C.4 Start-up Budget Assumptions

All assumptions are conservatively based on price quotes, current market rate, and/or thorough research and conversations with School Directors at comparable charter schools. While we have not included any fundraising or outside grants for conservative budgetary projections, we fully expect to utilize the expertise on our Board to help with significant fundraising. The Lead Founder also plans to use the planning year to prepare grant applications for submission upon authorization (and target start-up grant monies upon receipt of our 501(c)(3) determination letter).

Vista College Prep's budget is based on 90% of full enrollment for conservative budget projections, and on the following breakdown of students per grade. As shown in **Figure C.4.1**, we intend to enroll new students through 2nd grade and assume a 7% attrition rate each year thereafter for conservative planning.

Figure C.4.1: Conservative Enrollment Estimates with Attrition after Grade 2

Number of Students	Year 1	Year 2	Year 3
Total Number of Kindergarten Students	54	54	54
Total Number of Grade 1 Students	72	72	72
Total Number of Grade 2 Students		72	72
Total Number of Grade 3 Students			67
Total Number of Grade 4 Students			
Total Number of Grade 5 Students			
Total Number of Students	126	198	265

Administration, Instruction, & Support (AIS)

Salaries

- Assumes 1 FTE for the Executive Director (ED). During the start-up year, the ED will receive a salary from January through July. With 10%[1] of required employer contributions per FTE at $4,800, the total expenditure for seven months is $30,800.

- Assumes 6 FTEs for Regular Education Teachers. During the start-up year, teachers will receive a salary starting July 8, 2013 (the first day of staff professional development). With 10% of required employer contributions per FTE at $3,500 the total expenditure for six teachers for one month is $19,250.

- Assumes 1 FTE for a Special Education Teacher. During the start-up year, the SPED teacher will receive a salary starting July 8, 2013 (the first day of staff professional development). With 10% of required employer contributions per FTE at $3,700 the total expenditure for one SPED teacher for one month is $3,392.

- Assumes 1 FTE for a Clerical (Office Assistant). During the start-up year, the Office Assistant will receive a salary starting July 8, 2013 (the first day of staff professional development). With 10% of required employer contributions per FTE at $2,200 the total expenditure for one Office Assistant for one month is $2,017.

[1] Assumes that required employee contributions include Social Security, Medicare, Unemployment Insurance, and Workman's Compensation.

- Assumes 1 FTE for a Manager of Operations and Business. During the start-up year, the Manager of Operations and Business will receive a salary starting July 8, 2013 (the first day of staff professional development). With 10% of required employer contributions per FTE at $4,000 the total expenditure for one Manager of Business and Operations for one month is $3,667.

- Assumes no Custodial or Maintenance personnel. Duties absorbed by the administrative team.

- Assumes Manager of Curriculum and Instruction starts during third year of operation.

Employee Benefits
We will not offer unrequired employee benefits until our fourth year of operation.

Employee Insurance
Assumes a total cost of $2,520 with participation in the JPET[2] insurance program (through the AZ Charter Schools Association). Their quote is $400 per employee per month. Vista College Prep will assume 70% of this cost, making our monthly payment $280 per employee per month. Coverage for all 9 staff members starts in July (one month at $280). Assumes we will not have insurance coverage for the Executive Director.

Office Supplies (Paper, Postage, etc.)
Assumes a total cost of $2,025. This includes $1,325 for postage (to mail 2,500 3 ½ X 5 postcards at $.45 each and an additional $200 in postage for miscellaneous items) and $100 per month in printing paper based on estimated need from Infincom.

Instructional Consumables
Assumes $500 for miscellaneous instructional supplies needed for staff during the planning year (i.e. to plan for staff professional development or prepare curriculum).

Membership Dues, Registrations, & Travel
Assumes $350 for the Arizona Charter Schools Association annual membership dues.

Contracted Services: AIS
Assumes we will not have AIS contracted services.

Contracted Services: Special Education
Assumes we will not have SPED contracted services during our start-up year.

Curriculum & Resource Materials
Assumes a total cost of $45,343 for all curriculum needed during year one (see **Figures C.4.2-C.4.3**). We also assume this payment to be made at the end of May to ensure we have a solid estimate of the number of students we anticipate showing up on the first day of school (based on home visits and our enrollment numbers). Price quotes are taken directly from the vendor's website or as a result of a call between the vendor and proposed Executive Director. We also assume Vista College Prep staff will adapt and create curriculum and assessments that are standards-based. While we assume this will happen in all grades, the majority of internal curriculum generation will occur starting in third grade.

[2] We are aware that Holmes Murphy is in the process of changing this option. However, while it may be a different name, we have confirmed that the estimate of $400 remains the same.

