

**Freire Charter School Wilmington
Financial Summary
June 30, 2022 (Unaudited)**

OVERVIEW

The School's cash on hand as of June 30, 2022 is \$1.6M. The School ended the year with \$1.69M of cash, representing an increase of approximately \$90k from June 30, 2021.

The School met 6 of 7 financial performance framework ratios. Total days cash on hand decreased from 77 to 70 days and will receive a rating of "approaches standard". The requirement was increased from 60 days to 75 days effective FY 2022.

In total, the School's updated projected surplus is \$2k. This is inclusive of \$100k of one-time capital purchases and in-line with the FY 2022 budget.

The School ended the year with an annual deficit of \$71k. Taking prepaid expenses of \$66k on the balance sheet into consideration (which represent loan costs paid to date for the purchase of the facility. These costs will be refunded by the loan proceeds.) the true annual deficit is \$5k. In addition the School incurred \$20k in repair costs to its HVAC unit in excess of the already exceeded budget, that will not be reimbursed by loan proceeds. The issues with the HVAC unit will be fully addressed with EFF proceeds. Taking prepaid expenses and unforeseen building maintenance into consideration the school would have ended the year with annual surplus of \$15k.

REVENUES

In total, State and Local revenues were in-line with the budget (exceeded the budget by a total of \$8k) and were based off of a final enrollment of 503 students.

All federal grant allocations (21st Century, Title I, Title II, Title IV, IDEA, ESSER-II and ARP-ESSER) have been approved and allocated to the School. Grant revenues are collected concurrently with the payment of grant expenditures.

All revenues are based on the final September 30th enrollment of 503 and the unit count of 37.09.

EXPENSES

Total expenses exceeded the budget by approximately \$240k. This is offset by \$232k of additional revenues, primarily consisting of ESSER grant revenues. Major budget v. projection variances are as follows:

Athletic Services - Travel - exceeded the budget by \$30k. This is primarily due to the athletic program, which expanded in FY 2022 while the school returned to in person. Simultaneously Student Activities - Travel which is \$17k below budget.

Alternative Placement - exceeded the budget by \$24k. Three additional students (for a total of 13) were enrolled in an alternative placement for the 2nd half of the School year. These extra slots were funded by the School's ESSER grants.

Non-capitalized Instructional Computers - is \$43k below budget. New and replacement Chromebook purchases were less than expected based on prior year trends.

Instructional Books and Periodicals - exceeded the budget by \$22k. New Spanish textbooks (\$15k) were purchased but not included in the final budget.

Student Support Services - exceeded the budget by \$39k. The School is utilizing a contracted special ed teacher to support the increased special ed enrollment.

Instructional Support Services and Training - exceeded the budget by \$39k. Unbudgeted professional development includes individualized teacher coaching and training for the School's math curriculum (illustrative mathematics). Both expenses are funded by the School's ESSER grants.

Legal Services - exceeded the budget by \$22k. This is primarily due to an increase in legal fees related to the purchase of the building. The purchase is expected to take place July 2022.

Student Transportation - exceeded the budget by \$48k. Transportation to alternative placement schools is running significantly over budget and includes 3 additional students.

Communications Equipment - exceeded the budget by \$23k. The School purchased new security cameras that were not included in the original budget. These will be funded by prior year reserves.

Freire Charter School Wilmington Financial Ratio Analysis June 30, 2022 (Unaudited)



Freire Charter School Wilmington
Balance Sheet
June 30, 2022 (Unaudited)

