

Appendix BO-1: Budget Narrative & Cash Flow Statement

The Rocketship Franklin McKinley Charter (“RSFM”) financial statements include a four year pro-forma annual budget and monthly cash flow statement (start-up year and three years of operations).

Students: Enrollment, Demographics and Average Daily Attendance

Revenues for RSFM will depend on the number of students enrolled and their demographics. Rocketship selects neighborhoods with a low-income population that is often higher than district averages. To allow for conservatism, this budget assumes 70% English Learners (EL), and 70% Free and Reduced Lunch (FRL), which is lower than the districts unduplicated count of 82%. The Average Daily Attendance (ADA) is the aggregate attendance of a school during a reporting period divided by the number of days school is in session during this period. This budget assumes a 95% attendance rate for K-5 students and 80% for Transitional Kindergarten (TK) students. Historical averages at Rocketship Schools have been slightly higher at 96%. ADA is used to calculate many of the revenue sources.

The following table shows our projected enrollment and ADA.

Table A: Enrollment & ADA

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Enrollment & ADA</i>				
Projected Enrollment by Grade				
Transitional Kindergarten	-	50	50	50
Kindergarten	-	112	112	112
1st Grade	-	112	112	112
2nd Grade	-	112	112	112
3rd Grade	-	56	112	112
4th Grade	-	56	47	101
5th Grade	-	-	44	40
Total	-	498	589	639
Average Daily Attendance				
TK - 3rd	-	412	466	466
4th-5th	-	53	86	134
Total	-	466	552	599

Revenues

Revenue sources for charter schools come from federal and state governments, local revenue and private grants. State revenue streams provide the largest source of funding, constituting over

90% of charter school funding in California. Because of RSFM’s reliance on this single revenue source, we will constantly monitor all components associated with state revenue throughout the year as the funding estimates are refined and recalculated.

A summary of the projected revenues for the start-up year and the three projected operating years, along with the percentage components of all revenues, is shown on the following two charts.

Table B: Summary of Projected Revenues

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Summary of Revenue Programs (Thousands)</i>				
State Revenue	-	\$4,730	\$5,594	\$6,063
Federal Revenue	\$50	\$765	\$464	\$521
Local Revenue	-	\$96	\$113	\$123
Total Revenues	\$50	\$5,591	\$6,172	\$6,706

State Revenues

State Revenues are estimated based on specific program variables as identified below, with the majority of this funding dependent upon the annual state budget and the school’s student population.

Table C: Projected State Revenues

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>State Revenues (Thousands)</i>				
General Purpose Block Grant	-	\$2,295	\$2,721	\$2,953
In Lieu of Property Tax	-	\$1,566	\$1,856	\$2,015
Prop 30 EPA	-	\$93	\$110	\$120
Mandate Block Grant	-	-	\$7	\$8
California Lottery	-	\$68	\$81	\$87
State Lunch Reimbursements	-	\$11	\$13	\$14
After School Education and Safety Program	-	\$111	\$111	\$111
SB740 Facilities Subsidy	-	\$349	\$414	\$449
SPED State Revenue	-	\$233	\$276	\$300
SPED Mental Health	-	\$5	\$6	\$6
Total State Revenue	-	\$4,730	\$5,594	\$6,063

Principal Apportionment

California has made some great steps to increase K-12 funding. The Local Control Funding Formula (LCFF) disburses base, supplemental and concentration grants in place of previously

existing revenue streams such as revenue limits and most categorical revenue streams. The 2013-14 was the first year of implementing this new formula and increased revenue. Until full implementation, an additional increase will occur each year to bridge the gap between the 2012-13 funding levels and the new LCFF target funding level. By 2016/17, when RSFM is expected to open, funding will have increased to over 90% of its targeted funding level.

These revenue projections are based on expected student ADA and the supplemental and concentration grants are calculated based on the unduplicated count of free and reduced lunch (FRL) students, however, is capped at the district's concentration of FRL population.

The Fiscal Crisis & Management Assistance Team (FCMAT) LCFF calculator was used to estimate the LCFF funding projections for RSFM in 2016-17, this funding amount was then assumed for the following two years (2017-18 and 2018-19). The calculator accounts for the updated implementation and cost of living adjustment (COLA) rates. In accordance to the Franklin McKinley School District averages for free-reduced lunch population, the calculator assumed an unduplicated count of 82%. An estimated \$200 of the principal apportionment ADA funding is disbursed via the Education Protection Account, and 39.6% of the principal apportionment is expected to be received via property taxes.

Lottery & Mandate Block Grant

Lottery funding is based upon recent estimates provided by School Services of California. We project a total per student allocation of approximately \$146 per year. Funding is based on annual ADA. This estimate will be updated at the First and Second Interim Reporting periods. Lottery funds are mainly allocated for general purpose use (Unrestricted Funds) with slightly over 20% of the funds restricted for instructional materials. Based on current economic conditions, we are budgeting for flat funding over the next five years, with the unrestricted portion amounting to \$120/ADA and the Prop-20 portion amounting to \$26/ADA. Projections for the Mandate Block Grant are based off of the 2013-14 funding rates for charter schools at \$14/ADA. Since funding is dependent on the previous year's ADA, RSFM will not be eligible to receive this funding until the second year of operations.

Facilities Reimbursement (SB 740)

The Charter School Facility Grant Program provides assistance with facilities rent and lease expenditures for charter schools that meet certain eligibility criteria. Eligible charter schools may receive reimbursement for facilities rent and lease costs in an amount of up to \$750 per unit of classroom-based average daily attendance (ADA), not to exceed 75 percent of their total annual facilities rent and lease costs. If there are insufficient funds to reimburse all eligible charter schools at the maximum level, the funding provided to each school will be reduced on a pro-rata basis.

To be eligible for reimbursement, a charter school site must be geographically located within the attendance area of a public elementary school in which at least 70 percent of the pupil enrollment is eligible for free or reduced-price meals, or serving a pupil population that meets or exceeds 70 percent eligibility for free and reduced-price meals. RSFM will most likely qualify for this funding based on the given demographics of the neighborhood in which the school will be located.

Special Education

Rocketship provides special education services for all schools in its network, and works with the El Dorado County Special Education Local Planning Area (SELPA) to ensure resources are allocated across all schools to ensure compliant, efficient and effective delivery of services. RSFM’s state special education funding includes general state aid of \$500/ADA and mental health funding of \$10/ADA. In addition to state special education funding, the revenue projection for RSFM also assumes \$130/ADA of federal special education funding. Federal funding is based off of previous year’s ADA, and therefore begins in the second year of operation.

