowest possible amounts, as Synergy Public School plans to rigorously seek additional grants, in-kind gifts, and donations which will allow us to save additional funds.

H. Section Consistency with Other Areas

Information placed in this section C.5, is consistent with all other areas of the Charter Application.