

To: Fortis Academy Board of Directors  
From: Jeff Ratuszny – Director of Financial Operations  
Subject: 2019-20 Initial Budget  
Date: 4/19/2019

In preparation for the upcoming school year, we are presenting to you the proposed initial budget for the 2019-20 year. This is the first budget that will be presented to you for your consideration and approval for the upcoming 2019-20 school year. This budget will ensure to state and other agencies that a fiscal plan is in place for the continuation of educational services at the school.

The budget has been constructed with the following assumptions:

- 760 offered capacity for fall 2019
- 28 classrooms utilized
- \$8,077 per pupil funding

Student counts shown above reflect anticipated outcomes based on current enrollment data and historical trends; counts are not necessarily based on 2019 Enrollment Goals or Offered Capacities already established. These counts are not intended to represent the pupil membership used for purposes of determining state aid funding from state and local government.

There are four similar reports included in this package:

The first report, entitled "**A Resolution of the Board of Directors**", is for your approval of the initial budget as it is being presented. A signed board resolution is required as an acknowledgement of the board's approval of the budget.

The budget is presented in two funds:

The **General Fund** contains the activity of the school pertaining to the general or main functions at the school. This fund contains the primary revenue sources such as state and local student aid and the primary expenditures.

The **School Service Fund** contains the activity for the food service program at the school. This fund includes the revenue generated for the food service program from federal (Department of Agriculture) and state sources, as well as from parents. It also includes the expenditures related to the food service program.

We recognize that the School Service Fund may need assistance from the General Fund to balance its budget. Therefore, a fund transfer is indicated on the "Transfer between funds" line on the budget as necessary.

The total of these funds will be the basis for the comparisons on the following pages.

The second report, entitled "**2019-20 Initial Budget Detail**", shows the initial budget for the upcoming school year in a greater level of detail.

The third report, entitled "**2019-20 Initial Budget Comparison to 2018-19 Budget**", compares the proposed budget for the upcoming school year to the budget that was last approved by the board.

Changes between the budgets are primarily due to expected changes in student counts, classrooms, and grant allotments. The initial budget that is being presented at this time is a conservative estimate of funds that will be available for the school. Any changes in grant revenue will have a corresponding change in grant expense.

The fourth report, entitled "**Three Year Comparison**", compares the actual results from the prior school year, the most recent board approved budget, and the proposed budget for the upcoming school year.

To follow is a brief explanation of budget line items:

**REVENUES:**

State Aid – The per pupil funding provided by the state for general education.

Other State Sources – The portion of state funding allocated for special education as well as grant funds issued by the state and state funding for food services.

Local Sources – Primarily special education funds that flow through the local school district as well as grant funds and student aid issued by local municipalities.

Federal Sources – Grant funds issued by the federal government such as charter school grants and entitlement program grants for specific education purposes. Also included in Federal Sources is the Department of Agriculture reimbursement for the food services program.

Private Sources – Any non-governmental funds, e.g. privately funded grants, including those from authorizers or private foundations, as well as any amount paid to the school by parents.

Contribution from NHA - The contribution from NHA if the overall revenues are not sufficient to cover all expenses.

**EXPENDITURES:**

*Instruction:*

Basic Instruction – Expenses incurred for the basic educational experience at the school including items such as salaries and benefits for teachers, curriculum and textbooks, classroom supplies, and field trips. Also included is board discretionary expense. Since we don't know how the board will allocate these funds, it is all budgeted in this line. As the funds are spent, they are charged to the correct category in the actual column - i.e. equipment, field trips, etc.

Added Needs – Costs associated with at-risk programs at the school. At-risk programs are designed to meet the needs of children who are academically or economically challenged. Costs include items such as salaries and benefits for teachers, curriculum and textbooks, and classroom supplies.

Special Education – Expenses for classroom-type settings for special education students including costs incurred in the Resource Room and individual aides within a classroom setting.

*Support Services:*

Pupil Services– Costs related to the special education student's individualized instruction, including speech and language services, occupational therapy, physical therapy, social work services, and psychology services.

Instructional Staff Support – Costs for services focused on working with staff to better enhance the educational experience for all students. Included in this area are Dean and library and technology personnel costs, as well as supplies and equipment for these school departments. Professional development for teaching staff is also included here.