Federal Revenues

As a direct-funded charter school, RSFM will apply for federal funds directly through the Consolidated Application process. Federal revenues will be updated when a federal entitlement notification is received. Rocketship Education is aware that there is significant compliance features associated with federal funding. The financial projections for RSFM are conservatively projecting no increases in the federal funding rates.

Table D: Projected Federal Revenues

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Federal Revenues (Thousands)</i>				
Title I	-	\$114	\$114	\$135
Title II	-	\$4	\$4	\$4
Title III	-	-	\$52	\$57
Federal Startup Grant (CSP)	\$50	\$450	-	-
IDEA	-	-	\$61	\$72
National School Lunch Program	-	\$197	\$233	\$253
Total Federal Revenue	\$50	\$765	\$464	\$521

Title I, II, & III

Title I funding is based upon a formula for students qualifying for free and/or reduced meals. The amount per student is typically \$350–\$1,000 base. We conservatively project \$350 per identified pupil, with zero (0%) increases over the projection period. Title II is funding used to improve the quality of teaching and principal leadership. Funding is approximately \$4,000/school each year. We conservatively project \$3800 each year. With a large portion of English Language Learner (ELL) students we project a per student amount of \$95, starting in the third year of operations.

Startup Grant (CSP)

In 2011, Rocketship Education received a grant from the Department of Education Charter School Program (CSP) in the amount of \$6,259,757. The grant specifies that up to \$600K could be used for start-up costs for each Rocketship Education school opening during the period between October 2011 and September 2016. RSFM will still qualify for using this grant within the grant period. This funding is reimbursable based on school-specific start-up costs. Current

projections indicate approximately \$500K of reimbursable start-up expenses at RSFM by September 2016.

Free and Reduced-Price Meal Eligibility

The federally funded National School Lunch Program provides free and reduced-price meals for lunch (and breakfast) to eligible students, based on parent/guardian income levels. For this budget, we assume that 70%, of our students will be eligible to receive federal funding per meal per day for free and reduced-price meals. For operational purposes, we project that 90% of all students receive lunch and breakfast, based on historical percentages. RSFM will not offer afternoon snack service. Additional receipts from paid student meals are included in the budget as local revenue. Food expenses for this program are shown under Core Programming; serving staff expenses are included in classified salaries and benefits.

Summary Revenues per Enrollee

For the four year period through 2018-19, the projected revenues per student enrolled at RSFM are shown below.

Table E: Revenues per Enrollee

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Summary of Revenue per Enrollee</i>				
State Revenue	-	\$9,498	\$9,498	\$9,494
Federal Revenue	-	\$1,536	\$788	\$815
Local Revenue	-	\$192	\$192	\$192
Total Revenues	-	\$11,227	\$10,478	\$10,502

Expenditures

The projected expenditures through 2018-2019 are shown below and are followed by the percentage distribution of costs by type of expense.

Table F: Summary of Projected Expenses

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Summary of Projected Expenses (Thousands)</i>				
Certificated Salaries	-	\$1,280	\$1,550	\$1,706
Classified Salaries	\$42	\$555	\$623	\$686
Employee Benefits	\$6	\$501	\$620	\$709
Total Compensation	\$48	\$2,335	\$2,793	\$3,101
Core Programming	\$14	\$846	\$680	\$722
Other Discretionary	-	\$296	\$314	\$348
Support Services	-	\$2,063	\$2,197	\$2,286
Interest/Depreciation	-	\$1	\$2	\$2
Total Non-Comp	\$14	\$3,207	\$3,193	\$3,358
Total Expenses	\$62	\$5,542	\$5,986	\$6,459

Table G: Percentage of Expenditures

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Percentage of Expenditures</i>				
Certificated Salaries	-	23.1%	25.9%	26.4%
Classified Salaries	67.3%	10.0%	10.4%	10.6%
Employee Benefits	10.1%	9.0%	10.3%	11.0%
Total Compensation	77.4%	42.1%	46.7%	48.0%
Core Programming	22.6%	15.3%	11.4%	11.2%
Other Discretionary	-	5.3%	5.2%	5.4%
Support Services	-	37.2%	36.7%	35.4%
Interest/Depreciation	-	0.0%	0.0%	0.0%
Total Non-Comp	22.6%	57.9%	53.3%	52.0%

Salaries and Employee Benefits

Total compensation costs (salary and benefits) remain relatively constant at just under half of total expenditures after the continued expansion of the school until fully-staffed in the 2018-19 school year. “Compensation” includes the salary costs of all staff, including those who work full-time and part-time. Compensation also incorporates all staff benefits including social security, state teachers’ retirement, Medicare, and workers’ compensation.

RSFM's teacher staffing levels are based upon enrollment projections. In a traditional elementary school, if a teacher's homeroom class is receiving services from another teacher, the homeroom teacher does not instruct another class of students. Because RSFM teachers engage in a teaming approach they are able to teach more than one class of students each day. In addition, our students spend a portion of their day in the learning lab in large groups. By using a teaming approach in conjunction with the learning lab, Rocketship is able to have an overall school-wide ratio of certificated teachers to students between 34:1 and 36:1, while maintaining an actual classroom ratio of certificated teachers to students at 28:1.

As explained in the "Instructional Minutes Section" of Element A, Rocketship's unique rotational model and approach to instruction, which includes students spending a portion of their day in the Learning Lab, allows for students to receive instruction in core academic subjects at student/teacher ratios of no more than 28:1. Using our Year 1 Kindergarten class, we can explain how those ratios are achieved. Table A of the Financial Narrative (Appendix BO-1) shows that we will enroll 112 Kindergarten students in Year 1. At any given time throughout the day, 28 of those students will be in the Learning Lab receiving additional practice in Math and Literacy at their current level of instruction through online learning, active reading, tutoring, and enrichment. Appendix BO-1, Table I, shows that we will hire three certificated Kindergarten teachers in Year 1. The remaining 84 students will be split between those three teachers, receiving instruction in core academic subjects. This results in a classroom student/teacher ratio of 28:1.

In order to further understand the instructional and student: teacher ratios in the classroom (and overall), it is helpful to better understand the bell schedule and overall enrollment at RSFM. Initially, one may assume that with 112 students in a grade level (Appendix BO-1, Table A) and three credentialed teachers (Appendix BO-1, Table I) that the ratio is 37:1 or more during instructional time; however, that is incorrect. To understand the correct ratio of instruction, it is helpful to further focus on this one specific grade level.

