

Measuring Up: Using Charter School Benchmarks for Budgeting

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SAN DIEGO, CA



Introduction

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About the presenters



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**Multicultural Learning
Center**

1. Understand how your school's spending compares to charter schools across the state
2. Systems & structures for planning & monitoring spending
3. How to engage stakeholders in the budgeting process

1. Public data
2. Snapshot
3. Represents charters operating FY11 – FY17
4. Represents charters that use alternative form
5. Data for information purposes only

1. Downloaded unaudited actual data sets
 - Alternative form FY11 – FY17
 - <https://www.cde.ca.gov/ds/fd/fd/>
2. Converted data file from MS Access to MS Excel
3. Filtered data to include charters with data available from FY11 – FY17
4. Grouped and analyzed data in MS Excel

Warm-Up Exercise

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Who is in the audience?

Administrators

Teachers

New school developers

Board members

Business managers

Other

Which category of expenses is the largest percentage of your budget?

1000-Certificated salaries

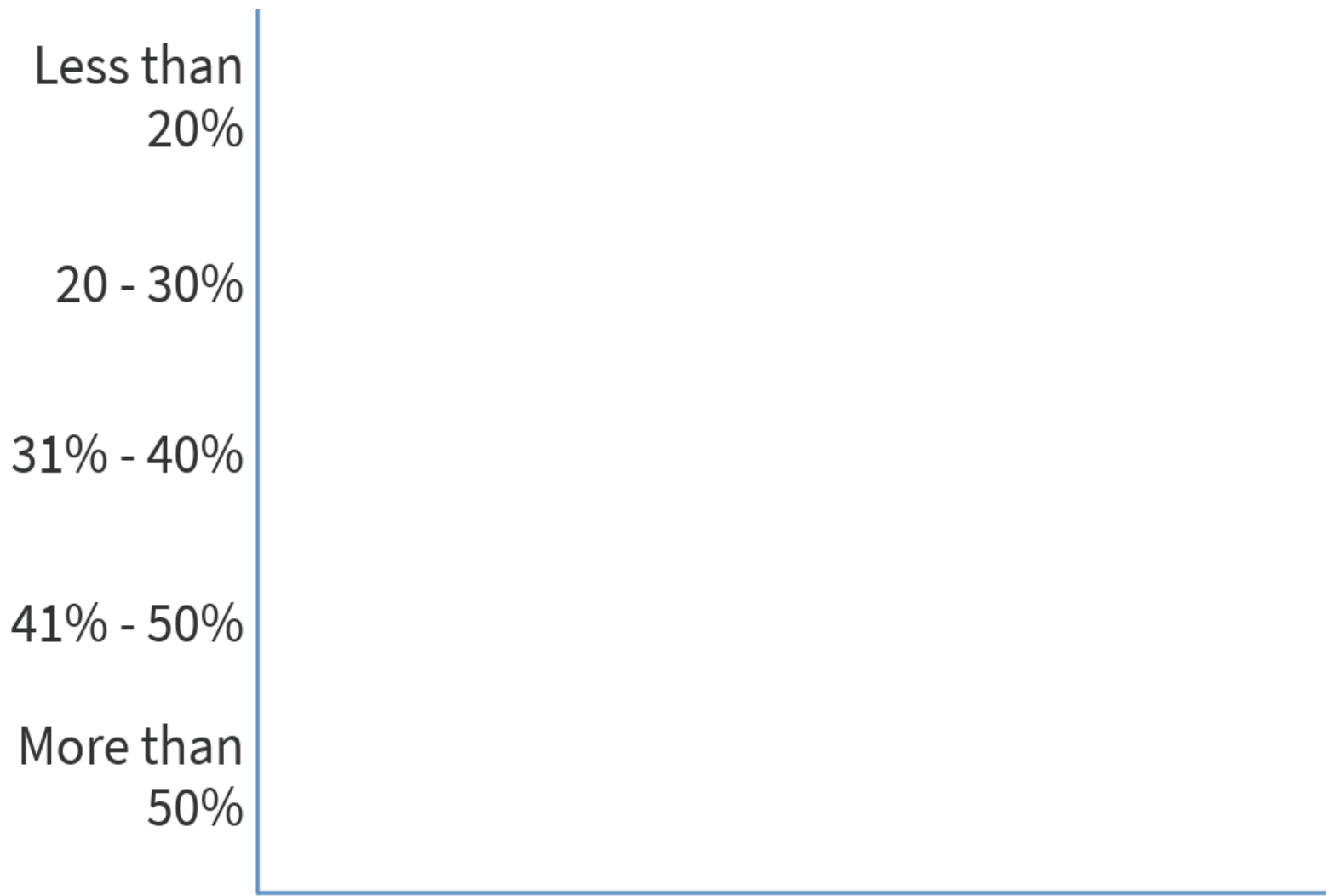
2000-Classified salaries

3000-Benefits

4000-Books & Supplies

5000-Services & Other Expenses
(i.e. rent, utilities)

What is the percentage of the budget spent in the highest expense category?



What are some tools you currently use to monitor spending

11

Stakeholder groups involved in the budgeting process are...

Benchmarking Data

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Revenue

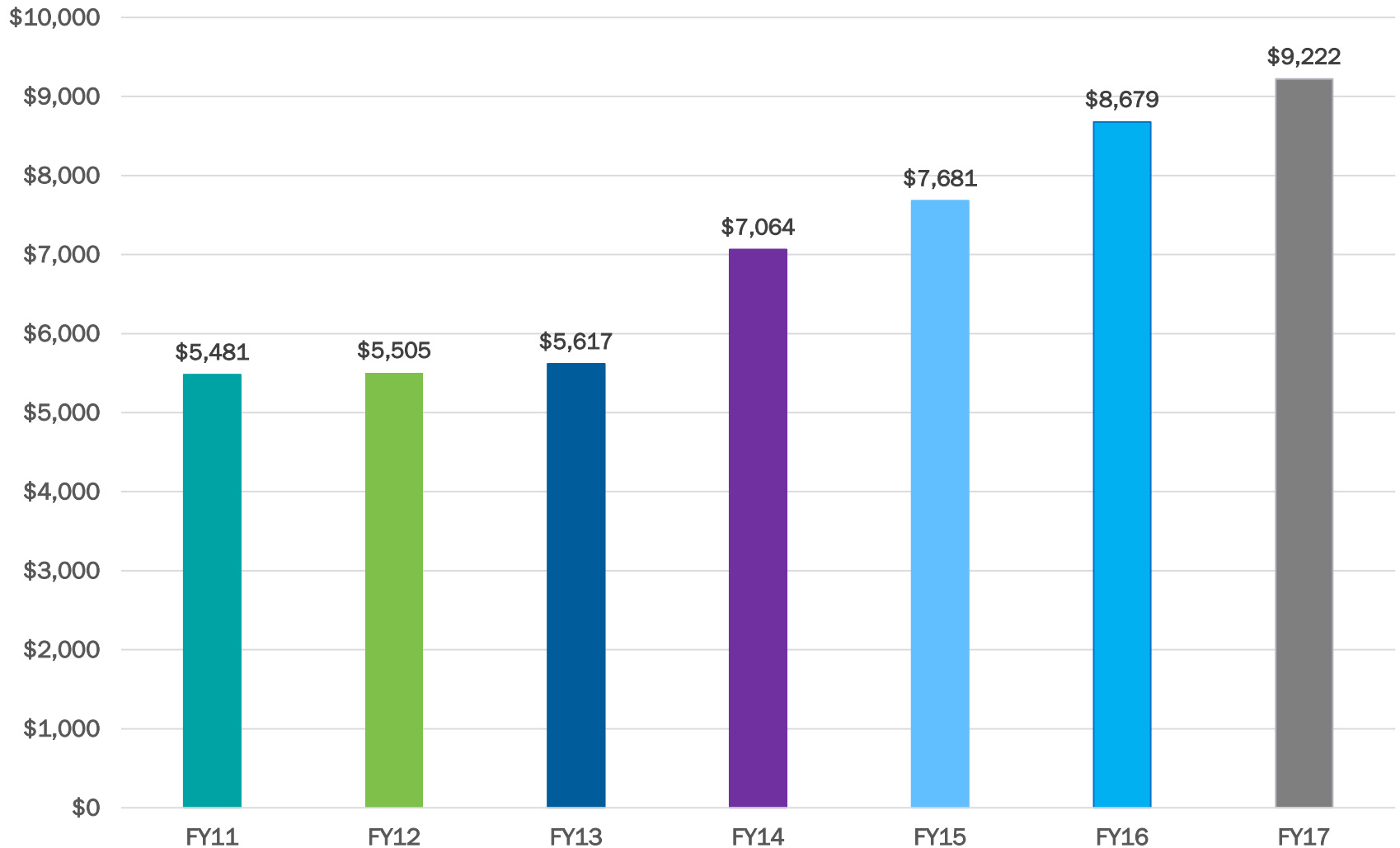
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Revenue: 7-year trends

Increase in LCFF revenue each year

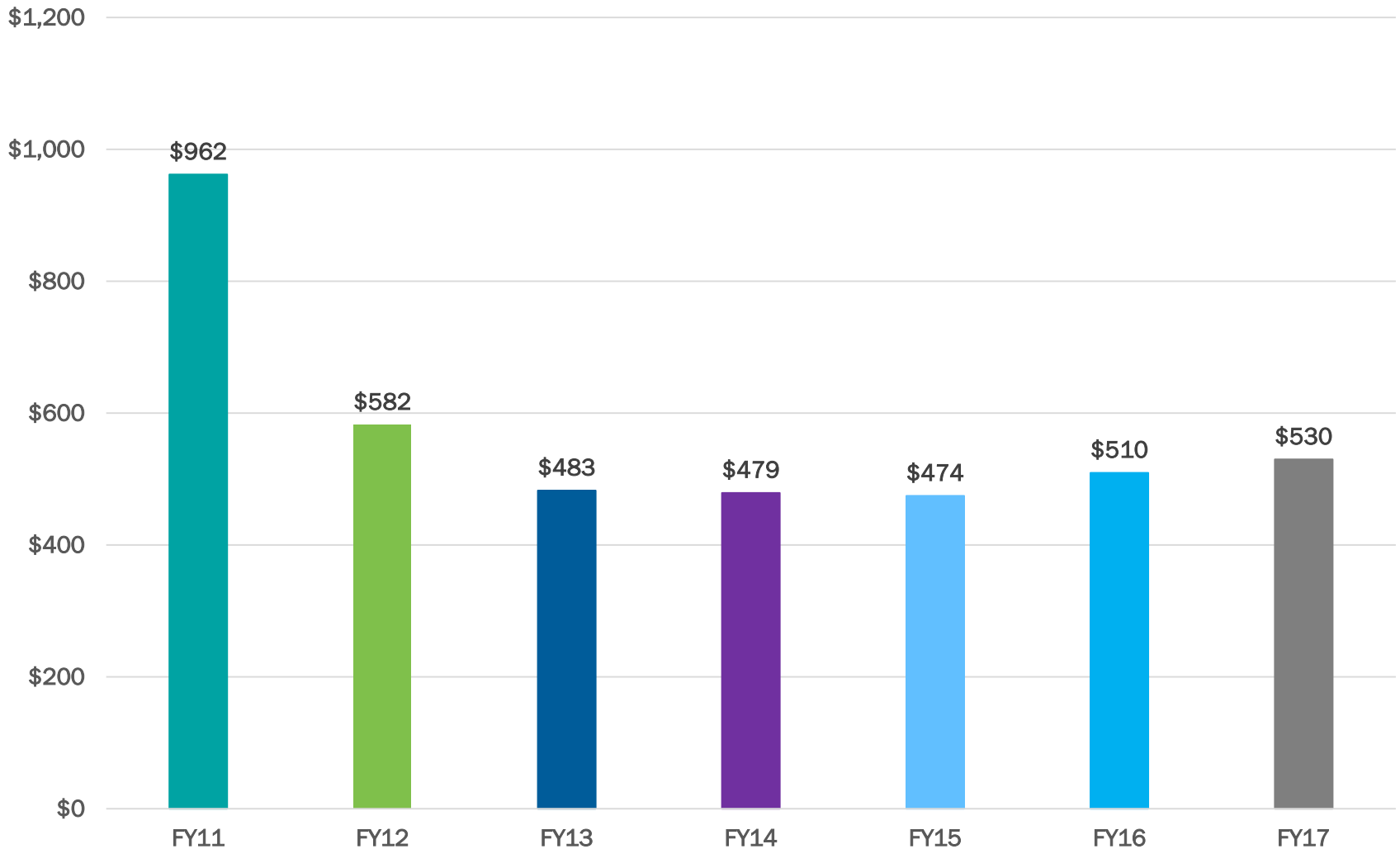
LCFF Revenue/ADA



Revenue: 7-year trends (cont.)