Board of Education – Board supporting services such as legal and audit costs, and NHA board relations assistance.

Executive Administration – Support services representing the general administration cost from the authorizer (where applicable) and NHA.

Grant Procurement – Costs incurred for investigating, requesting, and monitoring grant activities at the school.

School Administration – Costs associated with the principal and general office of the school including salaries and benefits, supplies, postage, printing and general fees.

Other School Administration – Central services in support of admissions and parent relations, as well as ensuring school quality.

Business & Internal Services – The NHA cost for accounting, financial reporting, payroll, purchasing, and compliance services.

Central Services – Costs associated with the recruiting and hiring of staff and employee relations, as well as technology and marketing functions, and the design and delivery of professional development to school leadership.

Operations & Maintenance – Costs related to renting and maintaining the building, including utilities, as well as the purchase of any general equipment for use in the building. Costs related to maintaining school safety and security are also included.

Pupil Transportation Services – Costs related to the conveyance of pupils to and from school.

Facilities Acquisition – Expenses associated with the initial acquisition of the school site (applicable to first year schools only).

Food Services – The total cost of the food service program at the school.

If you have any questions on this, please direct them to your Partner Services Representative.

**Fortis Academy**  
A Resolution of the Board of Directors  
2019-2020 Initial Budget

RESOLVED, that this resolution shall be the general appropriations act of the Academy for the  
**Fiscal Year 2019-2020.**

	General	School Services	Total (Memorandum Only)
<b>REVENUE</b>			
State Aid	5,897,558	-	5,897,558
Other State Sources	626,262	4,616	630,878
Local Sources	362,393	-	362,393
Federal Grants	509,316	274,927	784,243
Private Sources	46,300	22,248	68,548
Total Revenues and Transfers	7,441,829	301,791	7,743,620
<b>EXPENDITURES - CONTRACTED SERVICE FEE:</b>			
Instruction			
Basic Instruction	2,327,783	-	2,327,783
Added Needs	692,004	-	692,004
Special Education	376,453	-	376,453
Support Services			
Pupil Services	248,940	-	248,940
Instructional Staff Support	863,108	-	863,108
Board of Education	88,606	-	88,606
Executive Administration	224,023	-	224,023
Grant Procurement	34,633	-	34,633
School Admin - Office of the Principal	292,728	-	292,728
Other School Administration	202,390	-	202,390
Business & Internal Services	137,483	-	137,483
Central Services	487,407	-	487,407
Operations & Maintenance	1,457,761	-	1,457,761
Pupil Transportation Services	8,510	-	8,510
Food Services	-	255,388	255,388
Total Expenditures	7,441,829	255,388	7,697,217
EXCESS OF REVENUES OVER EXPENDITURES	-	46,403	46,403
Transfer Between Funds	-	-	-
FUND BALANCE, BEGINNING OF YEAR	11,181	51,646	62,827
CURRENT FUND BALANCE	11,181	98,049	109,230

**Secretary's Certification:**

I certify that the foregoing resolution was duly adopted by the Board of Directors  
at a properly noticed meeting, held on 5-1-19  
where a quorum of the board was present.

Signed By: \_\_\_\_\_

Dated: 5-1-19

**Fortis Academy**  
2019-2020 Initial Budget Detail

**2019-2020**  
**Initial Budget**

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**General Fund**

**REVENUE**

State Aid	5,897,558
Revenue from State Sources	626,262
Revenue from Local Sources	362,393
Restricted-Federal 'Pass thru' Grants - Title I	302,016
Restricted-Federal 'Pass thru' Grants - Title II	59,671
Restricted-Federal 'Pass thru' Grants - Title IV	14,868
Restricted-Federal 'Pass thru' Grants - IDEA	132,761
Revenue from Private Sources	46,300
<b>Total Revenue &amp; Other Transactions</b>	<b>7,441,829</b>

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**EXPENDITURES**

**Basic Instruction**

Salaries, Taxes, & Benefits	2,039,815
Local Meetings	7,643
Printing and Binding	23,283
Teaching Supplies	92,817
Textbooks	15,316
Software & Equipment	1,325
Equipment Lease	52,200
Dues/Memberships	4,000
Field trips	19,078
Contracted Services	33,246
Employment Expenses	1,680
Finger Printing & Background Checks	2,380
Board Funds	35,000
<b>Total - Basic Instruction</b>	<b>2,327,783</b>