As described above, in Kindergarten in year one, RSFM plans to enroll 112 students. This grade level will then be divided into four homerooms or cohorts of students ($112/4=28$). These cohorts of students will then rotate to their separate classes and remain with the same homeroom of 28 students throughout the entire day. The first cohort of students will begin their day in their humanities class with their homeroom and are provided instruction at a 28:1 ratio with a credentialed teacher. This cohort of Rocketeers spends approximately 170 minutes in this classroom every day. At the same time, the second cohort of Rocketeers is also receiving instruction from a second credentialed teacher in a separate humanities classroom, again at a 28:1 ratio, and similar to the first cohort of students, they will spend 170 minutes in this classroom. The third cohort of students is in the Math/Science class with the third credentialed teacher (Appendix BO-1, Table I) within this grade level, again at a 28:1 ratio. This cohort of students will spend 85 minutes in this class. The final cohort of students are in the Learning Lab at a 28:1 ratio as well with an Individualized Learning Specialist, a highly qualified tutor, that guides this class through online learning, tutoring, active reading.

After 85 minutes, the third and fourth cohort of kindergarten students will then switch classroom spaces (third homeroom of students goes to the Learning Lab with the ILS and fourth homeroom

of students goes to Math/Science). Again, they will remain in their same homerooms and maintain the ratio of 28:1. This completes the first half of the school day for these students.

After completing these classes and 170 minutes of instruction, the entire grade level will then rotate. After this total of 170 minutes across the grade level, the first and second cohorts will then remain in their homerooms, but each will move to either Math/Science and the other cohort will go to Learning Lab for their separate 85 minute blocks. The third and fourth homeroom classes will at that same time then rotate to their humanities classes and spend 170 minutes in these spaces with the same credentialed teachers that instructed the first and second homerooms of students at the beginning of the day.

It is through this ‘rotational model’ that RSFM will be able to ensure that student: teacher ratios remain at a level of 28:1 throughout the school day as well as ensuring that students, teachers, and families are able to build deep relationships and learning communities by remaining with the same homeroom of students throughout the day and year.

The Rocketship instructional model employs a mix of qualified instructional staff including teachers and tutors (Individualized Learning Specialists or “ILS”) in each school. All of these positions are engaged in full-time student instruction, some providing group instruction in the classroom, and others providing personalized instruction, with students rotating to different subject areas during the day. This unique structure means that while instruction is being delivered, there are never more than 28 students working with a certificated teacher. In terms of ratios, as shown below in Table H, the ratio of instructional staff to students is 22:1. Also shown is a table showing planned staffing level across the school, along with a table following that provides detailed staffing projections on a grade-by-grade level.

Table H: Teacher - Instructional Staff Ratio

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Instructional Staff Ratio</i>				
Total Enrollment	-	498	589	639
Teachers	-	14	17	19
Tutors	-	5	6	7
Special Education Teachers	-	1	2	2
Para-Professionals	-	2	2	2
Total Instructional Staff	-	22	27	30
<i>Student : Instructional Staff Ratio</i>	-	23	22	21

Teachers at RSFM will be supported by a Principal and three Assistant Principals. Additionally, RSFM will have support staff to assist with operations and personalized learning within the Learning Lab. Special Education staffing is based on comparable special education populations found in neighboring Rocketship schools, at approximately 7 percent.

The staffing tables associated with our financial projections are shown below:

Table I: Staffing Model

	Year 0 2015-16	Year 1 2016-17	Year 2 2017-18	Year 3 2018-19
<i>Staffing Model</i>				
Instructional Staff				
Teachers				
Transitional Kindergarten	-	2.0	2.0	2.0
Kindergarten	-	3.0	3.0	3.0
1st Grade	-	3.0	3.0	3.0
2nd Grade	-	3.0	3.0	3.0
3rd Grade	-	1.5	3.0	3.0
4th Grade	-	1.5	1.5	3.0
5th Grade	-	-	1.5	2.0
Special Education Specialists	-	1.0	2.0	2.0
Total Teachers	-	15.0	19.0	21.0
Tutors/Para-Professionals				
Transitional Kindergarten	-	1.0	1.0	1.0
Kindergarten	-	1.0	1.0	1.0
1st Grade	-	1.0	1.0	1.0
2nd Grade	-	1.0	1.0	1.0
3rd Grade	-	0.5	1.0	1.0
4th Grade	-	0.5	-	1.0
5th Grade	-	-	1.0	1.0
Para-Professional	-	2.0	2.0	2.0
Total Tutors/Para-Professionals	-	7.0	8.0	9.0
Total Instructional Staff	-	22.0	27.0	30.0
Non-Instructional Staff				
School Leaders				
Principal	-	1.0	1.0	1.0
Assistant Principal	-	3.0	3.0	3.0
Total School Leaders	-	4.0	4.0	4.0
Other Non-Instructional Staff				
Office Manager	0.3	1.0	1.0	1.0
Business Operations Manager	0.3	1.0	1.0	1.0
Enrichment Coordinators	-	3.0	3.0	3.0
Part-time Support Staff (Est. as FTE)	-	3.0	3.9	4.6
Total Other Non-Instructional Staff	0.6	8.6	9.7	10.4
Total Non-Instructional Staff	0.6	12.6	13.7	14.4
Total Staffing	0.6	34.6	40.7	44.4

The Office Manager and Business Manager are hired in March prior to the opening of the school to assist in the start-up of the school, specifically for student recruitment and establishing the necessary operational infrastructure for school opening in August of 2016.

The average salary structure for key FTE staff positions are listed in Table J. The budget assumes a 2% cost of living adjustment each year. It should be noted, the projected total salary amounts in Table F also includes part-time support staff costs.

Table J: Average Budgeted Salary by Position

	Year 1	Year 2	Year 3
	2016-17	2017-18	2018-19
<i>Average Budgeted Salary by Position</i>			
Instructional Positions			
Teachers (incl. Special Ed Teachers)	\$60,000	\$61,200	\$62,424
Tutors/Para-Professionals	\$33,280	\$33,946	\$34,625
Non-Instructional Positions			
Principal	\$117,500	\$119,850	\$122,247
Assistant Principal	\$87,500	\$89,250	\$91,035
Office Manager	\$60,000	\$61,200	\$62,424
Business Operations Manager	\$80,000	\$81,600	\$83,232

Table K: Employee Benefits

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Employee Benefits (Thousands)</i>				
Medical / Dental / Vision	\$2	\$211	\$244	\$264
Workers Comp	\$1	\$27	\$32	\$35
Medicare	\$1	\$27	\$32	\$35
Retirement - Certificated Staff	-	\$161	\$224	\$278
Retirement - Classified Staff	\$1	\$11	\$12	\$14
Social Security / FICS - Classified Staff	\$3	\$34	\$39	\$43
PTO Payout	-	\$30	\$37	\$42
Total Benefits	\$6	\$501	\$620	\$709

The above table lists the total projected annual employer costs for all employee benefits, on a year-by-year basis. Within employee benefits, most benefits are statutory and are determined by either state or federal mandate and are based on current rate factors. Statutory benefits are cost factors applied to the salary factor. These benefits differ by type of employee: certificated and

classified and by the period of time they work: full-time, part-time and hourly. RSFM's employees participate in some combination of State Teachers' Retirement, Social Security, Medicare, and workers' compensation depending on position. For full-time certificated employee who participate in the State Teachers' Retirement System (and not in the Federal Social Security system), the employer contribution is expected to increase to 12.6% in 2016-17 and 16.3% in 2018-19. Other employee benefits include health care insurance to employees who are scheduled to work at least 30 hours per week.