Decreasing federal revenue

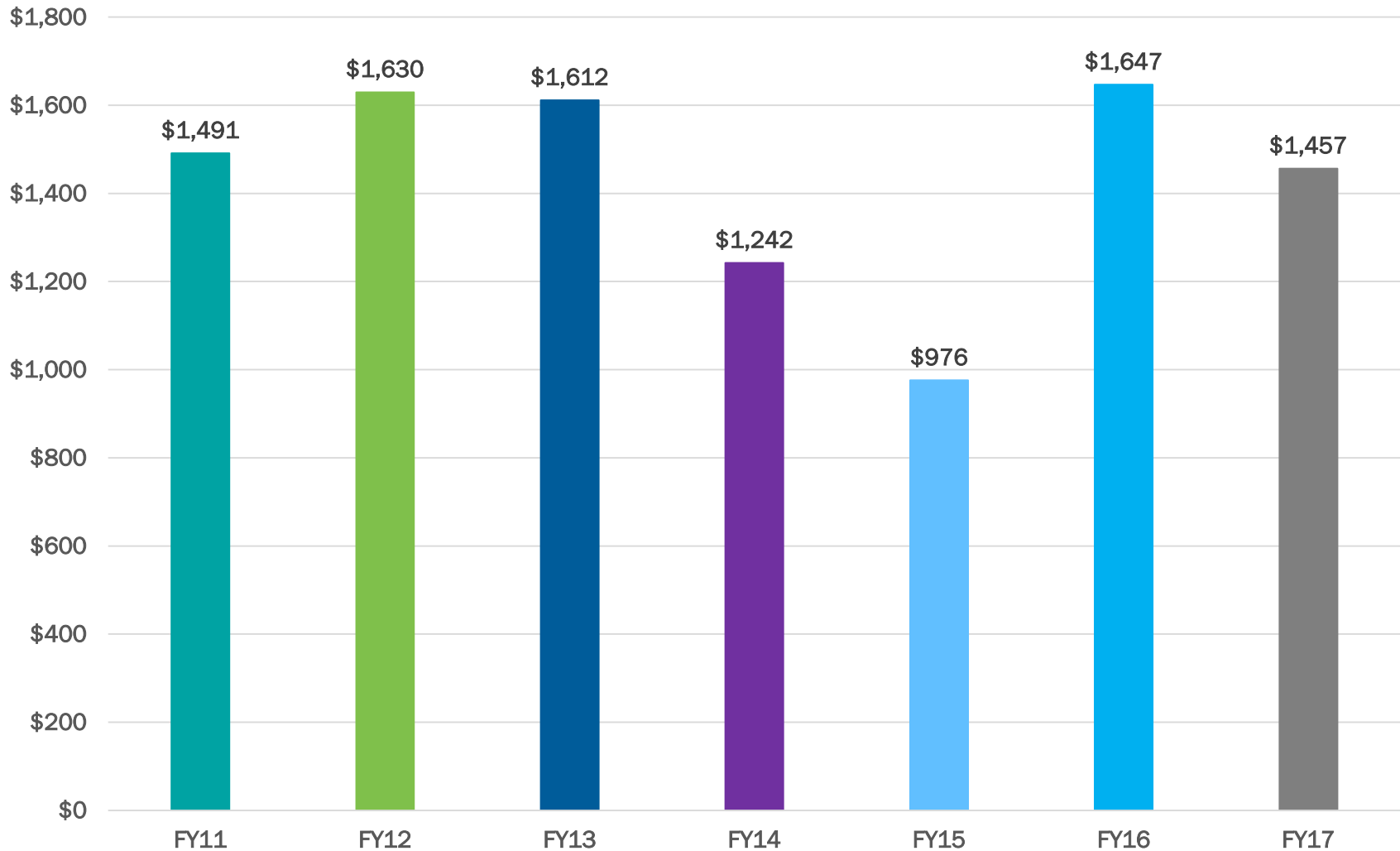
Federal Revenue/ADA



Revenue: 7-year trends (cont.)

State revenue has been inconsistent

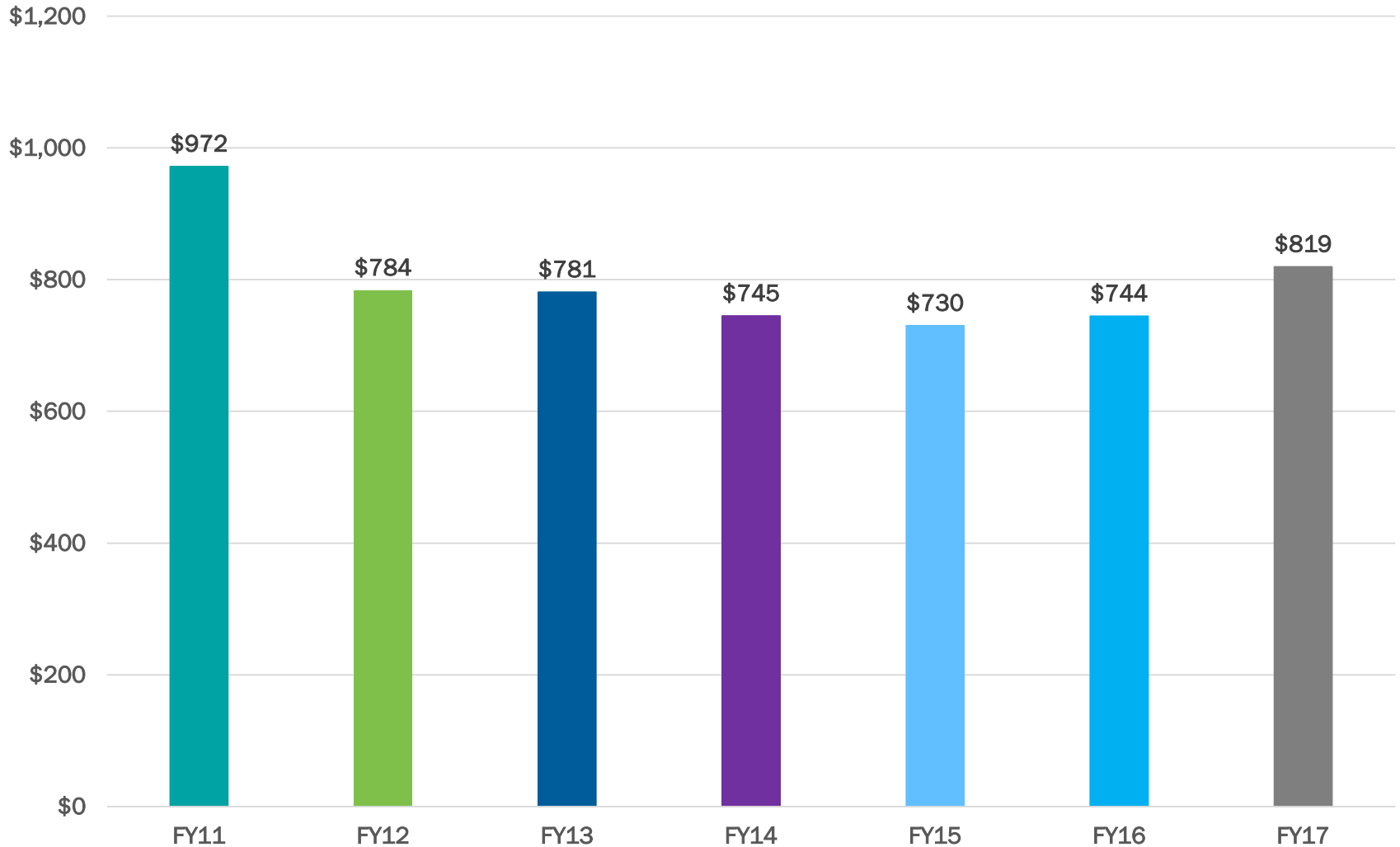
State Revenue/ADA



Revenue: 7-year trends (cont.)