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**Added Needs**

Salaries, Taxes, & Benefits	581,239
Teaching Supplies	110,765
<b>Total - Added Needs</b>	<b>692,004</b>

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**Special Education**

Salaries, Taxes, & Benefits	337,011
Local Meetings	375
Workshops and Conferences	1,322
Teaching Supplies	3,325
Software & Equipment	675
Indirect Costs	33,745
<b>Total - Special Education</b>	<b>376,453</b>

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**Pupil Services**

Occupational Therapist Services	69,598
Psychological Services	33,787
Speech Pathology	92,242
Social Work Services	53,313
<b>Total - Pupil Services</b>	<b>248,940</b>

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**Instructional Staff Support**

Salaries, Taxes, & Benefits	391,684
Workshops and Conferences	7,688
Improvement of Instruction	224,841
Professional Development	109,881
Library Books	4,000
Library	915
Technology	74,142
Special Education	33,820
Recess Aides	16,137
<b>Total - Instructional Staff Support</b>	<b>863,108</b>
<b>Board of Education</b>	
Board of Education Administration	54,176
Legal Fees	10,000
Audit	10,575
Travel & Expense Staff	500
Insurance	13,355
<b>Total - Board of Education</b>	<b>88,606</b>
<b>Executive Administration</b>	
Executive Administration	31,994
Oversight Fee	192,029
<b>Total - Executive Administration</b>	<b>224,023</b>
<b>Grant Procurement</b>	
Grant Procurement	34,633
<b>Total - Grant Procurement</b>	<b>34,633</b>
<b>Office of the Principal</b>	
Salaries, Taxes, & Benefits	212,396
Local Meetings	7,025
Workshops and Conferences	5,559
Mailing	5,863
Printing & Binding	3,080
Office Supplies	10,050
Dues/Memberships	3,100
Advertising	44,605
Contracted Services	450
Bank Charges	600
<b>Total - Office of the Principal</b>	<b>292,728</b>
<b>Other School Administration</b>	
Admissions & Other Administrative Support	166,669
Salaries, Taxes, & Benefits	30,941
Local Meetings	750
Workshops and Conferences	308
Mailing	1,722
Printing & Binding	2,000
<b>Total - Other School Administration</b>	<b>202,390</b>
<b>Business &amp; Internal Services</b>	
Fiscal Services	132,386
Internal Distribution Services	5,097
<b>Total - Business &amp; Internal Services</b>	<b>137,483</b>
<b>Operations &amp; Maintenance</b>	
Internal Building Services	24,503
Telephone	7,320
Heat	10,664
Electric	54,078
Sewer	7,375

Waste & Trash Disposal	4,100
Building Maintenance & Repair	236,407
Equipment Maintenance & Repair	5,960
Lease of Building	1,071,680
Lease of Equipment	7,340
Equipment Purchases	11,825
Liability Insurance	1,006
Property Taxes	1,140
Property Insurance	10,250
Safety & Security	4,113
<b>Total - Operations &amp; Maintenance</b>	<b><u>1,457,761</u></b>
<b>Pupil Transportation Services</b>	
Contracted Transportation	8,510
<b>Total - Pupil Transportation Services</b>	<b><u>8,510</u></b>
<b>Central Services</b>	
Information Services	64,708
Staff/Personnel Services	236,839
Data Processing Services	133,080
Other Central Services	52,780
<b>Total - Central Services</b>	<b><u>487,407</u></b>
<b>Pupil Activities</b>	
Salaries, Taxes, & Benefits	-
Contracted Services	-
Supplies	-
<b>Total - Pupil Activities</b>	<b><u>-</u></b>
Outgoing Transfer to School Service Fund	-
Total Expenditures & Other Transactions	7,441,829
<b>Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses</b>	<b>-</b>
Beginning Fund Balance (7/1)	11,181
Ending Fund Balance	<b><u>11,181</u></b>

**School Service Fund**

**REVENUE**

Food Sales to Pupils	22,248
State Revenue	4,616
Department of Agriculture	201,081
Department of Agriculture - Breakfast	55,489
Department of Agriculture - Fruit/Veg	-
Commodities	18,357
Other USDA Grants	-
<b>Total Food Service Revenue</b>	<b>301,791</b>