Figure C.4.2: Curriculum and Resources – Kindergarten

Grade K - Curriculum & Resource Materials (for Y1)				
Curriculum	**Cost**	**Number**	**Total**	**Assumptions**
Reading Mastery - Teacher Materials	$ 639.90	3	$ 1,919.70	Assumes each K classroom has class set of materials.
Reading Mastery - Teacher Guide	$ 28.98	3	$ 86.94	Assumes each K classroom has class set of materials.
Reading Mastery - Workbook A, B, C	$ 10.68	54	$ 576.72	Assumes each K classroom has class set of materials.
Total for Phonics Program			**$ 2,583.36**	Assumes total cost for K.
Lucy Calkins Units of Study (K-2)	$ 172	2	$ 344	Assumes the three K teachers will share materials.
Total for Writing Program			**$ 344**	Assumes total for K writing program.
enVision - Common Core Student Edition (24 pk)	$ 647.47	3	$ 1,942.41	Assumes cost of student workbooks (plus extras).
enVision - Teacher Edition	$ 524.97	3	$ -	Assumes free based on quote from Pearson AZ rep.
enVision - Manipulatives	$ 399.97	3	$ 1,199.91	Assumes each K classroom has class set of manipulatives.
Total for Math Program			**$ 3,142.32**	Assumes total for K math program.
FOSS Science Kits	$ 699	6	$ 4,194	Assumes $699 represents an average cost/kit.
Scott Foresman Grade Level Package	$ 517.47	2	$ 1,035	Assumes 2 sets to be shared by three teachers.
Scott Foresman Leveled Readers	$ 75.97	2	$ 151.94	Assumes 2 sets to be shared by three teachers.
Total for Social Studies and Science			**$ 5,381**	Assumes the three K teachers will alternate SS/Science units so they can share materials.
Second Step Character Development	$ 299	3	$ 897	Assumes each K classroom has class set of materials.
Total for Leadership Development Program			**$ 897**	Assumes total for K leadership development program.
Assessment	**Cost**	**Number**	**Total**	**Assumptions**
STEP Kits	$ 400	2	$800	Assumes 2 sets to be shared by three teachers.
STEP Data Management Tool Licenses	$ 10	54	$540	Assumes a site license per student.
STEP Professional Development	$ 8,500		$8,500	Assumes PD for K and 1 teachers in Y1.
STEP Travel (estimated)	$ 2,500		$2,500	Assumes travel cost for K and 1 teachers in Y1.
Total STEP Literacy Assessment			**$12,340**	Assumes total cost for K plus travel and PD cost for all grades in Y1.
Terra Nova Administration (twice/year)	$ 5.90	108	$637	Assumes test administration fee plus hard copy report twice/year.
Packages of Tests (25 tests/package)	$ 211.75	5	$1,059	Assumes 5 packages needed to assess 54 students twice/year.
Total for Terra Nova			**$1,696**	Assumes test administered as a diagnostic and end-of-year assessment.
Total Cost for Grade K			**$26,384**	

Figure C.4.3: Curriculum and Resources – Grade 1

Grade 1 - Curriculum & Resource Materials (for Y1)				
Curriculum	**Cost**	**Number**	**Total**	**Assumptions**
Reading Mastery - Teacher Materials	$ 639.90	4	$2,560	Assumes each grade 1 classroom has class set of materials.
Reading Mastery - Teacher Guide	$ 28.98	4	$116	Assumes each grade 1 classroom has class set of materials.
Reading Mastery - Workbook A, B, C	$ 10.68	72	$769	Assumes each grade 1 classroom has class set of materials.
Total for Phonics Program			**$ 3,444**	Assumes total cost for grade 1.
Lucy Calkins Units of Study (K-2)	$ 172	3	$ 516	Assumes the four grade 1 teachers will share materials.
Total for Writing Program			**$ 516**	Assumes total for grade 1 writing program.
enVision - Common Core Student Edition (24 pk)	$ 647.47	3	$ 1,942.41	Assumes cost of student workbooks (plus extras).
enVision - Teacher Edition	$ 524.97	3	$ -	Assumes free based on quote from Pearson AZ rep.
enVision - Manipulatives	$ 399.97	3	$ 1,199.91	Assumes each grade 1 classroom has class set of manipulatives.
Total for Math Program			**$ 3,142.32**	Assumes total for grade 1 math program.
FOSS Science Kits	$ 697	7	$ 4,885	Assumes $697 represents an average cost/kit.
Scott Foresman Teacher Resource Pkg.	$ 502.47	3	$ 1,507	Assumes 2 sets to be shared by four teachers.
Scott Foresman Leveled Readers	$ 75.97	3	$ 227.91	Assumes 3 sets to be shared by four teachers.
Total for Social Studies and Science			**$ 6,620**	Assumes the four grade 1 teachers will alternate SS/Science units so they can share materials.
Second Step Character Development	$ 299	4	$ 1,196	Assumes each grade 1 classroom has class set of materials.
Total for Leadership Development Program			**$ 1,196**	Assumes total for grade 1 leadership development program.
Assessment	**Cost**	**Number**	**Total**	**Assumptions**
STEP Kits	$ 400	3	$ 1,200	Assumes 3 sets to be shared by four teachers.
STEP Data Management Tool Licenses	$ 10	72	$ 720	Assumes a site license per student.
STEP Professional Development				Assumes included in the K price.
STEP Travel (estimated)				Assumes included in the K price.
Total STEP Literacy Assessment			**$ 1,920**	Assumes total cost for grade 1 STEP assessment.
Terra Nova Administration (twice/year)	$ 5.90	144	$ 850	Assumes test administration fee plus hard copy report twice/year.
Packages of Tests (25 tests/package)	$ 211.75	6	$ 1,271	Assumes 6 packages needed to assess 72 students twice/year.
Total for Terra Nova			**$ 2,120**	Assumes test administered as a diagnostic and end-of-year assessment.
Total Cost for Grade 1			**$ 18,959**	