ASSETS	As of 6/30/22	As of 6/30/21
Cash on Hand		
Operating Cash	\$ 861,893	\$ 562,388
Prior Year Reserves	842,934	1,046,394
Total Cash on Hand	<u>1,704,827</u>	<u>1,608,782</u>
Other Current Assets		
Prepaid Expenses	66,287	58,574
Total Other Current Assets	<u>66,287</u>	<u>58,574</u>
Other Assets		
Security Deposit - Delmarva	18,695	18,695
Total Other Assets	<u>18,695</u>	<u>18,695</u>
Fixed Assets		
Furniture, Equipment, and Leasehold Improv	2,231,403	2,131,990
Less Accumulated Depreciation	(854,601)	(694,178)
Total Fixed Assets	<u>1,376,802</u>	<u>1,437,811</u>
TOTAL ASSETS	<u>\$ 3,166,610</u>	<u>\$ 3,123,863</u>
 LIABILITIES & NET POSITION		
Current Liabilities		
Accounts Payable	\$ 116,661	\$ 55,075
P-Card Payable	16,023	13,117
Accrued Personnel	662,922	552,770
Current Portion of Long-Term Debt	-	598,241
Total Current Liabilities	<u>795,606</u>	<u>1,219,203</u>
Long-Term Debt		
Barclays Loan	537,516	-
Total Long-Term Debt	<u>537,516</u>	<u>-</u>
Other Long-Term Liabilities		
Net Pension Liability	780,413	754,306
Net OPEB Liability	7,019,061	5,869,552
Total Other Long-Term Liabilities	<u>7,799,474</u>	<u>6,623,858</u>
Net Position		
Net Position - Unrestricted	1,833,489	1,904,660
Net Position - Pension & OPEB	(7,799,474)	(6,623,858)
Total Net Position	<u>(5,965,985)</u>	<u>(4,719,198)</u>
TOTAL LIABILITIES & NET POSITION	<u>\$ 3,166,611</u>	<u>\$ 3,123,863</u>