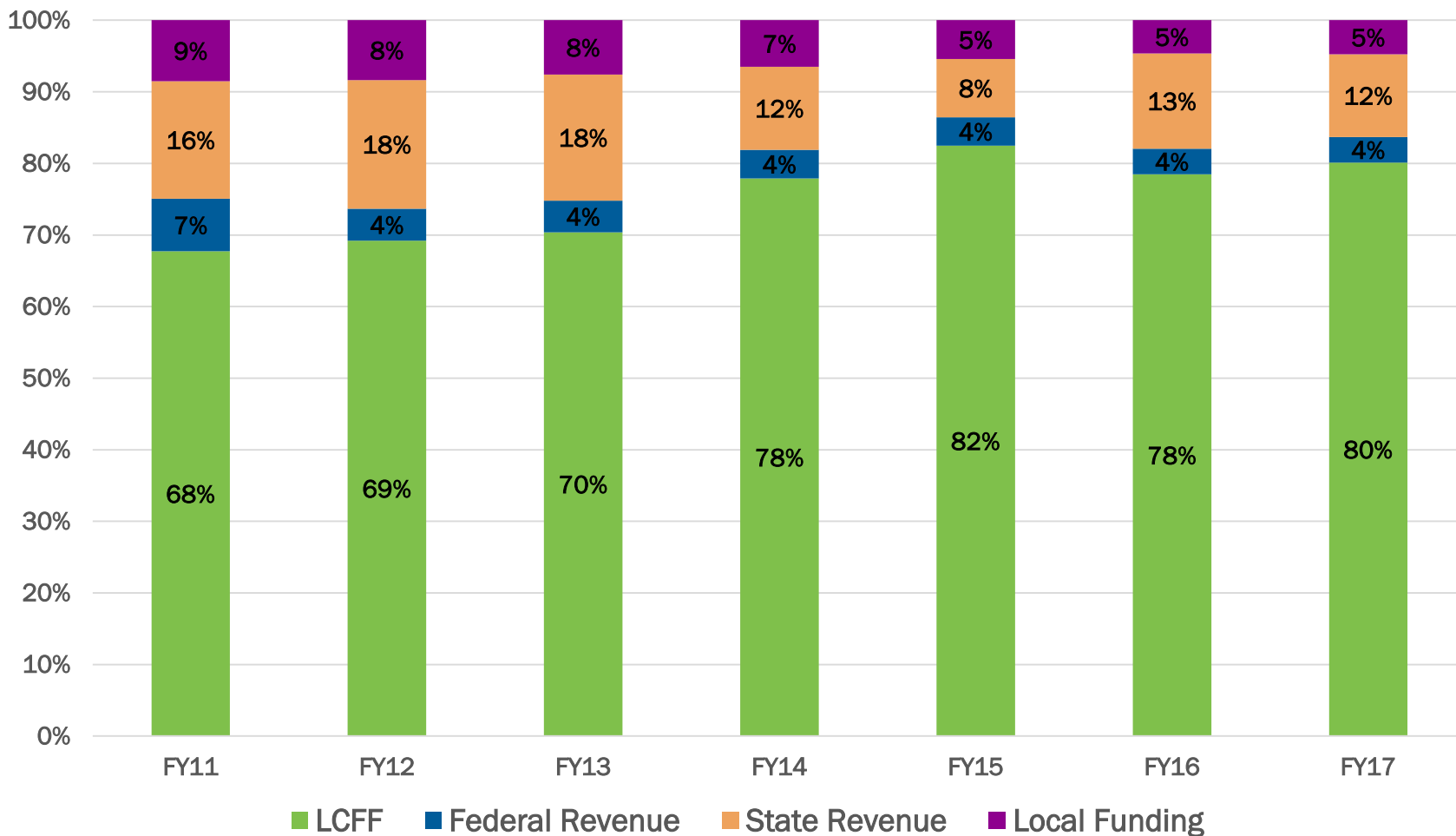
Slight decline in local funding

Local Funding/ADA



Percentage of funding over time

Increase in percentage of funding coming from LCFF



Expenses

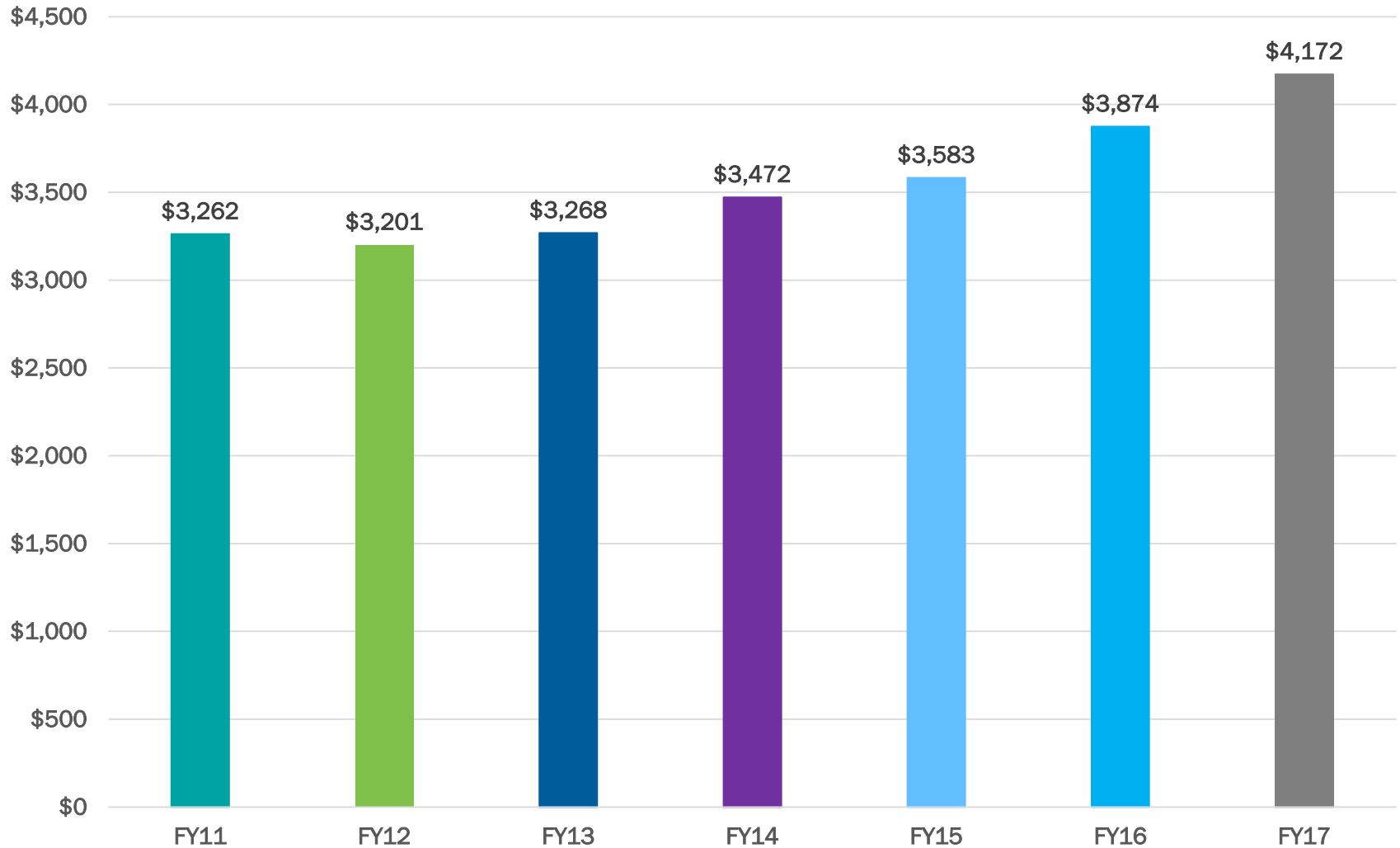
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Expenses: 7-year trends

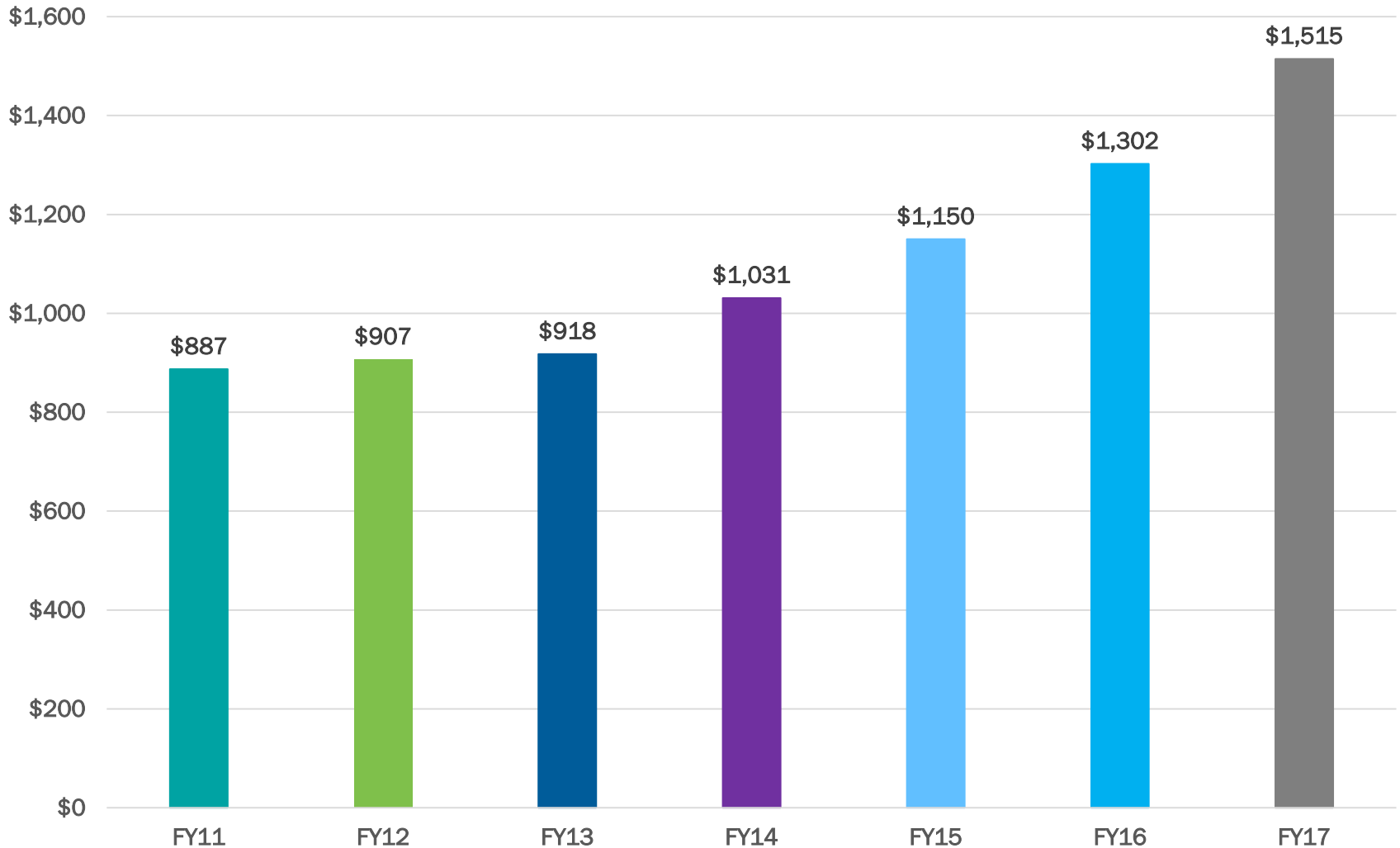
Spending on certificated salaries increasing

Certificated Salaries/ADA



Expenses: 7-year trends (cont.)