Table L: Core-Programming Expenses

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Core-Programming (Thousands)</i>				
Lunch	\$13	\$317	\$373	\$403
Supplies & Equipment	\$2	\$340	\$184	\$185
Curriculum	-	\$171	\$104	\$112
Assessments	-	\$17	\$20	\$21
Total Core-Programming	\$14	\$846	\$680	\$722

Many of the core-programming cost projections are based upon a per pupil allotment, such as food costs, instructional supplies, textbooks, and some assessments. With technology an innovative component of our school model, schools spend approximately \$40,000 on online-learning programs each year for use in the learning labs. Chromebooks are projected based on new student enrollment and pre-determined life-cycle for existing equipment. The budget assumes a 3:1 student to chromebook ratio, with a replacement life of two years.

Table M: Other Discretionary Expenses

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Other Discretionary (Thousands)</i>				
Professional Development	-	\$48	\$50	\$54
Communications	-	\$27	\$28	\$29
Field Trips	-	\$33	\$39	\$39
Substitutes	-	\$43	\$46	\$50
After School Program	-	\$111	\$111	\$111
ISE Non-Compensation Expenses	-	\$36	\$42	\$65
Total Other Discretionary	-	\$296	\$314	\$348

Professional Development

Professional development includes both certification costs and costs for other professional development of administrators, teachers, and staff.

Communications

Communications costs include student mailings and telecommunication costs. These costs have been projected based on historical experience of Rocketship’s existing schools.

Field Trips

Schools are budgeted \$5500/grade for field trips, these costs have been projected based on historical experience of Rocketship’s existing schools.

Substitute Teacher Costs

Teacher substitute provisions are included for both projected sick and personal leave as well as for professional staff development leave. Ten days per year per teacher FTE are projected for all forms of leave. For each day of leave per teacher FTE, \$200 has been assumed for teacher substitute provisions. Projections estimate substitutes will be needed for 25% of paid time off. Estimates are based off of historical experience of Rocketship’s existing schools. Included in this line-item are proctoring costs for CELDT testing, based on historical data at existing Rocketship schools.

After School Program

These costs mirror state revenue from the *After School Education and Safety Program Grant*.

ISE Non-Compensation Expenses

Special education costs include all non-compensation costs needed to run the special education program at RSFM. This can include assistive technology, software administration, assessment materials, curriculum and materials specific for the special education program. These costs are based on historical experience of Rocketship’s existing schools.

Table N: Support Service Expenses

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
<i>Support Services (Thousands)</i>				
Student Information	-	\$21	\$25	\$27
Dues & Memberships	-	\$5	\$6	\$6
Repairs	-	\$77	\$80	\$82
Utilities	-	\$57	\$59	\$61
Custodial	-	\$32	\$32	\$32
Health & Testing	-	\$5	\$5	\$5
Other	-	\$47	\$41	\$42
Authorizer Oversight	-	\$51	\$64	\$70
Central Office Expense Allocation Fee	-	\$709	\$855	\$931
Lease Expense	-	\$1,000	\$1,000	\$1,000
Total Support Services	-	\$2,005	\$2,167	\$2,256

Expenses in this section are primarily based on preliminary negotiations with prospective service providers or based on historical amounts from Rocketship’s operational schools. We make note of items below as needed to explain our budgeting assumptions.

Other & Authorizer Oversight

The budget line item for “Other” includes the following external expenses: insurance, audit fees, security services, relocation costs, parent and staff appreciation. Costs for insurance are an enrollment-based allocation of Rocketship’s overall schools commercial insurance package. As a member of the El Dorado County SELPA we are charged a 5 percent fee of special education revenue. Authorizer oversight is the fee charged by each charter authorizer. We assume 1 percent of revenue is budgeted for all our Rocketship schools in the Bay Area. Both of these fees are included in the “Authorizer Oversight” budget line item.

Central Office Expense Allocation Fee & Lease Expense

Rocketship’s model is highly centralized. Many services that benefit the school, and that are typically provided directly at the school in a traditional public school environment, are provided by Rocketship’s central office. This structure allows school leaders to focus their time and energy on instruction and student/parent engagement and provides more efficient and effective centralized delivery of various support services. These centralized services include, but are not limited to:

Programmatic Services:

- Curriculum & Assessment
- Instructional Leadership
- Recruitment
- Lottery Management
- Student Data Analysis
- Parent & Community Engagement

Operational Services:

- Payroll
- Accounting & Financial Reporting
- Procurement
- Human Resources
- Legal Support
- IT Support
- Operational Policy Support
- Authorizer Relations

To cover the cost of these services schools are charged a 15% fee of non-reimbursable revenue which is transferred to the central office.

Traditional public schools have a significant cost advantage for facilities costs when compared to charter schools for several reasons: (a) much of the facility costs in existing traditional public schools are based on schools that were built many years ago when costs for land and buildings were significantly less than the cost of land acquisition and construction that Rocketship schools are forced to pay; (b) Rocketship is obligated to finance its own buildings and land and is not permitted to access low-cost state financing like traditional public schools nor to access

additional sources like parcel taxes to offset costs; and (c) most of Rocketship's schools are built in high-density areas rather than on land that was previously used for other, less congested (e.g. agricultural) purposes.

Rocketship's lease expense line item is determined based on a number of facility-related components including:

- Debt service, covering land acquisition and construction
- Ground leases, when required
- Taxes & insurance
- Maintenance and cap-ex reserves
- Property management fees

The financial projections for RSFM estimate a facility investment of \$10M. This is comparable to the facility investment of our existing Franklin McKinley School, Rocketship Spark Academy. The projections model an annual lease cost of approximately one million dollars, however, approximately five months of this cost is not paid out by the school in year 1 due to capitalized interest.