Library Resources/Software

Assumes the total cost to be $1,766. This includes the purchase of Reading A-Z to be $595 for year one ($84.95 per classroom). The Reading A-Z program is purchased for classroom library and guided reading books. This also includes $1,100 for the purchase of the Text Talk Complete Collection: Robust Vocabulary Instruction (assumes teachers will share read aloud books). This also includes a subscription to National Geographic for Kids at $71.10 (for 18 issues). We also anticipate supplementing our purchased libraries with a majority of donated used books, and applying for multiple grants through programs like Donors Choose (Lead Founder Julia Meyerson used this program extensively while teaching in the South Bronx, and was able to secure over $2,500 in materials for her classroom).

SAIS Software

Assumes the first payment for PowerSchool is deferred to the month of August based on the past experience of other charter schools.

Other: Kickboard

Assumes a standard fee of $15 per staff member per month for a program that will track all student academic data and behavior. The Executive Director will set-up the system in January ($105 for seven months at $15 per month) and seven teachers plus the Manager of Business and Operations will access in July ($120 for one month at $15 per month per teacher). In total this will cost Vista College Prep $225.

Operations & Maintenance (O&M)

Supplies
Assumes $1,100 for miscellaneous supplies during staff professional development (approximately $100 per staff member for binders, markers and classroom décor).

Marketing/Advertising (Student Recruitment)
Assumes the total cost will be $2,178.47.

- $1,756.92 for two rounds of door hangers ($600 based on an online quote from "Flyer Guys" for distribution and $278.46 for the double-sided color printing of 5,000 hangars based on an online quote from www.GotPrint.com).
- $300 for 60 t-shirts with VCP logo (based quote from Designed in Ink).
- $121.55 for 500 one-pagers (based on an online quote from www.GotPrint.com).
- Currently we have 800 promotional brochures (400 in English and 400 in Spanish)—the design and printing was donated by Prisma Graphics. They have also agreed to print the 2,500 3 ½ X 5 postcards that we will send to families upon authorization.

New Staff Recruitment
Assumes $8,000 for staff recruitment and hiring ($1,000 for each of the eight administrative and instructional positions). This allotment of resources includes funds for observation, in-person interviews and analysis of highest performing urban elementary schools upon hiring. If we identify potential candidates in during the school year of 2013, we will send prospective hires to visit the high performing schools that have informed the vision for Vista College Prep. We also intend to develop a relationship with a local hotel to minimize travel costs for non-local candidates.

Contracted Services: O&M
Assumes $3,300 for legal and financial fees during the start-up year.

- Legal: Assumes $2,050 for legal services based on a quote from Terry Warren, Warren & Banker, PLC. This includes fees for corporate formation, the 1023 filing for the federal tax-exempt status, and legal fees.
- Financial: Assumes first monthly payment of $1,250 (annual cost of $15,000) based on quote from Diamond Financial Solutions. This service includes set up, payroll services, training/mentoring, state reporting, general financial oversight, audit preparation and some grants management services. We assume our Manager of Business and Operations will have the knowledge of and receive pro-bono training of generally accepted accounting principles (GAAP) and therefore, be able to complete all general ledger accounting for the school.

Building Rent/Lease/Loan
Assumes all pricing from Option #1, the Broadway Commerce Center. While Vista College Prep may not be located in this space, we felt that this was the highest price point of all the options we have seen, and therefore a conservative estimation for our budget (this building has also been advertised as an "ideal" space for a charter school). The lease price ranges from $0.69 to $0.99; therefore, we are assuming $.69 per square foot, per month due to our growth potential in the building and intent to lease additional space. We assume that staff professional development will be held at an off-site location. Based on the experience of other charter schools, we assume that lease payments will not start until the first month of school. It is assumed that we will be allowed in the building at least one week before school begins to set-up classroom décor. This is common among many schools in the BES Fellowship who do have access to their building until a few days before school starts, and they still open successfully.