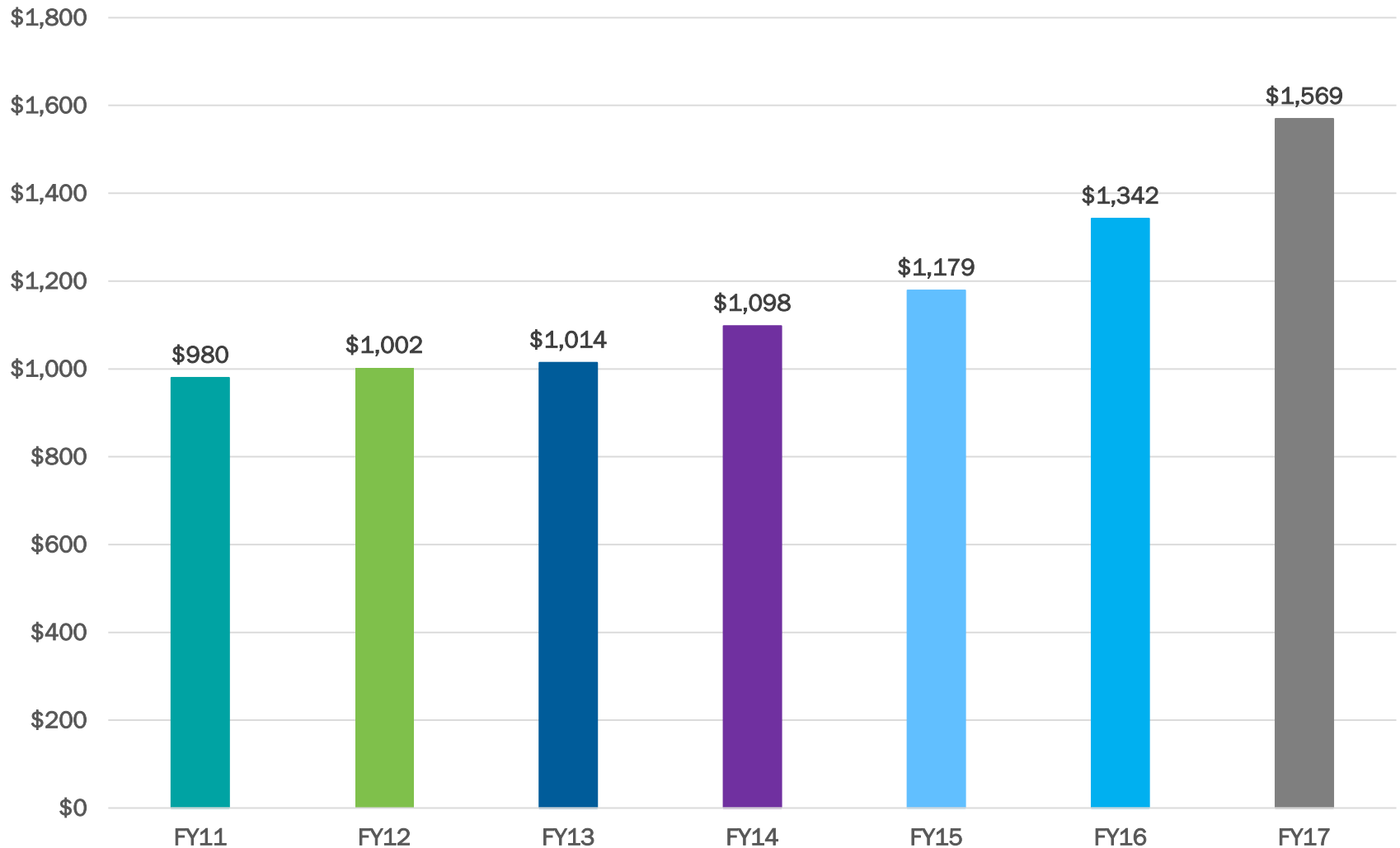
Spending on classified salaries almost doubled Classified Salaries/ADA



Expenses: 7-year trends (cont.)

Spending on benefits increasing

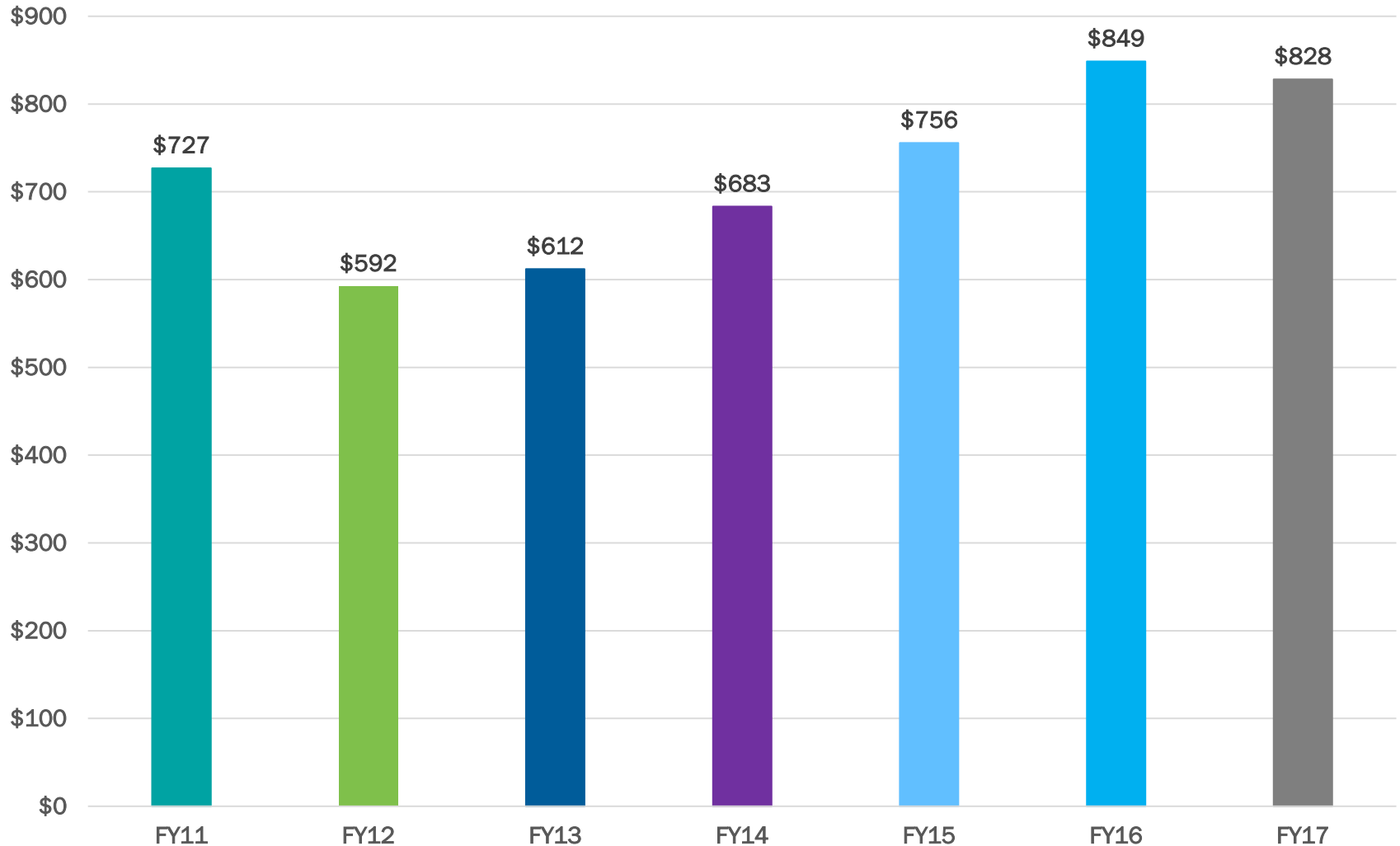
Benefits/ADA



Expenses: 7-year trends (cont.)

Spending on books & supplies generally increasing

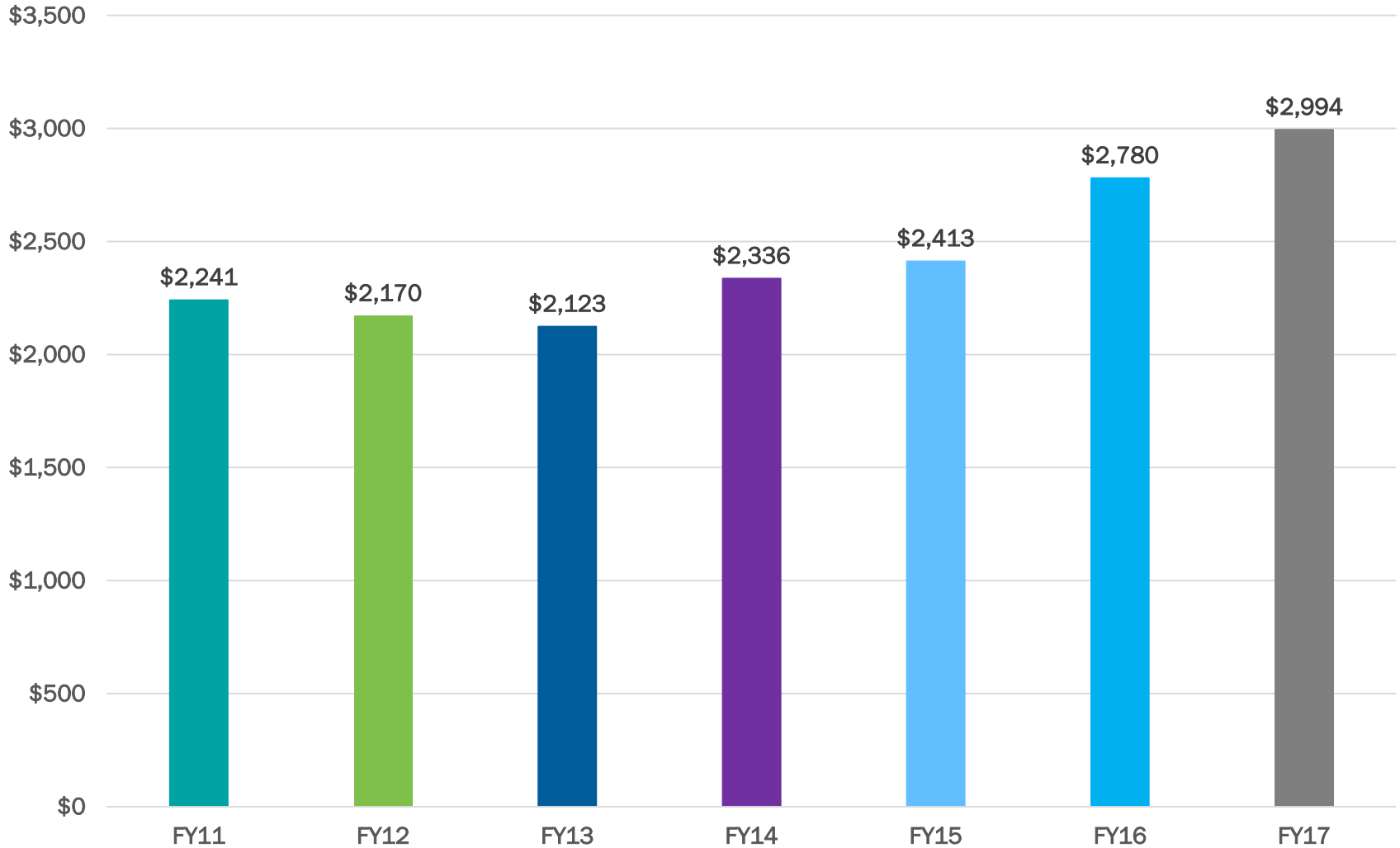
Books & Supplies/ADA



Expenses: 7-year trends (cont.)