Other Outgo and Transfers

This budget is based on having received a low-interest rate working capital loan of \$250,000 from the California School Finance Authority (CSFA) Charter School Revolving Loan fund in year 1. The model includes two inter-company loans provided by Rocketship Education to RSFM to help cover cash shortages in a few months in the first two years. RSFM receives its first inter-company loan in February 2016 of \$50,000 to cover the initial start-up costs. This loan is paid back in June 2016, once the CSFA Revolving Loan is received. The start of the first year of operation is the most difficult from a cash flow perspective for the school. To mitigate the cash shortage in July and August of 2016, Rocketship Education will loan RSFM \$850,000. This will be re-paid in September 2016, once the school receives its first PENSEC disbursement.

Ending Fund Balance

RSFM will maintain a cash balance reserve between 4 and 10% over its first three years of operation. This will be preserved for any economic uncertainty during that period. The projected reserves will be monitored constantly and adjusted and refined as decisions and updates are provided relative to state funding amounts as well as when refinements or updates are made to the projected spending plan for the school. As illustrated in the table below, RSFM is expected to maintain a significant positive net ending fund balance reserve.

Table O: Statement of Activities & Reserve Balance

	Year 0	Year 1	Year 2	Year 3
	2015-16	2016-17	2017-18	2018-19
Statement of Activities (Thousands)				
Revenues				
State Revenue	-	\$4,730	\$5,594	\$6,063
Federal Revenue	\$50	\$765	\$464	\$521
Local Revenue	-	\$96	\$113	\$123
Grants & Fundraising	-	-	-	-
Total Revenues	\$50	\$5,591	\$6,172	\$6,706
Expenses				
Certificated Salaries	-	\$1,280	\$1,550	\$1,706
Classified Salaries	\$42	\$555	\$623	\$686
Employee Benefits	\$6	\$501	\$620	\$709
Core Programming	\$14	\$846	\$680	\$722
Other Discretionary	-	\$296	\$314	\$348
Support Services	-	\$2,063	\$2,197	\$2,286
Interest/Depreciation	-	\$1	\$2	\$2
Total Expenses	\$62	\$5,542	\$5,986	\$6,459
Increase/Decrease of Net Assets	(\$12)	\$49	\$186	\$247
Beginning Balance	-	\$188	\$215	\$309
Ending Balance	\$188	\$215	\$309	\$453
Reserve Balance (% of Expenditures)	300.6%	3.9%	5.2%	7.0%

Cash Flow**Revenues**

Since revenues are lumpy and from multiple sources, it's very important to correctly project cash flow to ensure the charter school maintains a healthy financial situation. The greatest cash flow challenge is correctly predicting the flow of federal and state revenue sources. California law identifies the percentage of a school's general purpose funds to be paid at specified dates. This schedule is subject to legislative and regulatory change. The California Department of Education (CDE) has committed to a 5-9-9 schedule for 2014-2015. We have used this schedule to project our cash flow position for the first three years RSFM is in operation. Based on the Governor's state budget for 2014-15, we assumed no deferrals in these projections.

Principal Apportionment

The principal apportionment comes from a combination of three sources: In Lieu Property Taxes, State Aid, and Education Protection Account. The district where the school is located pays the Charter School an In Lieu Property Tax amount per (ADA) on or before the 15th of each month from August through July. State Aid is due from the state on or before the end of the month and is paid monthly from July to June on a 5-5-9 schedule. The Economic Protection Account flows quarterly in September, December, March and June.

PENSEC

Per-pupil revenue is allocated based on ADA levels. The advance apportionment is based on the previous year's ADA levels. However, for new schools this data does not exist. Rocketship plans to apply to Pupil Estimates for New or Significantly Expanding Charters (PENSEC) for RSFM's first year of operation. Disbursements will be made in September and December based on ADA estimates provided in the application. RSFM will return to the 5-5-9 schedule in February, once actual ADA levels are captured in the first quarter.

California Lottery

State Lottery Revenues are paid according to the prior year's ADA, and are paid quarterly.

Title I Funding

We project that Title I payments will be made in January (40% of total), April (40%), and August (20%).

Free and Reduced Meals Program

Payments are made after RSFM files a reimbursement claim. Claims are generally filed monthly and the payment schedule is generally within 45 to 60 days after the claim is filed. This means that revenue for Free and Reduced Meals generally lag expenses by a month.

Loan Proceeds and Repayment of Debt Principal

RSFM will pay down its \$250,000 balance on its loan from the California School Finance Authority (CSFA) Charter School Revolving Loan program over its first four years of operation.

Expenditure

The most significant parts of RSFM's cost structure are primarily staff compensation and facilities related expenses which are generally paid evenly throughout the year. The vast majority of the curriculum costs are front-loaded to the beginning of the school year.

Cash Flow Summary

Rocketship Franklin McKinley Charter — Summary Cash Flow Projections												
2015-16	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Beginning Cash Balance	-	-	-	-	-	-	-	-	47,180	32,282	17,384	2,486
Operating Receipts	-	-	-	-	-	-	-	-	-	-	-	-
Operating Disbursements	-	-	-	-	-	-	-	2,820	14,898	14,898	14,898	14,898
Other Financing Sources/Uses	-	-	-	-	-	-	-	50,000	-	-	-	200,000
Change in Cash	-	-	-	-	-	-	-	47,180	(14,898)	(14,898)	(14,898)	185,102
Ending Cash Balance	0	0	0	0	0	0	0	47,180	32,282	17,384	2,486	187,588
2016-17	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Beginning Cash Balance	187,588	577,465	254,028	190,362	267,355	186,953	333,917	215,684	177,779	302,647	337,352	262,913
Operating Receipts	61,873	105,819	1,215,590	506,248	348,854	576,220	311,022	380,810	543,582	453,418	344,275	367,555
Operating Disbursements	556,718	453,561	453,561	453,561	453,561	453,561	453,561	453,436	453,436	453,436	453,436	450,008
Other Financing Sources/Uses	884,722	24,306	(825,694)	24,306	24,306	24,306	24,306	34,722	34,722	34,722	34,722	34,722
Change in Cash	389,877	(323,437)	(63,666)	76,993	(80,402)	146,964	(118,234)	(37,904)	124,868	34,704	(74,439)	(47,731)
Ending Cash Balance	577,465	254,028	190,362	267,355	186,953	333,917	215,684	177,779	302,647	337,352	262,913	215,182
2017-18	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Beginning Cash Balance	215,182	131,708	1,353	126,141	108,441	266,560	251,781	318,783	280,542	435,296	442,013	360,454
Operating Receipts	456,767	375,427	630,569	488,082	663,901	491,003	572,784	456,882	649,877	501,841	413,564	441,167
Operating Disbursements	540,242	495,365	495,365	495,365	495,365	495,365	495,365	495,124	495,124	495,124	495,124	493,052
Other Financing Sources/Uses	-	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	-	-	-	-	-
Change in Cash	(83,474)	(130,355)	124,787	(17,700)	158,119	(14,779)	67,002	(38,241)	154,754	6,717	(81,559)	(51,885)
Ending Cash Balance	131,708	1,353	126,141	108,441	266,560	251,781	318,783	280,542	435,296	442,013	360,454	308,569
2018-19	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Beginning Cash Balance	\$308,569	\$198,435	\$78,559	\$212,432	\$196,847	\$373,024	\$362,206	\$441,585	\$403,722	\$575,321	\$590,702	\$505,826
Operating Receipts	\$473,074	\$425,001	\$678,751	\$529,292	\$721,055	\$534,059	\$624,256	\$496,373	\$705,834	\$549,617	\$449,359	\$479,317
Operating Disbursements	\$583,208	\$534,461	\$534,461	\$534,461	\$534,461	\$534,461	\$534,461	\$534,236	\$534,236	\$534,236	\$534,236	\$531,989
Other Financing Sources/Uses	-	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	-	-	-	-	-
Change in Cash	(110,134)	(119,876)	133,874	(15,585)	176,177	(10,818)	79,378	(37,863)	171,599	15,381	(84,876)	(52,673)
Ending Cash Balance	198,435	78,559	212,432	196,847	373,024	362,206	441,585	403,722	575,321	590,702	505,826	453,153