**Freire Charter School Wilmington
Profit & Loss (Modified Cash Basis)
12 Month Ending June 30, 2022**

	Full Year - Budget v. Projection			12 Months Ending 6/30/22		
	Final Budget	Increase (Decrease)	Updated Projection	Actual to Date	\$ Remaining (Projection)	Received / Spent
Income						
State Funding						
State Appropriations	\$ 3,850,000	\$ 26,699	\$ 3,876,699	\$ 3,876,699	\$ -	100%
MCI Funds	80,222	-	80,222	80,222	-	100%
Ed Sustainment Fund	96,670	-	96,670	96,670	-	100%
Technology Block Grant	12,938	-	12,938	12,938	-	100%
Opportunity Grant	107,256	-	107,256	107,256	-	100%
Other State Grants	36,667	(18,242)	18,425	18,425	-	100%
State Appropriations - Transportation	483,000	419	483,419	483,419	-	100%
Total State Funding	\$ 4,666,753	\$ 8,876	\$ 4,675,629	\$ 4,675,629	\$ -	100%
Local Funding						
Local Funding - Base	\$ 2,545,989	\$ -	\$ 2,545,989	\$ 2,545,989	\$ -	100%
Local Funding - Alternative Placement	70,090	232	70,322	70,322	(0)	100%
Total Local Funding	\$ 2,616,078	\$ 232	\$ 2,616,311	\$ 2,616,311	\$ (0)	100%
Federal Revenues						
Title I	\$ 237,596	\$ 16,185	\$ 253,781	\$ 253,781	\$ -	100%
Title II	37,993	5,973	43,966	43,966	-	100%
Title IV	27,465	100	27,565	27,565	-	100%
IDEA Funding	110,794	38,878	149,672	122,482	27,190	82%
21st Century Grant Revenue	350,926	-	350,926	350,926	(0)	100%
ESSER Grants	686,200	145,672	831,872	949,837	(117,965)	114%
Total Federal Revenues	\$ 1,450,974	\$ 206,808	\$ 1,657,782	\$ 1,748,557	\$ (90,775)	105%
Private Donations & Grants						
Fundraising - Unrestricted	\$ 200,000	\$ 25,000	\$ 225,000	\$ 225,268	\$ (268)	100%
Total Private Donations & Grants	\$ 200,000	\$ 25,000	\$ 225,000	\$ 225,268	\$ (268)	100%
Other Revenues						
Student Activity and Other Income	\$ 10,000	\$ (8,994)	\$ 1,006	\$ 3,136	\$ (2,130)	312%
Total Other Revenues	\$ 10,000	\$ (8,994)	\$ 1,006	\$ 3,136	\$ (2,130)	312%
Total Income	\$ 8,943,805	\$ 231,922	\$ 9,175,728	\$ 9,268,900	\$ (93,172)	101%
Expense						
Personnel Costs						
Salaries and Wages	\$ 3,248,000	\$ (4,748)	\$ 3,243,252	\$ 3,325,344	\$ (82,091)	103%
Total Salaries	\$ 3,248,000	\$ (4,748)	\$ 3,243,252	\$ 3,325,344	\$ (82,091)	103%
Other Personnel Costs						
Pension Expense	\$ 773,000	\$ (6,538)	\$ 766,462	\$ 777,301	\$ (10,839)	101%
Health Insurance	492,000	240	492,240	507,827	(15,588)	103%
Worker's Compensation	50,300	(102)	50,198	51,539	(1,341)	103%
Social Security	201,400	(6,076)	195,324	200,300	(4,976)	103%
Unemployment Insurance	3,560	(16)	3,544	3,658	(114)	103%
Medicare	47,200	(1,592)	45,608	46,844	(1,236)	103%
Total Other Personnel Costs	\$ 1,567,460	\$ (14,085)	\$ 1,553,375	\$ 1,587,469	\$ (34,094)	102%
Instructional Costs						
Student Activities - Travel	\$ 135,334	\$ (17,240)	\$ 118,094	\$ 113,545	\$ 4,549	96%
Instructional Services & Substitutes	30,000	11,750	41,750	46,235	(4,485)	111%
Athletics Services - Travel	32,500	33,200	65,700	64,705	995	98%
Student Scholarships	5,000	(5,000)	-	-	-	---
Alternative Placement	120,000	23,752	143,752	143,750	2	100%
Instructional Computer Supplies	37,500	(19,300)	18,200	16,867	1,333	93%
Non-Capitalized Instructional Computer	85,000	(43,400)	41,600	41,393	207	100%
Instructional Supplies	45,000	4,000	49,000	45,858	3,142	94%
Instructional Books & Periodicals	15,000	22,000	37,000	36,497	503	99%
Athletic Supplies	55,000	(4,000)	51,000	50,194	806	98%
Total Instructional Costs	\$ 560,334	\$ 5,762	\$ 566,096	\$ 559,043	\$ 7,052	99%
Student Support Services						
Medical Related Services	\$ 1,500	\$ (1,500)	\$ -	\$ -	\$ -	---
All Other Student Support Services	105,000	39,250	144,250	150,195	(5,945)	104%
Student Body Activity	213,232	7,906	221,138	230,918	(9,780)	104%