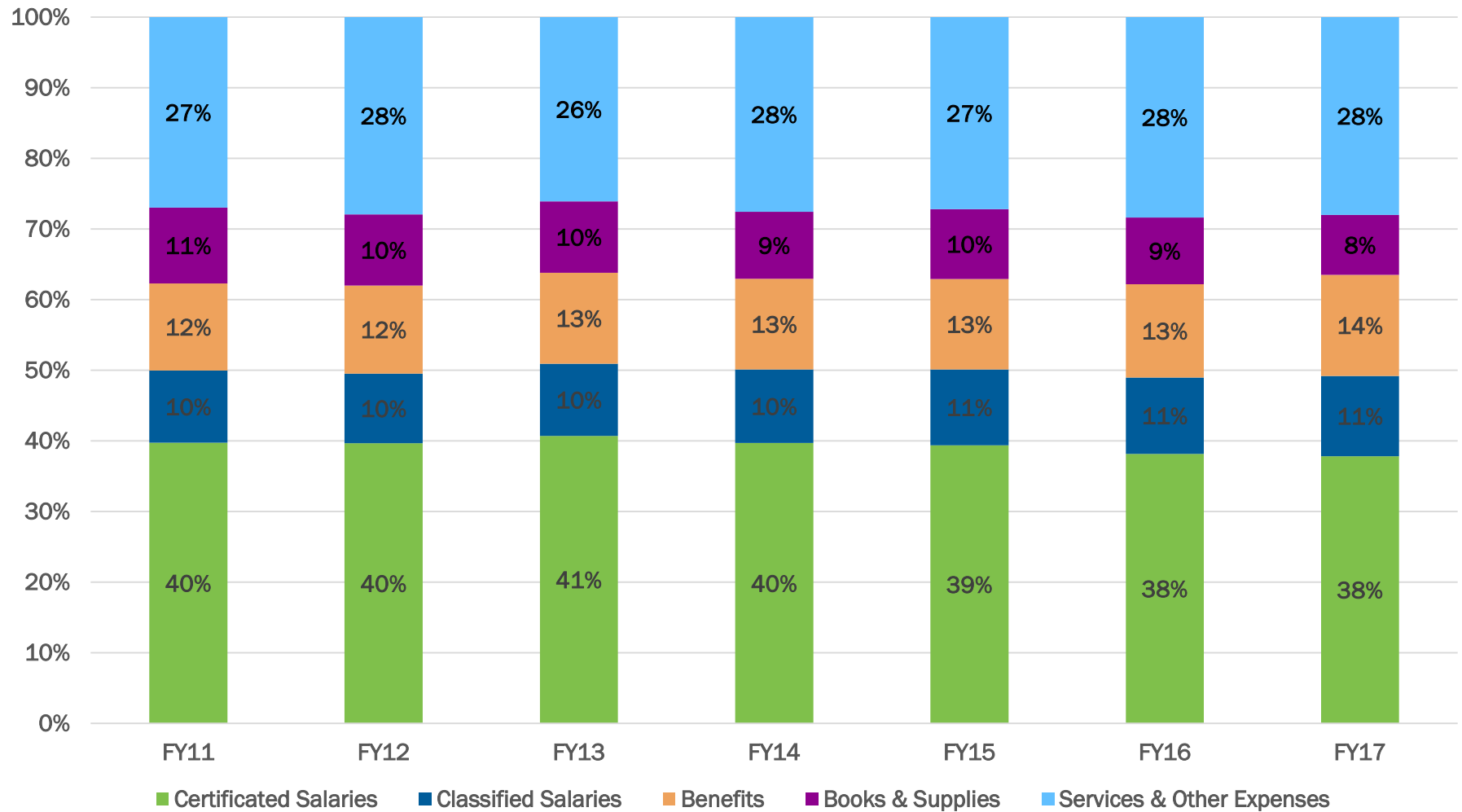
Spending generally increasing

Services & Other Operating Expenses/ADA



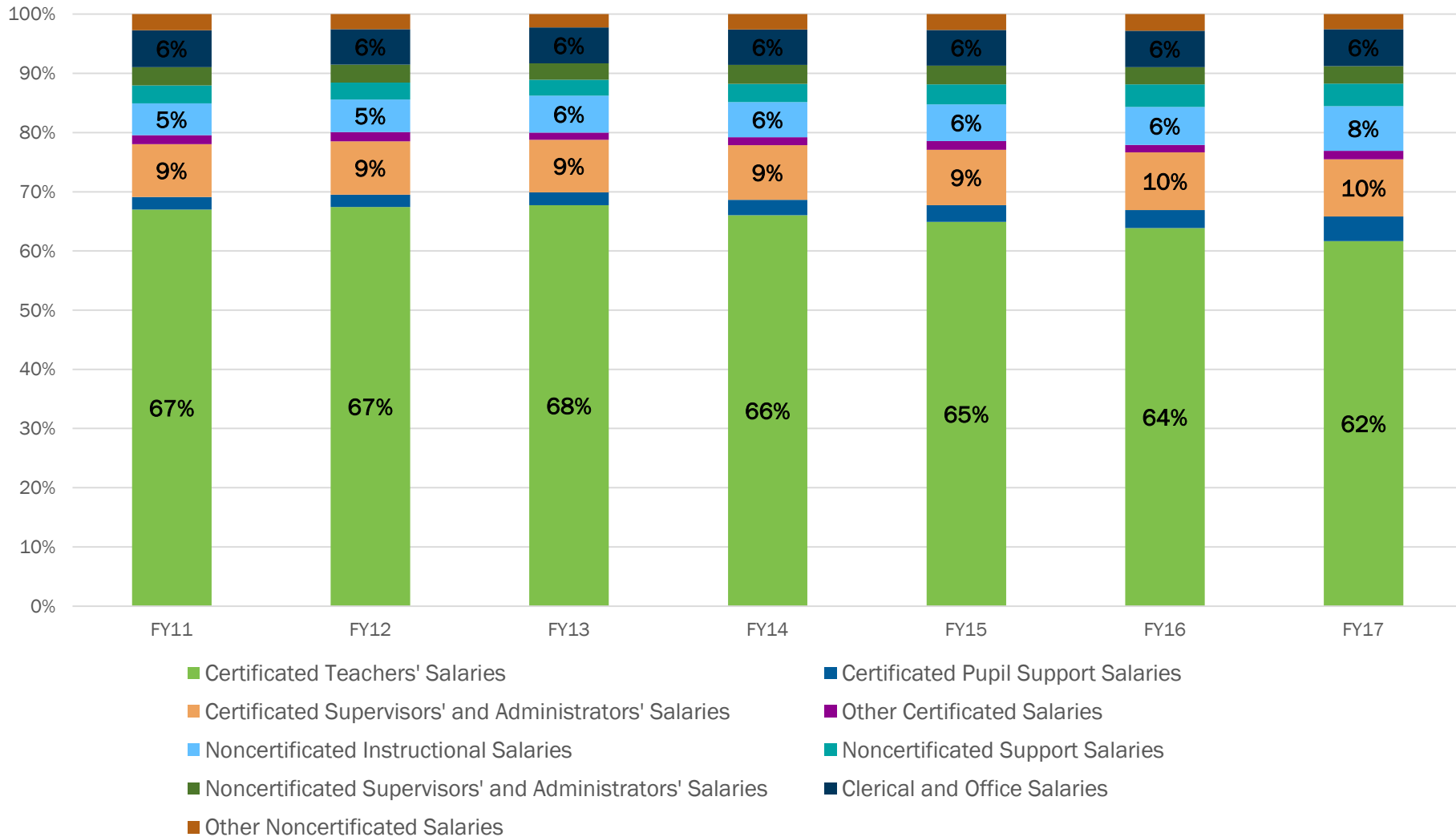
Percentage of expenses over time

Expenses over time generally remains constant



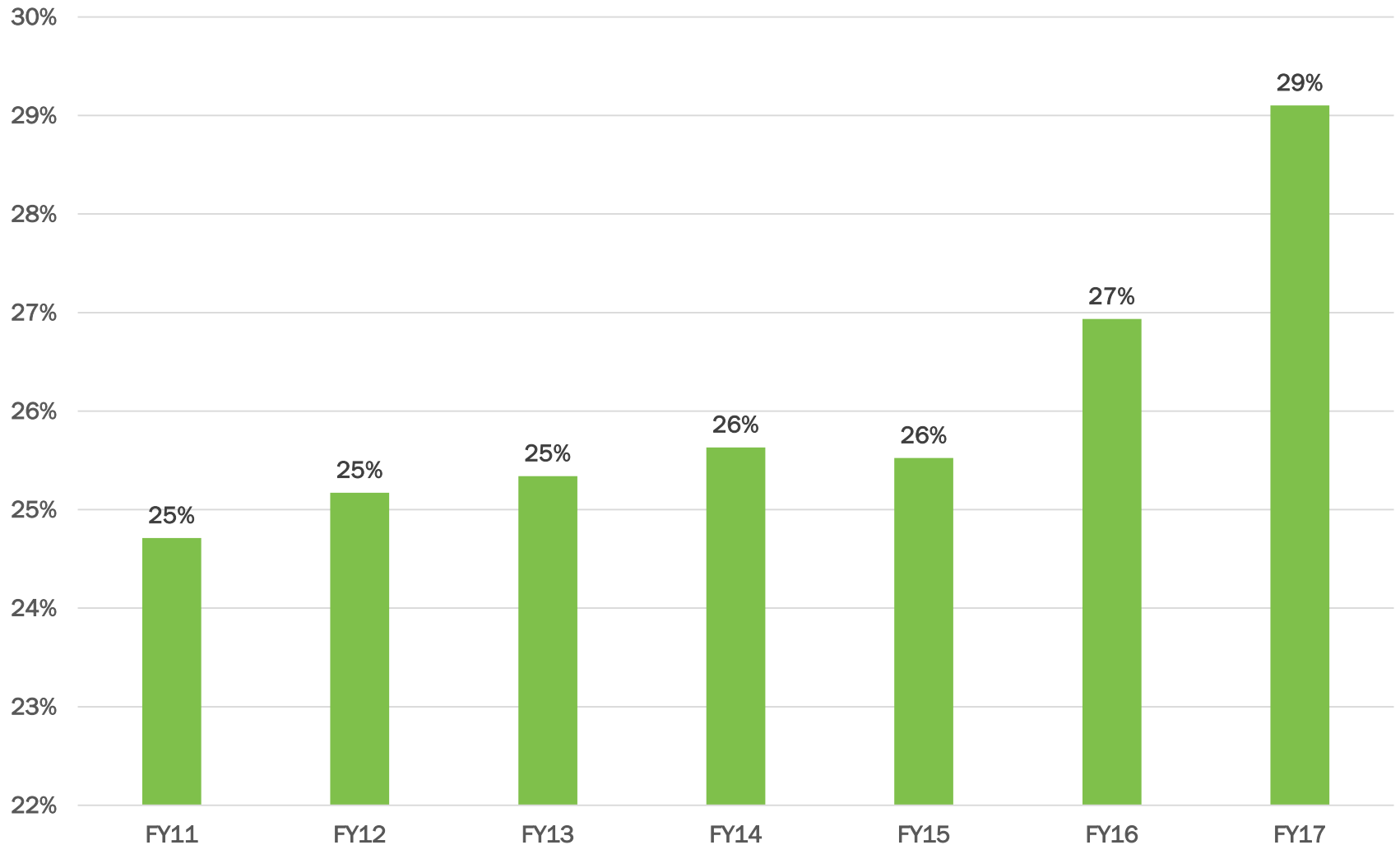
Salary Breakdown

Certificated teacher salary is largest portion of compensation expenditure



Average charter spent on benefits as percentage of salaries increased to 29%

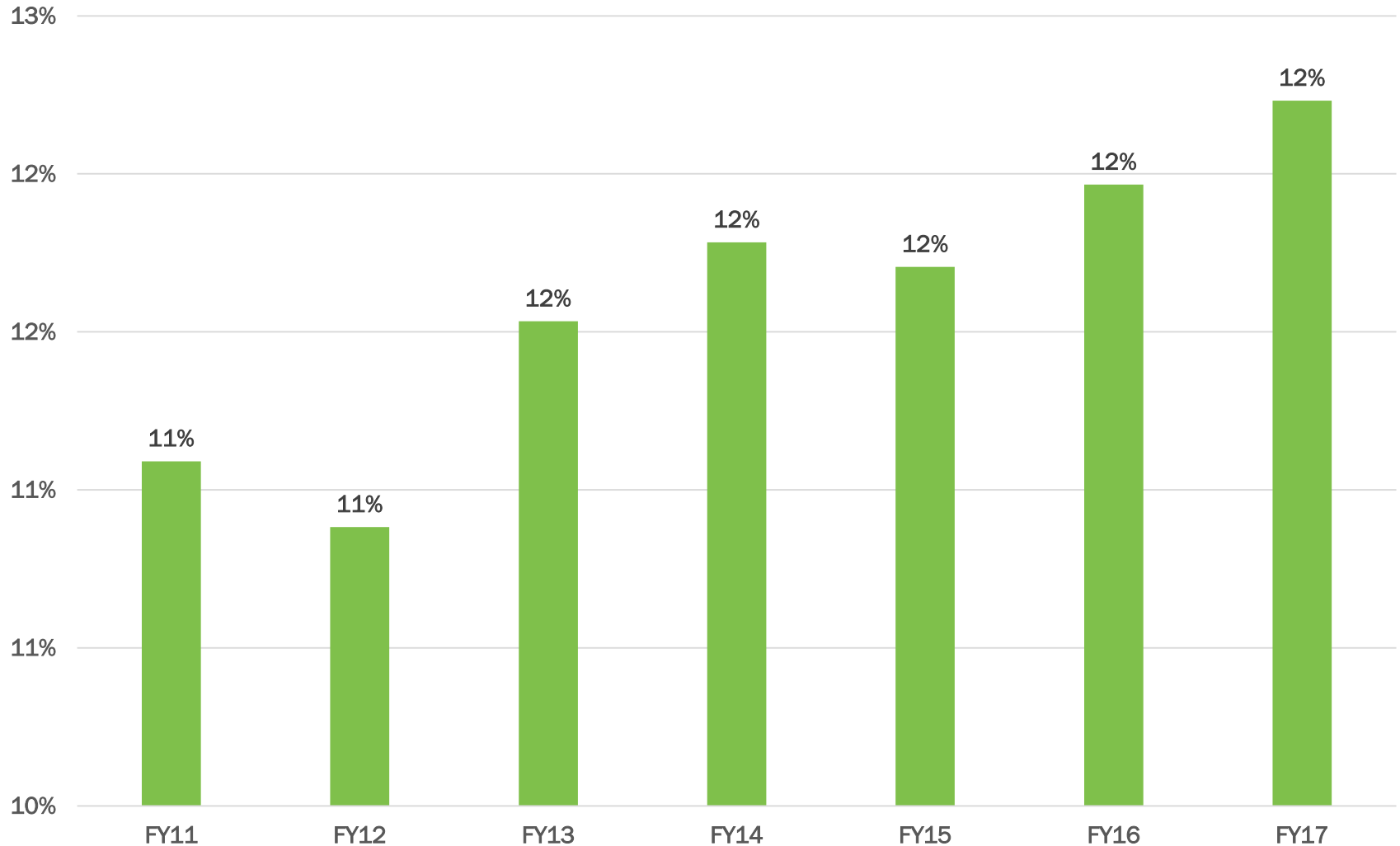