2015 – 2016 Cash Flow

Rocketship Franklin McKinley Charter — 2015-16 Cash Flow Worksheet													
	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	Jun 2015	Total 2014-15
Beginning Cash Balance	-	-	-	-	-	-	-	-	47,180	32,282	17,384	2,486	-
REVENUES													
State Programs													
CSGPB - Base	-	-	-	-	-	-	-	-	-	-	-	-	-
In Lieu of Property Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Prop 30 EPA	-	-	-	-	-	-	-	-	-	-	-	-	-
Mandate Block Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
California Lottery	-	-	-	-	-	-	-	-	-	-	-	-	-
Total State Programs	-	-	-	-	-	-	-	-	-	-	-	-	-
Other State Programs													
State Lunch Reimbursements	-	-	-	-	-	-	-	-	-	-	-	-	-
After School Education and Safety Program Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
SB740 Facilities Subsidy	-	-	-	-	-	-	-	-	-	-	-	-	-
State SPED	-	-	-	-	-	-	-	-	-	-	-	-	-
State Mental Health - SPED	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other State Programs	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Programs													
Title I	-	-	-	-	-	-	-	-	-	-	-	-	-
Title II	-	-	-	-	-	-	-	-	-	-	-	-	-
Title III	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Startup Grant (Title Vb)	-	-	-	-	-	-	-	-	-	-	-	-	-
IDEA	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities Incentive Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
National School Lunch Program	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Federal Programs	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Programs													
Local Food Service Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Local Programs	-	-	-	-	-	-	-	-	-	-	-	-	-
Fundraising & Grants													
Private Startup Grants	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Local Programs	-	-	-	-	-	-	-	-	-	-	-	-	-
PY Receivables													
TOTAL REVENUES	-	-	-	-	-	-	-	-	-	-	-	-	-
EXPENSES													
Certificated Salaries	-	-	-	-	-	-	-	-	-	-	-	-	-
Classified Salaries	-	-	-	-	-	-	-	-	10,500	10,500	10,500	10,500	42,000
Employee Benefits	-	-	-	-	-	-	-	-	1,578	1,578	1,578	1,578	6,312
Core Programming	-	-	-	-	-	-	-	2,820	2,820	2,820	2,820	2,820	14,100
Other Discretionary	-	-	-	-	-	-	-	-	-	-	-	-	-
Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	-	-	-	-	-	-	-	2,820	14,898	14,898	14,898	14,898	62,412
OTHER FINANCING SOURCES/USES													
CSFA - Revolving Loan	-	-	-	-	-	-	-	-	-	-	-	250,000	250,000
CSGF - Start-up Loan	-	-	-	-	-	-	-	-	-	-	-	-	-
Facility Fee Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
RSED Financing	-	-	-	-	-	-	-	50,000	-	-	-	(50,000)	-
Total Financing Cash Flow	-	-	-	-	-	-	-	50,000	-	-	-	200,000	250,000
Cumulative Cash Position	-	-	-	-	-	-	-	47,180	32,282	17,384	2,486	187,588	-