	Full Year - Budget v. Projection			12 Months Ending 6/30/22		
	Final Budget	Increase (Decrease)	Updated Projection	Actual to Date	\$ Remaining (Projection)	Received / Spent
Medical Supplies	35,000	(8,500)	26,500	26,543	(43)	100%
Total Student Support Services	\$ 354,732	\$ 37,156	\$ 391,888	\$ 407,656	\$ (15,768)	104%
<u>Instructional Support Services</u>						
Staff Travel	\$ -	\$ -	\$ -	\$ -	\$ -	---
Instructional Support Services & Train	168,500	38,770	207,270	206,023	1,246	99%
Staff Tuition Reimbursements	5,000	-	5,000	5,000	-	100%
Instructional Software	60,370	14,430	74,800	72,744	2,056	97%
Association Dues and Conf Fees	7,000	450	7,450	7,451	(1)	100%
Employee Recognition - Supplies	5,000	2,500	7,500	6,392	1,108	85%
Total Instructional Support Services	\$ 245,870	\$ 56,150	\$ 302,020	\$ 297,611	\$ 4,409	99%
<u>General Admin</u>						
Legal Services	\$ 15,000	\$ 22,000	\$ 37,000	\$ 29,737	\$ 7,263	80%
Total General Admin	\$ 15,000	\$ 22,000	\$ 37,000	\$ 29,737	\$ 7,263	80%
<u>Central Services</u>						
CSO Fee	\$ 769,668	\$ 7,332	\$ 777,000	\$ 773,975	\$ 3,025	100%
Professional Services	92,500	12,000	104,500	103,695	806	99%
IT Professional Services	17,200	(2,100)	15,100	11,699	3,402	77%
Postage	2,500	(2,000)	500	291	209	58%
Telephone	9,000	10,000	19,000	24,808	(5,808)	131%
Fleet Driver's Ed Vehicle Rental	3,500	-	3,500	3,244	256	93%
Insurance	38,000	-	38,000	37,792	208	99%
Non-Instructional Software	13,000	10,750	23,750	23,018	732	97%
Printing and Binding	20,500	-	20,500	19,637	863	96%
Advertising	60,000	3,000	63,000	57,447	5,553	91%
Office Supplies	10,000	(3,500)	6,500	6,316	184	97%
Total Central Services	\$ 1,035,868	\$ 35,482	\$ 1,071,350	\$ 1,061,922	\$ 9,428	99%
<u>Facilities</u>						
Security Services	\$ 5,000	\$ (2,500)	\$ 2,500	\$ 2,430	\$ 70	97%
Public Utilities	16,000	(6,000)	10,000	9,061	939	91%
Electric	80,000	(6,000)	74,000	73,082	918	99%
Building Rent	872,796	(2,000)	870,796	868,667	2,129	100%
Custodial Services	142,000	6,500	148,500	148,342	158	100%
Building Maintenance	94,500	27,000	121,500	142,431	(20,931)	117%
Trash Removal & Recycling	13,500	1,528	15,028	15,028	(0)	100%
Custodial Supplies	20,000	(14,000)	6,000	6,308	(308)	105%
Other Facility Supplies	20,000	12,500	32,500	37,214	(4,714)	115%
Total Facilities	\$ 1,263,796	\$ 17,028	\$ 1,280,824	\$ 1,302,564	\$ (21,740)	102%
<u>Student Transportation</u>						
Student Transportation	\$ 448,000	\$ 48,000	\$ 496,000	\$ 537,079	\$ (41,079)	108%
Total Student Transportation	\$ 448,000	\$ 48,000	\$ 496,000	\$ 537,079	\$ (41,079)	108%
<u>Food Service</u>						
Cafeteria Food	\$ 34,000	\$ 14,852	\$ 48,852	\$ 48,852	\$ -	100%
Cafeteria Supplies	-	-	-	-	-	---
Total Food Service	\$ 34,000	\$ 14,852	\$ 48,852	\$ 48,852	\$ -	100%
<u>Debt Service</u>						
Principal Payments	\$ 60,725	\$ (260)	\$ 60,465	\$ 60,725	\$ (260)	100%
Interest Payments	22,621	329	22,950	22,621	329	99%
Total Debt Service	\$ 83,346	\$ 69	\$ 83,415	\$ 83,346	\$ 69	100%
<u>Capital Purchases</u>						
Capital Purchases - Instructional	\$ -	\$ -	\$ -	\$ -	\$ -	---
Capital Purchases - Communications	-	22,950	22,950	22,950	-	100%
Capital Purchases - Building Improvement	77,000	(537)	76,463	76,463	-	100%
Total Capital Purchases	\$ 77,000	\$ 22,413	\$ 99,413	\$ 99,413	\$ -	100%
Total Expense	\$ 8,933,406	\$ 240,079	\$ 9,173,485	\$ 9,340,036	\$ (166,551)	101.8%
Total Surplus (Deficit)	\$ 10,399	\$ (8,157)	\$ 2,243	\$ (71,136)		