Benefits as Percent of Salaries



Health & Wellness Benefits

On average, charters spent between 11- 12% of salary costs on health & wellness benefits

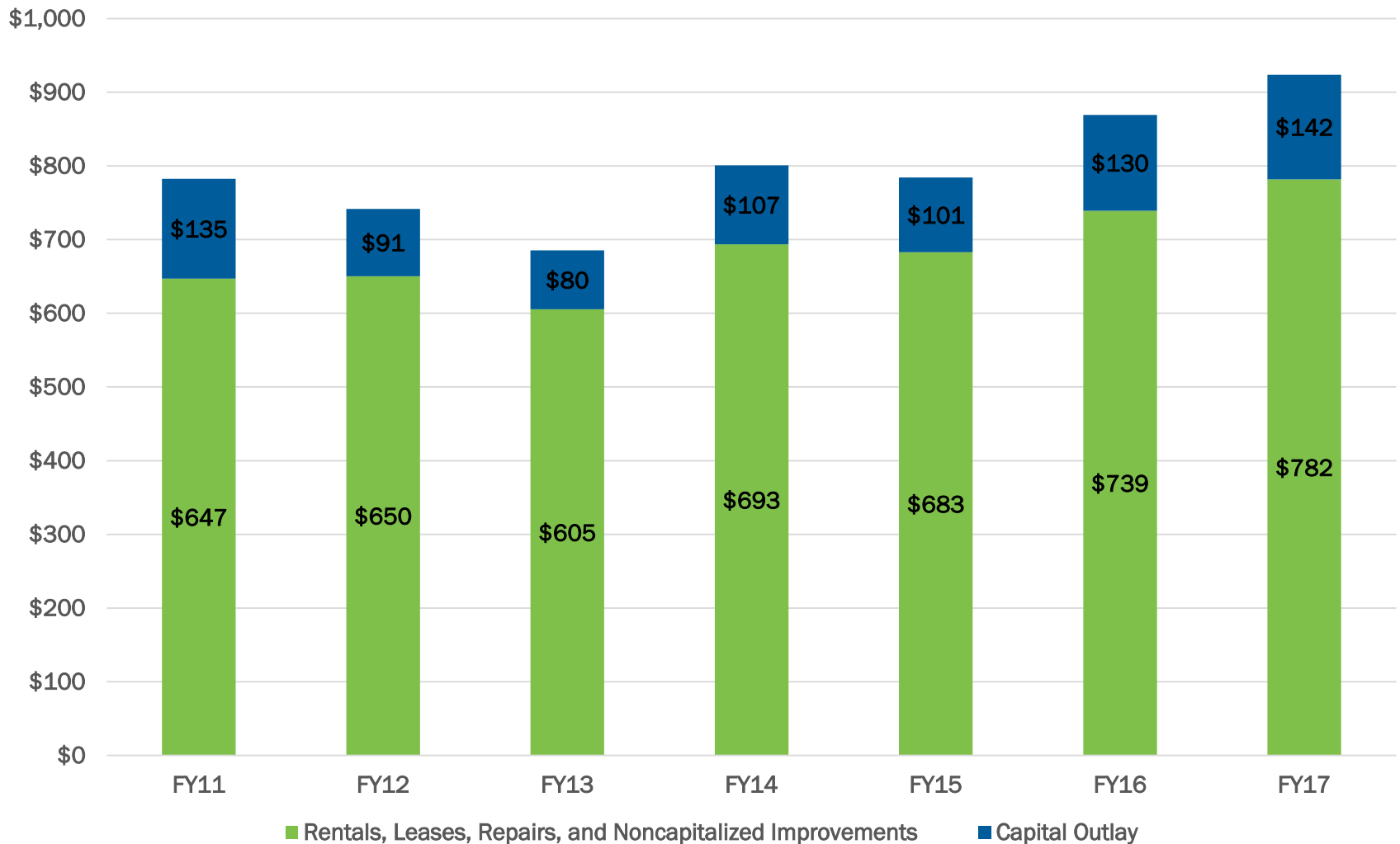
Health & Wellness Benefits as Percent of Salaries



Facilities: 7-year trends

Spending generally increasing

Facility/ADA



Balance Sheet

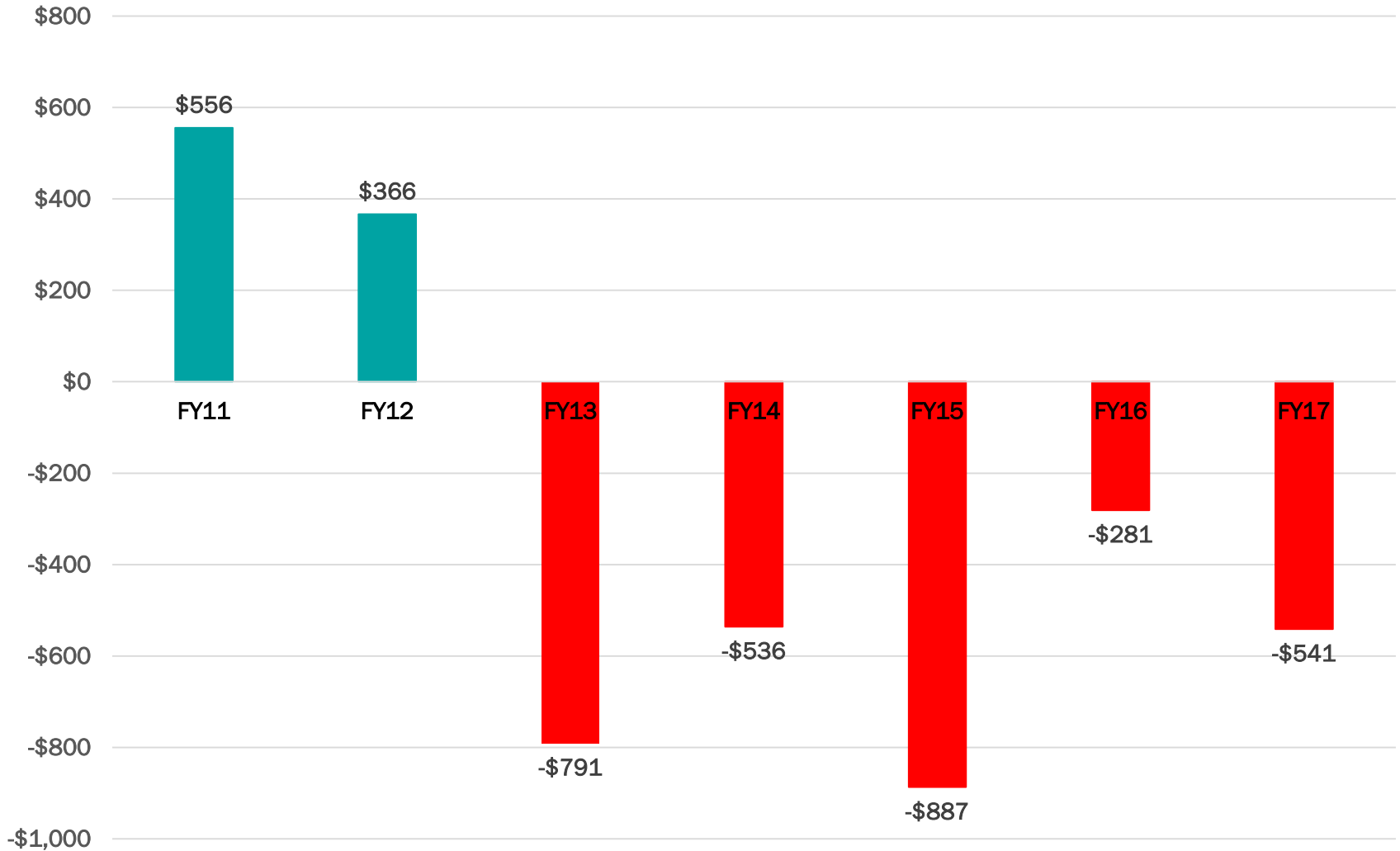
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Operating Income: 7-year trends