Building & Improvements
Assumes that any building or tenant improvement is included in a monthly lease payment. We plan to be in a building for at least three years, and any improvements to a building will either be minor or paid out throughout the terms of our lease.

Land & Improvements
Assumes that Vista College Prep will be located within a facility that is currently suitable for daily school operations, have cabling, and therefore not have any significant improvements.

Fees/Permits
Assumes $1,000 based on other similar charter school experiences in preparing a building for occupancy.

Property/Casualty Insurance
Assumes $150 per month during the start-up year based on quote from The Mahoney Group.

Liability Insurance
Assumes $150 per month during the start-up year based on quote from The Mahoney Group.

Utilities (Electric, Gas, Water, Waste)
Assumes a total cost of $1,715 (for month of July) at $1.75 per square foot, per year. Our real estate advisor suggests a range of $1.50-$2.00 for utilities cost; therefore, we are assuming $1.75 for conservative budgetary purposes. For purposes of this budget, we are assuming we would take all 11,758 square feet of Option #1 (floor plan located in section C.1 Facilities), and that we could not negotiate based on amount of space utilized during our planning year. Though we are not paying rent for the month of July, we assume we will pay utilities as we may visit the building during the month, show parents a variety of classrooms and begin preparing the building for operation one week before school starts.

Phone/Communications/Internet Connectivity
Assumes $12,249.10 for phone system, internet connectivity and service. The Executive Director's cell phone number will be the primary number for the school until July when the phone system is installed.

Phone System: Assumes $3,791.46 for a phone system as quoted by Sacom Communications. This fee assumes installation using existing cabling and program system, as well as training for all staff. We assume a phone line for every staff member plus one extra.

- 11 phones for year one (SL1100 Basic System) and installation that includes:
    - 12-Key Telephones (1100061)
    - Main KSU (1100010)
    - 4COIDB (1100022)
    - InMail 2 Port (1100112)
    - Install cable 808920
- 1100020 Digital Card
- 1100022 Co Card
- 1100083 VM Port License

Internet Connectivity: Assumes one-time fee of $7,854.96 for strong wireless service in the building as quoted by Compass Network Solutions. This fee includes $1,099.98 for the purchase of two wireless access points (one-time fee of $549.99 each), plus a wireless controller for a one-time fee of $4,024.99, plus $2,729.99 for three-year support.

Phone and Internet Service: Assumes $602.68 for bundled phone and internet service as quoted by Cox Communications.

Student Furniture & Equipment
Assumes $11,893.48 for all classroom furniture in year one based on online catalog for Arizona Furnishings. We are assuming that furniture will be purchased new for conservative budgetary projections, but anticipate receiving used or donated furniture.

- 7 kidney tables (1 per classroom for reading comprehension and guided reading) at $1241.45 ($177.35 each)
- 7 round tables (1 per classroom for literacy centers) at $689.08 ($98.44 each)
- 130 Student Chairs at $2,896.40 ($22.28 each)
- 130 Student Desks at $6,373.90 ($49.03 each)
- 7 carpets at $692.65 ($98.95 each)

Office Furniture & Equipment
Assumes $6,152 for all office furniture and equipment in year one based on online catalog for Arizona Office Liquidators and Design. We have budgeted for used office furniture, but anticipate getting donated furniture.

- 11 used desks at $4,059 ($369 each)
- 5 bookshelves at $495 ($99 each)
- 11 Fabric chairs at $1,085 ($99 each)
- 10 lobby chairs $290 ($29 each)
- 1 4-drawer filing cabinet at $223

Student Technology Equipment
Assumes that we will not have computer equipment for our students.

Please note: While this is not included in our budget or described in our program of instruction, based on other similar charter schools in our targeted area, the network access of our governing board, and based on the experience of other Building Excellent Schools Fellows, we anticipate that we will secure donated computers for the school. If we were to receive the computers, we would use them during the guided reading literacy rotations.

Office Technology Equipment
Assumes $600 for a desktop computer for the office assistant. We assume teachers and staff will use their personal computers or laptops to complete their work.

Please note: While purchased office technology for staff is not included in our budget or described in our narrative, based on the experience of other Building Excellent Schools Fellows, we believe we will be able to get laptops donated to the school. If we were to receive the computers, we would distribute them to all teachers and administrative staff.

Other Leases (Security, Copiers, etc.)
Assumes one large black and white copier (with all capabilities including scanning and faxing) at approximately 20,000 copies per month. Based on an estimate from Infincom, in total this would cost Vista College Prep $300 per month ($600 for June and July).

Loan Repayment
Assumes no loan repayment based on our ability to pay all lease costs.

Other
Assumes no additional costs.