2016-2017 Cash Flow

Rocketship Franklin McKinley Charter — 2016-17 Cash Flow Worksheet													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
	2015	2015	2015	2015	2015	2015	2016	2016	2016	2016	2016	2016	2015-16
Beginning Cash Balance	187,588	577,465	254,028	190,362	267,355	186,953	333,917	215,684	177,779	302,647	337,352	262,913	
REVENUES													
State Programs													
CSGPB - Base	-	-	883,600	-	-	378,686	-	206,556	206,556	206,556	206,556	206,556	2,295,066
In Lieu of Property Taxes	-	93,946	187,892	125,261	125,261	125,261	125,261	125,261	177,453	88,727	88,727	88,727	1,351,776
Prop 30 EPA	-	-	23,280	-	-	23,280	-	-	23,280	-	-	23,280	93,120
Mandate Block Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
California Lottery	-	-	-	16,994	-	-	16,994	-	-	16,994	-	-	50,983
Total State Programs	-	93,946	1,094,772	142,256	125,261	527,227	142,256	331,817	407,289	312,277	295,283	318,563	3,790,945
Other State Programs													
State Lunch Reimbursements	-	-	996	996	996	996	996	996	996	996	996	996	9,959
After School Education and Safety Program Grant	-	-	71,825	-	-	-	27,625	-	-	-	-	-	99,450
SB740 Facilities Subsidy	-	-	-	-	174,600	-	-	-	87,300	-	-	-	261,900
State SPED	11,640	11,640	20,952	20,952	20,952	20,952	20,952	20,952	20,952	20,952	20,952	20,952	232,800
State Mental Health - SPED	233	233	419	419	419	419	419	419	419	419	419	419	4,656
Total Other State Programs	11,873	11,873	94,192	22,367	196,967	22,367	49,992	22,367	109,667	22,367	22,367	22,367	608,765
Federal Programs													
Title I	-	-	-	-	-	-	45,629	-	-	45,629	-	-	91,258
Title II	-	-	-	-	-	-	1,520	-	-	1,520	-	-	3,040
Title III	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Startup Grant (Title Vb)	-	-	-	315,000	-	-	45,000	-	-	45,000	-	-	405,000
IDEA	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities Incentive Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
National School Lunch Program	-	-	17,926	17,926	17,926	17,926	17,926	17,926	17,926	17,926	17,926	17,926	179,262
Total Federal Programs	-	-	17,926	332,926	17,926	17,926	110,075	17,926	17,926	110,075	17,926	17,926	678,560
Local Programs													
Local Food Service Revenue	-	-	8,699	8,699	8,699	8,699	8,699	8,699	8,699	8,699	8,699	8,699	86,994
Total Local Programs	-	-	8,699	8,699	8,699	8,699	8,699	8,699	8,699	8,699	8,699	8,699	86,994
Fundraising & Grants													
Private Startup Grants	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Local Programs	-	-	-	-	-	-	-	-	-	-	-	-	-
PY Receivables	50,000	-	-	-	-	-	-	-	-	-	-	-	50,000
TOTAL REVENUES	61,873	105,819	1,215,590	506,248	348,854	576,220	311,022	380,810	543,582	453,418	344,275	367,555	5,215,264
EXPENSES													
Certificated Salaries	106,667	106,667	106,667	106,667	106,667	106,667	106,667	106,667	106,667	106,667	106,667	106,667	1,280,000
Classified Salaries	46,212	46,212	46,212	46,212	46,212	46,212	46,212	46,212	46,212	46,212	46,212	46,212	554,540
Employee Benefits	41,729	41,729	41,729	41,729	41,729	41,729	41,729	41,729	41,729	41,729	41,729	41,729	500,748
Core Programming	165,477	62,195	62,195	62,195	62,195	62,195	62,195	62,195	62,195	62,195	62,195	62,195	846,199
Other Discretionary	24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	296,180
Support Services	171,900	171,900	171,900	171,900	171,900	171,900	171,900	171,900	171,900	171,900	171,900	171,900	2,062,795
Interest	-	125	125	125	125	125	125	-	-	-	-	-	750
Depreciation	52	52	52	52	52	52	52	52	52	52	52	52	625
TOTAL EXPENSES	556,718	453,561	453,561	453,561	453,561	453,561	453,561	453,436	453,436	453,436	453,436	450,008	5,541,836
OTHER FINANCING SOURCES/USES													
CSFA - Revolving Loan	-	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	-	-	-	-	-	(62,500)
CSGF - Start-up Loan	-	-	-	-	-	-	-	-	-	-	-	-	-
Facility Fee Adjustment	34,722	34,722	34,722	34,722	34,722	34,722	34,722	34,722	34,722	34,722	34,722	34,722	416,667
RSED Financing	850,000	-	(850,000)	-	-	-	-	-	-	-	-	-	-
Tot: Facility Fee Payable	884,722	24,306	(825,694)	24,306	24,306	24,306	24,306	34,722	34,722	34,722	34,722	34,722	354,167
Cumulative Cash Position	577,465	254,028	190,362	267,355	186,953	333,917	215,684	177,779	302,647	337,352	262,913	215,182	

2017-2018 Cash Flow

Rocketship Franklin McKinley — 2017-18 Cash Flow Worksheet													
	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Total 2016-17
Beginning Cash Balance	215,182	131,708	1,353	126,141	108,441	266,560	251,781	318,783	280,542	435,296	442,013	360,454	
REVENUES													
State Programs													
CSGPB - Base	136,060	136,060	244,908	244,908	244,908	244,908	244,908	244,908	244,908	244,908	244,908	244,908	2,721,201
In Lieu of Property Taxes	-	111,389	222,778	148,519	148,519	148,519	148,519	148,519	210,402	105,201	105,201	105,201	1,602,767
Prop 30 EPA	-	-	27,603	-	-	27,603	-	-	27,603	-	-	-	110,410
Mandate Block Grant	-	-	-	-	-	6,518	-	-	-	-	-	-	6,518
California Lottery	-	-	-	20,150	-	-	20,150	-	-	20,150	-	-	60,449
Total State Programs	136,060	247,449	495,289	413,577	393,427	427,548	413,577	393,427	482,912	370,259	350,109	377,711	4,501,345
Other State Programs													
State Lunch Reimbursements	-	-	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	1,178	11,779
After School Education and Safety Program Grant	-	-	71,825	-	-	-	27,625	-	-	-	-	-	99,450
SB740 Facilities Subsidy	-	-	-	-	207,019	-	-	-	103,509	-	-	-	310,528
State SPED	13,801	13,801	24,842	24,842	24,842	24,842	24,842	24,842	24,842	24,842	24,842	24,842	276,025
State Mental Health - SPED	276	276	497	497	497	497	497	497	497	497	497	497	5,521
Total Other State Programs	14,077	14,077	98,342	26,517	233,536	26,517	54,142	26,517	130,026	26,517	26,517	26,517	703,302
Federal Programs													
Title I	-	-	-	-	-	-	45,629	-	-	45,629	-	-	91,258
Title II	-	-	-	-	-	-	1,520	-	-	1,520	-	-	3,040
Title III	-	-	-	-	-	-	20,978	-	-	20,978	-	-	41,956
Federal Startup Grant (Title Vb)	-	-	-	-	-	-	-	-	-	-	-	-	-
IDEA	3,026	3,026	5,448	5,448	5,448	5,448	5,448	5,448	5,448	5,448	5,448	5,448	60,528
Facilities Incentive Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
National School Lunch Program	-	-	21,202	21,202	21,202	21,202	21,202	21,202	21,202	21,202	21,202	21,202	212,019
Total Federal Programs	3,026	3,026	26,649	26,649	26,649	26,649	94,776	26,649	26,649	94,776	26,649	26,649	408,800
Local Programs													
Local Food Service Revenue	-	-	10,289	10,289	10,289	10,289	10,289	10,289	10,289	10,289	10,289	10,289	102,891
Total Local Programs	-	-	10,289	10,289	10,289	10,289	10,289	10,289	10,289	10,289	10,289	10,289	102,891
Fundraising & Grants													
Private Startup Grants	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Local Programs	-	-	-	-	-	-	-	-	-	-	-	-	-
PY Receivables	303,604	110,874	-	11,050	-	-	-	-	-	-	-	-	425,528
TOTAL REVENUES	456,767	375,427	630,569	488,082	663,901	491,003	572,784	456,882	649,877	501,841	413,564	441,167	6,141,867
EXPENSES													
Certificated Salaries	129,200	129,200	129,200	129,200	129,200	129,200	129,200	129,200	129,200	129,200	129,200	129,200	1,550,400
Classified Salaries	51,913	51,913	51,913	51,913	51,913	51,913	51,913	51,913	51,913	51,913	51,913	51,913	622,962
Employee Benefits	51,625	51,625	51,625	51,625	51,625	51,625	51,625	51,625	51,625	51,625	51,625	51,625	619,503
Core Programming	98,218	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100	53,100	680,240
Lunch	-	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	372,893
Supplies & Equipment	15,341	15,341	15,341	15,341	15,341	15,341	15,341	15,341	15,341	15,341	15,341	15,341	184,090
Curriculum	82,877	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	103,596
Assessments	-	1,787	1,787	1,787	1,787	1,787	1,787	1,787	1,787	1,787	1,787	1,787	19,661
Other Discretionary	26,185	26,185	26,185	26,185	26,185	26,185	26,185	26,185	26,185	26,185	26,185	26,185	314,215
Support Services	183,049	183,049	183,049	183,049	183,049	183,049	183,049	183,049	183,049	183,049	183,049	183,049	2,196,586
Interest	-	242	242	242	242	242	242	242	242	242	242	242	1,450
Depreciation	52	52	52	52	52	52	52	52	52	52	52	52	625
TOTAL EXPENSES	540,242	495,365	495,365	495,365	495,365	495,365	495,365	495,124	495,124	495,124	495,124	493,052	5,985,980
OTHER FINANCING SOURCES/USES													
CSFA - Revolving Loan	-	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	-	-	-	-	-	(62,500)
CSGF - Start-up Loan	-	-	-	-	-	-	-	-	-	-	-	-	-
Facility Fee Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
RSED Financing	-	-	-	-	-	-	-	-	-	-	-	-	-
Tot: Facility Fee Payable	-	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	-	-	-	-	-	(62,500)
Cumulative Cash Position	131,708	1,353	126,141	108,441	266,560	251,781	318,783	280,542	435,296	442,013	360,454	308,569	