On average, negative operating incomes between FY13 – FY17

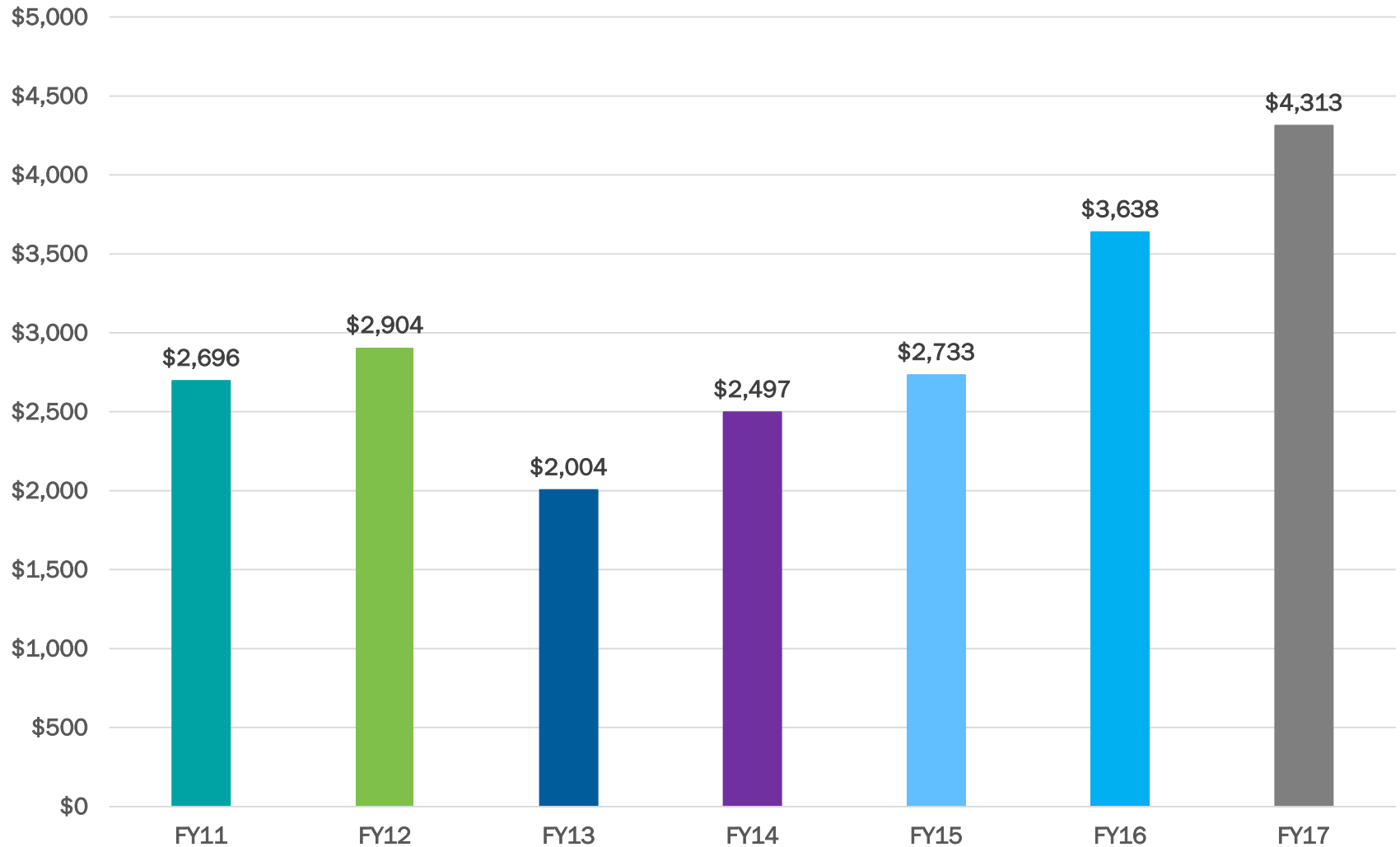
Operating Income/ADA



Fund Balance: 7-year trends

But fund balance generally increasing

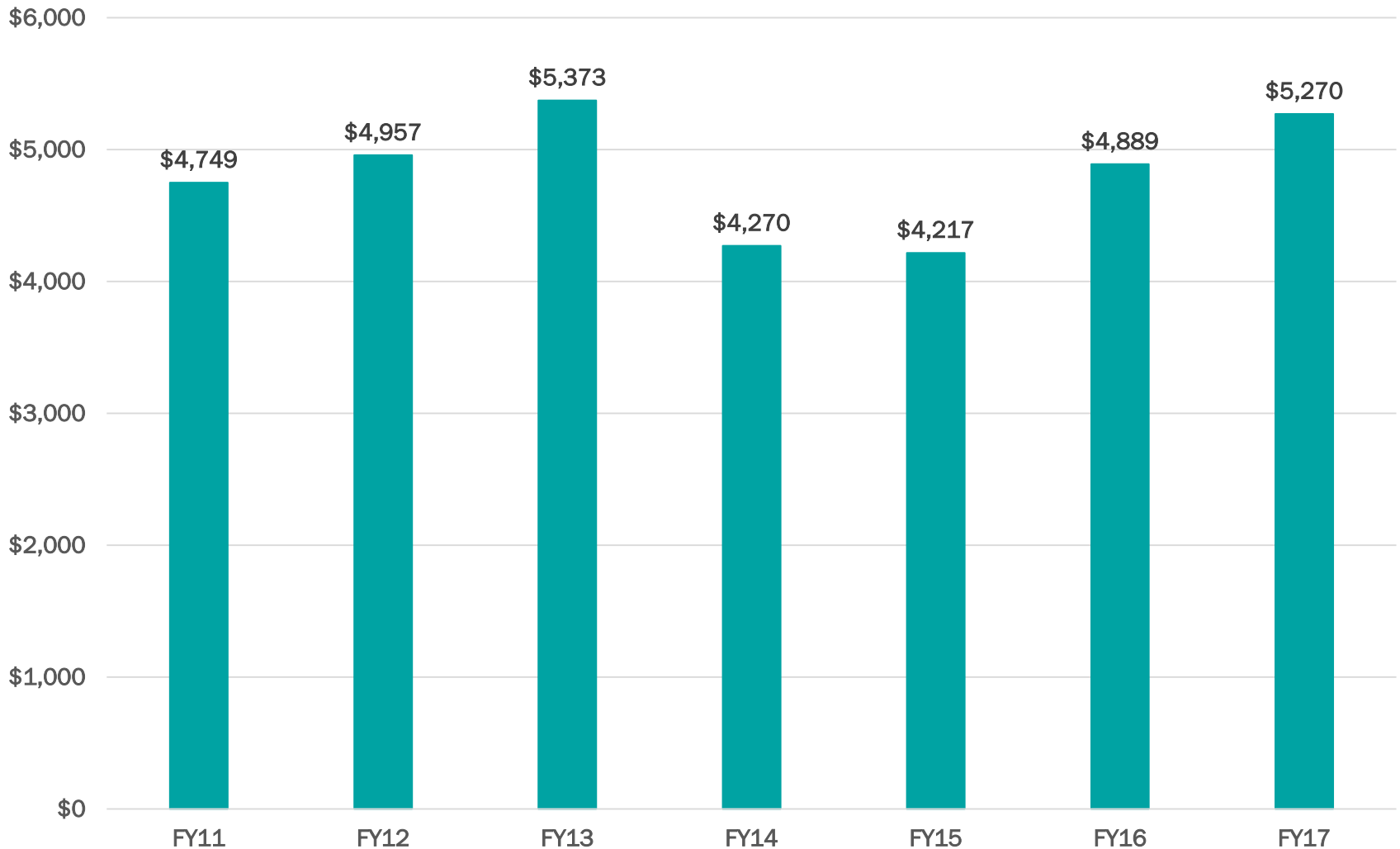
Fund Balance/ADA



Assets: 7-year trends

Decline in FY14, but general increase in assets

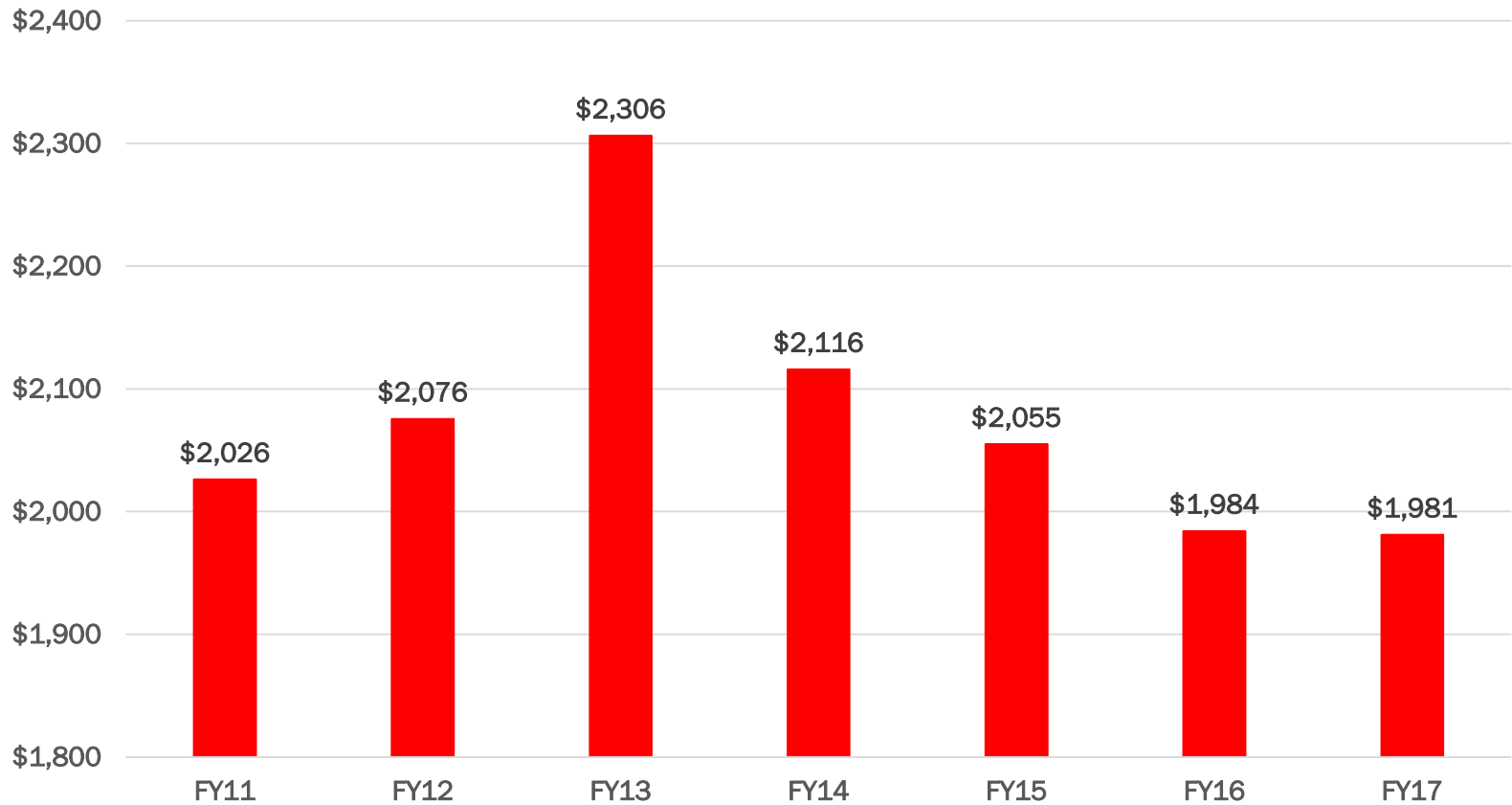
Assets/ADA



Liabilities: 7-year trends

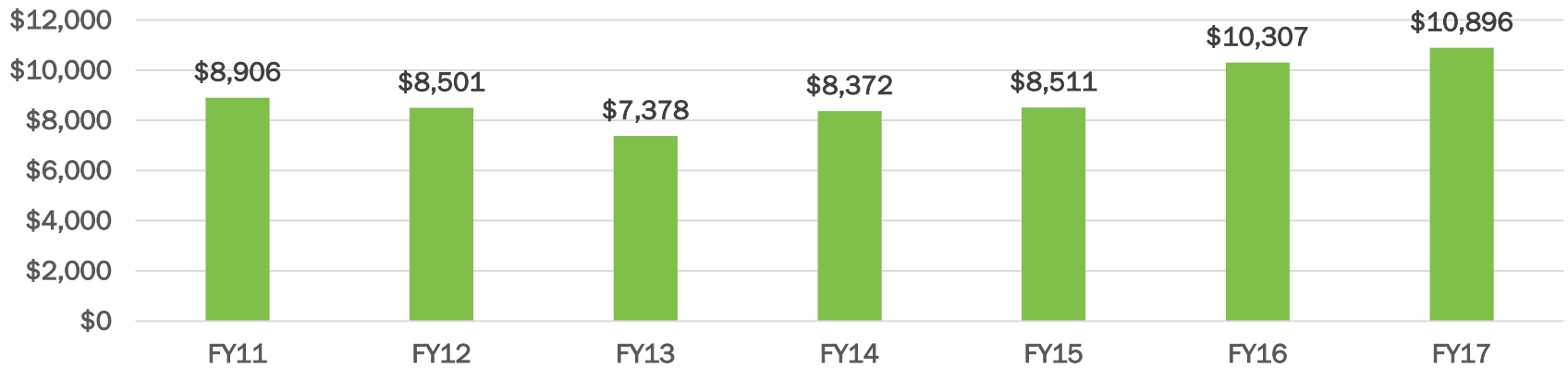
Increase from FY11 - FY14, decrease from FY14 – FY17

Liabilities/ADA

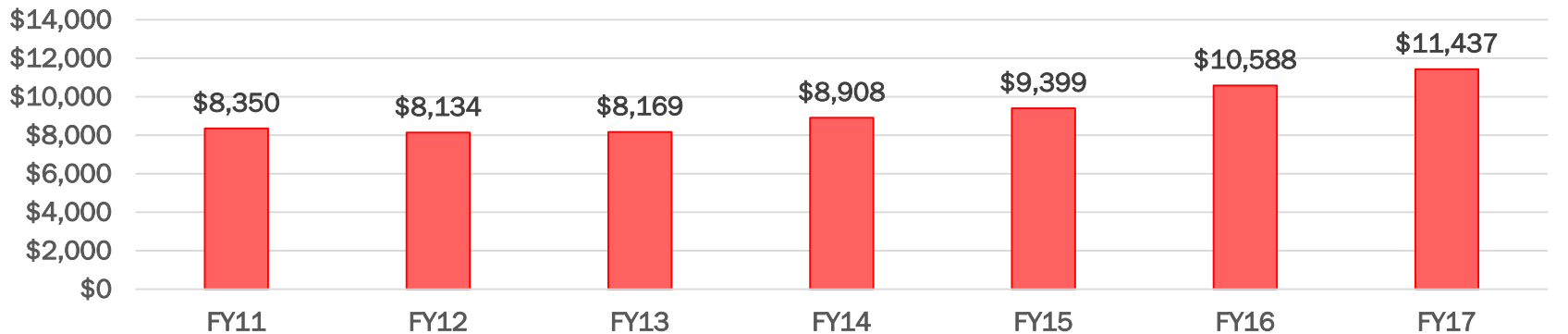


Starting in FY13, on average, total expenses per ADA higher than total revenue per ADA

Total Revenue/ADA



Total Expenses/ADA



Bringing to Life the Benchmarks

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LCAP PLANNING AND STAKEHOLDER ENGAGEMENT

- Advisory Council drives the development and monitoring of LCAP and Budget
- Form committees to address LCAP Priorities
- Parent Forums and Surveys

MLC Parent Forum – 2017

Help Design the Future of MLC

It's Time to Dream Big!

Imagine we had \$500,000 to spend on a major improvement project at MLC – how would you choose to spend it?

A new playground/field?

A Band/Orchestra program?

State-of-the-art Technology?

MLC Parent Forum 2018

Health and Wellness at MLC

It's time to focus on healthy living and learning at MLC

Physical Fitness

Nutrition

Emotional Well-Being

Health Education

Join us as we put our heads together to create our own future. This forum will be an interactive and engaging session designed to give parents a voice in the future of Health and Wellness programs at MLC.

Monthly Oversight with EdTec

Executive Director and EdTec Financial Review

Income Statement As of Jan FY2018

	Actual			YTD	Budget						
	Nov	Dec	Jan	Actual YTD	Approved Budget v1	Previous Forecast	Current Forecast	Previous Forecast vs. Current Forecast	Approved Budget v1 vs. Current Forecast	Current Forecast Remaining	% Current Forecast Spent
SUMMARY											
Revenue											
LCFF Entitlement	248,884	248,884	368,197	1,650,986	3,977,099	3,863,394	3,868,249	4,854	(108,850)	2,217,263	43%
Federal Revenue	26,886	34,705	85,082	211,203	452,357	502,586	502,586	-	50,229	291,383	42%
Other State Revenues	19,284	190,328	153,349	439,337	1,088,108	984,411	990,153	5,741	(97,956)	550,815	44%
Local Revenues	2,906	22,593	1,810	44,222	50,407	68,914	69,023	110	18,617	24,801	64%
Fundraising and Grants	77	-	700	2,978	170,000	158,546	158,436	(110)	(11,564)	155,458	2%
Total Revenue	298,036	496,511	609,138	2,348,727	5,737,971	5,577,851	5,588,447	10,596	(149,524)	3,239,720	42%
Expenses											
Compensation and Benefits	298,978	283,464	282,948	1,810,340	3,419,462	3,386,617	3,386,807	(190)	32,654	1,576,468	53%
Books and Supplies	13,655	50,967	21,108	203,613	398,189	367,201	367,201	0	28,988	163,588	55%
Services and Other Operating Expenditures	120,982	182,687	170,530	1,024,493	1,922,835	1,844,370	1,844,616	(246)	78,219	820,124	56%