Transfer In from General Fund -

**Total Revenue and Incoming Transfers 301,791**

**EXPENDITURES**

**Food Services**

Supplies, Materials including Commodities expense	255,388
Salaries & Wages	-
Lease of Building	-

**Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses 46,403**

Beginning Fund Balance (7/1) 51,646

Ending Food Service Fund Balance **98,049**



## Fortis Academy

### 2019-20 Initial Budget Comparison to 2018-19 Amended Budget

	<b>2018-19 Amended Budget</b>	<b>2019-20 Initial Budget Proposal</b>	<b>Change</b>
<b>REVENUE</b>			
State Aid	5,751,917	5,897,558	145,641
Other State Sources	680,301	630,878	(49,423)
Local Sources	342,669	362,393	19,724
Federal Grants	768,241	784,243	16,002
Private Sources	68,248	68,548	300
Total Revenues and Transfers	<u>7,611,376</u>	<u>7,743,620</u>	<u>132,244</u>
<b>EXPENDITURES - CONTRACTED SERVICE FEE:</b>			
Instruction			
Basic Instruction	2,370,471	2,327,783	(42,688)
Added Needs	767,345	692,004	(75,341)
Special Education	346,262	376,453	30,191
Support Services			
Pupil Services	251,529	248,940	(2,589)
Instructional Staff Support	781,750	863,108	81,358
Board of Education	74,526	88,606	14,080
Executive Administration	215,807	224,023	8,216
Grant Procurement	34,357	34,633	276
School Admin - Office of the Principal	344,053	292,728	(51,325)
Other School Administration	169,636	202,390	32,754
Business & Internal Services	104,308	137,483	33,175
Central Services	382,279	487,407	105,128
Operations & Maintenance	1,466,965	1,457,761	(9,204)
Pupil Transportation Services	8,510	8,510	-
Food Services	254,354	255,388	1,034
Total Expenditures	<u>7,572,152</u>	<u>7,697,217</u>	<u>125,065</u>
EXCESS OF REVENUES OVER EXPENDITURES	39,224	46,403	7,179
Transfer Between Funds	-	-	-
FUND BALANCE, BEGINNING OF YEAR	23,603	62,827	39,224
CURRENT FUND BALANCE	<u><u>62,827</u></u>	<u><u>109,230</u></u>	<u><u>46,403</u></u>

**Fortis Academy**  
Three Year Comparison

	<b>2017-18 Actual</b>	<b>2018-19 Amended Budget</b>	<b>2019-20 Initial Budget Proposal</b>
<b>REVENUE</b>			
State Aid	5,419,752	5,751,917	5,897,558
Other State Sources	489,975	680,301	630,878
Local Sources	290,292	342,669	362,393
Federal Grants	704,912	768,241	784,243
Private Sources	68,359	68,248	68,548
Total Revenues and Transfers	<u>6,973,291</u>	<u>7,611,376</u>	<u>7,743,620</u>
<b>EXPENDITURES - CONTRACTED SERVICE FEE:</b>			
Instruction			
Basic Instruction	2,320,267	2,370,471	2,327,783
Added Needs	567,963	767,345	692,004
Special Education	360,035	346,262	376,453
Support Services			
Pupil Services	195,161	251,529	248,940
Instructional Staff Support	692,172	781,750	863,108
Board of Education	59,960	74,526	88,606
Executive Administration	208,161	215,807	224,023
Grant Procurement	28,015	34,357	34,633
School Admin - Office of the Principal	295,097	344,053	292,728
Other School Administration	131,666	169,636	202,390
Business & Internal Services	96,789	104,308	137,483
Central Services	318,536	382,279	487,407
Operations & Maintenance	1,411,022	1,466,965	1,457,761
Pupil Transportation Services	8,569	8,510	8,510
Food Services	272,044	254,354	255,388
Total Expenditures	<u>6,965,458</u>	<u>7,572,152</u>	<u>7,697,217</u>
EXCESS OF REVENUES OVER EXPENDITURES	7,833	39,224	46,403
Transfer Between Funds	-	-	-
FUND BALANCE, BEGINNING OF YEAR	15,769	23,603	62,827
CURRENT FUND BALANCE	<u><u>23,602</u></u>	<u><u>62,827</u></u>	<u><u>109,230</u></u>