2018-2019 Cash Flow

Rocketship Franklin McKinley Charter — 2018-19 Cash Flow Worksheet													
	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Total 2017-18
Beginning Cash Balance	308,569	198,435	78,559	212,432	196,847	373,024	362,206	441,585	403,722	575,321	590,702	505,826	
REVENUES													
State Programs													
CSGPB - Base	147,669	147,669	265,804	265,804	265,804	265,804	265,804	265,804	265,804	265,804	265,804	265,804	2,953,374
In Lieu of Property Taxes	-	120,893	241,786	161,191	161,191	161,191	161,191	161,191	228,353	114,177	114,177	114,177	1,739,515
Prop 30 EPA	-	-	29,958	-	-	29,958	-	-	29,958	-	-	29,958	119,830
Mandate Block Grant	-	-	-	-	-	7,729	-	-	-	-	-	-	7,729
California Lottery	-	-	-	21,869	-	-	21,869	-	-	21,869	-	-	65,607
Total State Programs	147,669	268,562	537,547	448,863	426,994	464,680	448,863	426,994	524,115	401,849	379,980	409,938	4,886,055
Other State Programs													
State Lunch Reimbursements	-	-	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	1,277	12,770
After School Education and Safety Program Grant	-	-	71,825	-	-	-	27,625	-	-	-	-	-	99,450
SB740 Facilities Subsidy	-	-	-	-	224,682	-	-	-	112,341	-	-	-	337,022
State SPED	14,979	14,979	26,962	26,962	26,962	26,962	26,962	26,962	26,962	26,962	26,962	26,962	299,576
State Mental Health - SPED	300	300	539	539	539	539	539	539	539	539	539	539	5,992
Total Other State Programs	15,278	15,278	100,603	28,778	253,460	28,778	56,403	28,778	141,119	28,778	28,778	28,778	754,810
Federal Programs													
Title I	-	-	-	-	-	-	54,101	-	-	54,101	-	-	108,202
Title II	-	-	-	-	-	-	1,520	-	-	1,520	-	-	3,040
Title III	-	-	-	-	-	-	22,768	-	-	22,768	-	-	45,535
Federal Startup Grant (Title Vb)	-	-	-	-	-	-	-	-	-	-	-	-	-
IDEA	3,588	3,588	6,459	6,459	6,459	6,459	6,459	6,459	6,459	6,459	6,459	6,459	71,767
Facilities Incentive Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
National School Lunch Program	-	-	22,987	22,987	22,987	22,987	22,987	22,987	22,987	22,987	22,987	22,987	229,866
Total Federal Programs	3,588	3,588	29,446	29,446	29,446	29,446	107,834	29,446	29,446	107,834	29,446	29,446	458,410
Local Programs													
Local Food Service Revenue	-	-	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	111,552
Total Local Programs	-	-	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	11,155	111,552
Fundraising & Grants													
Private Startup Grants	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Local Programs	-	-	-	-	-	-	-	-	-	-	-	-	-
PY Receivables	306,538	137,573	-	11,050	-	-	-	-	-	-	-	-	455,161
TOTAL REVENUES	473,074	425,001	678,751	529,292	721,055	534,059	624,256	496,373	705,834	549,617	449,359	479,317	6,665,987
EXPENSES													
Certificated Salaries	142,188	142,188	142,188	142,188	142,188	142,188	142,188	142,188	142,188	142,188	142,188	142,188	1,706,256
Classified Salaries	57,149	57,149	57,149	57,149	57,149	57,149	57,149	57,149	57,149	57,149	57,149	57,149	685,790
Employee Benefits	59,098	59,098	59,098	59,098	59,098	59,098	59,098	59,098	59,098	59,098	59,098	59,098	709,173
Core Programming	105,244	56,272	56,272	56,272	56,272	56,272	56,272	56,272	56,272	56,272	56,272	54,026	721,990
Other Discretionary	28,972	28,972	28,972	28,972	28,972	28,972	28,972	28,972	28,972	28,972	28,972	28,972	347,664
Support Services	190,505	190,505	190,505	190,505	190,505	190,505	190,505	190,505	190,505	190,505	190,505	190,505	2,286,054
Interest	-	225	225	225	225	225	225	225	-	-	-	-	1,350
Depreciation	52	52	52	52	52	52	52	52	52	52	52	52	625
TOTAL EXPENSES	583,208	534,461	534,461	534,461	534,461	534,461	534,461	534,236	534,236	534,236	534,236	531,989	6,458,903
OTHER FINANCING SOURCES/USES													
CSFA - Revolving Loan	-	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	-	-	-	-	-	(62,500)
CSGF - Start-up Loan	-	-	-	-	-	-	-	-	-	-	-	-	-
Facility Fee Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
RSED Financing	-	-	-	-	-	-	-	-	-	-	-	-	-
Tot Facility Fee Payable	-	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	(10,417)	-	-	-	-	-	(62,500)
Cumulative Cash Position	198,435	78,559	212,432	196,847	373,024	362,206	441,585	403,722	575,321	590,702	505,826	453,153	