Depreciation	10,415	10,415	10,415	72,905	184,445	174,103	174,103	-	10,342	101,198	42%
Other Outflows	-	-	-	42,423	-	42,423	42,423	-	(42,423)	-	100%
Total Expenses	444,030	527,533	485,001	3,153,774	5,922,930	5,814,714	5,815,151	(436)	107,780	2,661,377	54%
Operating Income	(145,994)	(31,022)	124,137	(805,047)	(184,959)	(236,863)	(226,704)	10,159	(41,745)	578,344	
Fund Balance											
Beginning Balance (Audited)					2,030,038	2,106,160	2,106,160				
Operating Income					(184,959)	(236,863)	(226,704)				
Ending Fund Balance					1,845,079	1,869,297	1,879,457				

Benchmark Spending of School Leaders

Monthly Review of Spending in Approved Categories

Textbooks & Core Curricula Materials	\$36,762.00	\$28,917.17	\$7,844.83
Forecasted Amount	\$36,762.00		\$36,762.00
94713 Accelerate Learning		\$5,438.92	(\$5,438.92)
70424 Santillana USA Doral		\$180.13	(\$180.13)
54738 Classroom Library Company		(\$1,453.41)	\$1,453.41
50825 Teach TCI		\$2,402.00	(\$2,402.00)
43692 Kendall/Hunt Publishing Company		\$5,371.67	(\$5,371.67)
43588 CENGAGE Learning		\$6,032.45	(\$6,032.45)
110699 Teaching Strategies		\$2,342.41	(\$2,342.41)
105722 Achieve3000, Inc.		\$8,603.00	(\$8,603.00)

Educational Software	\$10,164.00	\$9,805.90	\$358.10
Forecasted Amount	\$10,164.00		\$10,164.00
90364 Tech4Learning		\$1,710.00	(\$1,710.00)
81886 PowerSchool Group LLC		\$748.91	(\$748.91)
60909 Talking Fingers Inc		\$78.54	(\$78.54)
52714 Brainpop		\$220.00	(\$220.00)
52225 NorthWest Evaluation Association		\$3,179.00	(\$3,179.00)
50495 Follett School Solutions Inc.		\$1,369.45	(\$1,369.45)
43737 MIND Research Institute		\$2,500.00	(\$2,500.00)

Systems & Structures for Planning & Monitoring Spending

- Elicit stakeholder input when creating the budget
- Include the operation manager or administrative assistant when working on the budget
- Share the final approved budget with staff at the beginning of school year
- Monitor & Evaluate

Small Group Exercise

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1. **Introduce yourself: Name, Title, Organization/School Name**
2. **Are the systems presented useful? What can you do to adapt it for your context?**
3. **What can you do to engage stakeholders in the budgeting process? What have you done in the past to engage stakeholders in the budgeting process?**

Small Group Share Out

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Q&A

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Thank you!

ADDITIONAL QUESTIONS? CONTACT US:

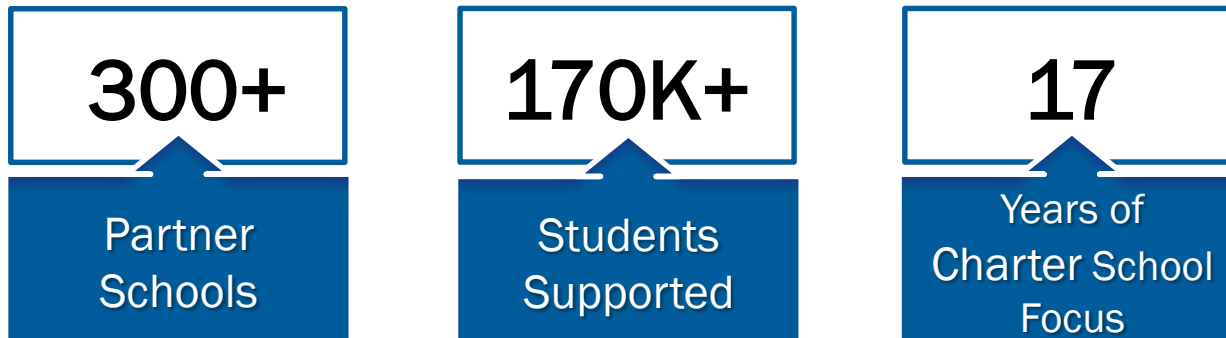
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- A social enterprise committed to improving education by supporting charter schools with **business**, **operations**, and **performance** services.
- A **mission-driven** organization, EdTec's social impact spans:



- A combined **380+ years of experience** with all aspects of charter school management.
- Known for **best-in-class** services:

