



The Academy for Classical Education

"A school where teachers can teach...and students will learn"

I hereby certify that the attached statements reflecting the revenues, expenses, assets, liabilities, fund balances and other financial performance and budgetary information (the "Financial Reports") as of July 31, 2017 have been prepared using the most current financial and operational information available at the time. The financial reports have not been reviewed or audited and management therefore expresses no opinion as to their fairness, accuracy, comparability or predictive value. Amounts and calculations reported in the accompanying financial reports are subject to revision and change as a result of audit adjustments, errors, misclassifications or other factors that might affect their accuracy. Since the reports have not been reviewed or audited, management has elected to omit substantially all disclosures required by generally accepted standards related to financial statement preparation.

Signature – Pat Kelly, Chief Financial Officer
Academy for Classical Education

Date

ACADEMY FOR CLASSICAL EDUCATION

Financial Activity and Budget Report

for Period Ended June 30, 2017

Revenue	Pre-Accrual Totals	Estimated Accruals	Post Accrual Totals
	Actual 3/31/17	100.00%	
Revenues			
Local QBE Funding	\$9,405,916.00	\$0.00	\$9,405,916.00
School-Based Fundraising (Net)	\$891,044.85	\$0.00	\$891,044.85
Private Donations	\$78,007.10	\$0.00	\$78,007.10
Refunds and Credits	\$5,868.09	\$0.00	\$5,868.09
After School Care Program Revenues	\$348,668.63	\$0.00	\$348,668.63
Federal Revenues (E-rate)	\$24,019.57	\$0.00	\$24,019.57
Other Local Revenues	\$151,699.05	\$0.00	\$151,699.05
Total Revenues	\$10,905,223.29	\$0.00	\$10,905,223.29

Expenditure	Pre-Accrual Totals	Estimated Accruals	Post Accrual Totals
	Actual 3/31/17		
Salaries			
Teachers	\$2,553,138.41	\$476,702.95	\$3,029,841.36
Substitutes	\$63,279.13	\$0.00	\$63,279.13
Art, Music, PE	\$383,813.75	\$47,300.80	\$431,114.55
Principals	\$112,291.67	\$0.00	\$112,291.67
Clerical Staff and Admin	\$164,956.73	\$0.00	\$164,956.73
Nurse	\$27,500.28	\$5,176.50	\$32,676.78
Librarians	\$53,166.59	\$10,249.30	\$63,415.89
Counselors and Social Workers	\$86,333.34	\$17,510.00	\$103,843.34
Deans	\$294,950.04	\$0.00	\$294,950.04
After School Care Salaries	\$219,859.51	\$0.00	\$219,859.51
Total Salaries	\$3,959,289.45	\$556,939.55	\$4,516,229.00
Employee Benefits			
State Health Insurance	\$1,055,158.93	\$135,490.00	\$1,190,648.93
FICA/Medicare	\$287,838.64	\$51,117.58	\$338,956.22
TRS Contributions	\$499,811.99	\$95,352.67	\$595,164.66
Other Benefits and Insurance	\$19,616.30	\$3,323.67	\$22,939.97
Total Employee Benefits	\$1,862,425.86	\$285,283.92	\$2,147,709.78
Professional/Technical Services			
Accounting/Audit	\$40,524.10	\$0.00	\$40,524.10
Facilities Management	\$147,926.90	\$0.00	\$147,926.90
Management Consultants	\$164,315.00	\$0.00	\$164,315.00
Other Consultants	\$11,976.26	\$0.00	\$11,976.26
Background and Screening	\$7,379.75	\$0.00	\$7,379.75
Legal Services	\$27,889.56	\$0.00	\$27,889.56
Professional Development	\$12,083.00	\$0.00	\$12,083.00
Total Professional/Technical	\$412,094.57	\$0.00	\$412,094.57
Facility, Equipment and Interest			
True North Interest (95% Allocation)	\$1,444,188.12	\$0.00	\$1,444,188.12
Repairs & Maintenance	\$55,892.30	\$0.00	\$55,892.30
Energy/Utilities	\$201,250.54	\$0.00	\$201,250.54
Telecommunications	\$33,037.46	\$0.00	\$33,037.46
Copier Leases	\$27,224.46	\$0.00	\$27,224.46
Computer Software	\$74,089.57	\$0.00	\$74,089.57
Non Capitalized Equipment	\$650.00	\$0.00	\$650.00
Interest - Other	\$463,593.06	\$0.00	\$463,593.06
Total Facility, Equipment and Debt Service	\$2,299,925.51	\$0.00	\$2,299,925.51
Student Services			
Student Transportation	\$104,287.76	\$0.00	\$104,287.76
Student Activities	\$338,616.62	\$0.00	\$338,616.62
Student Program Fees	\$201,443.15	\$0.00	\$201,443.15
Textbook, Athletic and Instructional Supplies	\$242,725.33	\$0.00	\$242,725.33
General Supplies	\$42,818.86	\$0.00	\$42,818.86
Total Student Services	\$929,891.72	\$0.00	\$929,891.72
Office and Administrative Expenses			
Office Supplies	\$31,362.21	\$0.00	\$31,362.21
Postage	\$501.53	\$0.00	\$501.53
Printing and Reproduction	\$10,131.50	\$0.00	\$10,131.50

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Bank Fees	\$8,329.58	\$0.00	\$8,329.58
Licenses and Permits	\$1,376.00	\$0.00	\$1,376.00
Payroll Processing Fees	\$29,746.00	\$0.00	\$29,746.00
Professional Associations	\$4,956.95	\$0.00	\$4,956.95
Property, Gen Liab, D&O	\$40,130.00	\$0.00	\$40,130.00
Surety Bonds	\$400.00	\$0.00	\$400.00
Worker's Compensation	\$15,319.00	\$0.00	\$15,319.00
Travel - Staff	\$1,250.65	\$0.00	\$1,250.65
Other Purchased Services	\$73,441.25	\$0.00	\$73,441.25
Other Insurance	\$0.00	\$0.00	\$0.00
Other Expenditures	\$2,589.63	\$0.00	\$2,589.63
Total Office and Administrative Expenses	\$219,534.30	\$0.00	\$219,534.30
TOTAL EXPENDITURES	\$9,683,161.41	\$842,223.47	\$10,525,384.88
CHANGE IN POSITION	\$1,222,061.88		\$379,838.41

Statement of Cash Flows

<u>Cash Produced/(Used) in Operations</u>			
Accounts Receivable	(\$4,500.00)		(\$4,500.00)
Deferred Expenses	\$18,070.34		\$18,070.34
Prepays and Deposits	(\$10,229.11)		(\$10,229.11)
Accounts Payable	(\$41,828.47)		(\$41,828.47)
Payroll and Accrued Liabilities	(\$636,746.98)	\$842,223.47	\$205,476.49
Line of Credit Advances / (Retirement)	(\$318,447.49)		(\$318,447.49)
Net Cash Provided/(Used) by Operations	(\$993,681.71)	\$842,223.47	(\$151,458.24)
<u>Cash Produced/(Used) in Asset Investment</u>			
Land and Buildings	(\$15,767,805.83)		(\$15,767,805.83)
IT Infrastructure and Equipment	(\$689,795.25)		(\$689,795.25)
Bond Issuance Costs	(\$623,705.91)		
FF&E	(\$501,481.81)		(\$501,481.81)
Net Cash Provided/(Used) by Investment	(\$17,582,788.80)	\$0.00	(\$16,959,082.89)
<u>Cash Produced/(Used) in Financing</u>			
Debt Principal Payments	(\$414,159.46)		(\$414,159.46)
Debt Retirement Payments	(\$15,395,907.66)		(\$15,395,907.66)
New Debt Issuances	\$35,857,735.67		\$35,857,735.67
Net Cash Provided/(Used) by Financing	\$20,047,668.55	\$0.00	\$20,047,668.55
Change in Position	\$1,222,061.88	(\$842,223.47)	\$379,838.41
Net Cash Increase / (Decrease)	\$2,693,259.92		\$2,693,259.92
Beginning Cash	\$264,131.23		\$264,131.23
Ending Cash	\$2,957,391.15		\$2,957,391.15

Statement of Assets, Liabilities and Net Assets

<u>Assets</u>	<u>Pre Accrual</u>	<u>Est. Accrual</u>	<u>Post-Accrual</u>
Cash in Bank	\$2,957,391.15		\$2,957,391.15
Accounts Receivable	\$0.00		\$0.00
Other Current Assets	\$15,029.11		\$15,029.11
Capitalized Bond Discounts and Issuance Costs	\$1,239,315.51		\$1,239,315.51
Fixed Assets Net of Depreciation	\$32,079,023.92		\$32,079,023.92
TOTAL ASSETS	\$36,290,759.69	\$0.00	\$36,290,759.69
<u>Liabilities and Net Assets</u>			
Accounts Payable	\$347,026.18		\$347,026.18
Other Current Liabilities	\$77,099.44		\$77,099.44
Operating Line of Credit Payable	\$0.00		\$0.00
Accrued Year-End Payroll Liabilities	\$0.00	\$842,223.47	\$842,223.47
Long Term Notes and Capital Leases Payable	\$34,990,000.00		\$34,990,000.00
Retained Earnings	-\$345,427.81		-\$345,427.81
Current Year Change in Position	\$1,222,061.88	-\$842,223.47	\$379,838.41
TOTAL LIABILITIES AND NET ASSETS	\$36,290,759.69	\$0.00	\$36,290,759.69

ACADEMY FOR CLASSICAL EDUCATION
Financial Activity and Budget Report
for Period Ended June 30, 2017

Ratio Analysis			
	Pre Accrual	Est. Accrual	Post-Accrual
Net Change in Fund Balance	\$1,222,061.88	-\$842,223.47	\$379,838.41
Add Debt Service Interest - All	\$463,593.06		\$463,593.06
Add Debt Service Principal	\$411,582.08		\$411,582.08
Add Capital Items	\$20,037,288.80		\$20,037,288.80
Less Net (Issuance)/Retirement of Debt	-\$19,990,803.14		-\$19,990,803.14
Net Income Available for Debt Service	\$2,143,722.68	-\$842,223.47	\$1,301,499.21
Actual Debt Service	\$875,175.14		\$875,175.14
Debt Service Coverage Ratio*	2.45		1.49
Cash on Hand	\$2,957,391.15		\$2,957,391.15
Less Debt Service Reserve	-\$2,424,550.00		-\$2,424,550.00
Operating Expense	\$9,683,161.41	\$842,223.47	\$10,525,384.88
Daily Operating Expense (365 Days)	\$26,529.21		\$28,836.67
Days Cash on Hand	20		18

*DSCR Based on Actual Debt Service

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ACADEMY FOR CLASSICAL EDUCATION
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Revenue			
	Budget Current YTD	Budget Annual	Var on Cur Over / (Under)
Revenues	\$9,132,008.00	\$9,132,008.00	\$273,908.00
Local QBE Funding	\$524,000.00	\$524,000.00	\$367,044.85
School-Based Fundraising (Net)	\$2,500.00	\$2,500.00	\$75,507.10
Private Donations	\$0.00	\$0.00	\$5,868.09
Refunds and Credits	\$291,274.00	\$291,274.00	\$57,394.63
After School Care Program Revenues	\$0.00	\$0.00	\$24,019.57
Federal Revenues (E-rate)	\$350.00	\$350.00	\$151,349.05
Other Local Revenues	\$9,950,132.00	\$9,950,132.00	\$955,091.29
Total Revenues			
Expenditure			
	Budget Current YTD	Budget Annual	Var on Cur Over / (Under)
Salaries	\$2,804,135.00	\$2,804,135.00	\$225,706.36
Teachers	\$43,165.00	\$43,165.00	\$20,114.13
Substitutes	\$278,240.00	\$278,240.00	\$152,874.55
Art, Music, PE	\$141,999.96	\$141,999.96	(\$29,708.29)
Principals	\$131,680.00	\$131,680.00	\$33,276.73
Clerical Staff and Admin	\$30,450.00	\$30,450.00	\$2,226.78
Nurse	\$60,290.00	\$60,290.00	\$3,125.89
Librarians	\$103,000.00	\$103,000.00	\$843.34
Counselors and Social Workers	\$224,800.00	\$224,800.00	\$70,150.04
Deans	\$171,350.00	\$171,350.00	\$48,509.51
After School Care Salaries	\$3,989,109.96	\$3,989,109.96	\$527,119.04
Total Salaries			
Employee Benefits	\$797,000.00	\$797,000.00	\$393,648.93
State Health Insurance	\$300,691.67	\$300,691.67	\$38,264.55
FICA/Medicare	\$560,898.05	\$560,898.05	\$34,266.61
TRS Contributions	\$19,551.00	\$19,551.00	\$3,388.97
Other Benefits and Insurance	\$1,678,140.72	\$1,678,140.72	\$469,569.06
Total Employee Benefits			
Professional/Technical Services	\$12,000.00	\$12,000.00	\$28,524.10
Accounting/Audit	\$266,000.00	\$266,000.00	(\$118,073.10)
Facilities Management	\$185,189.00	\$185,189.00	(\$20,874.00)
Management Consultants	\$10,000.00	\$10,000.00	\$1,976.26
Other Consultants	\$15,000.00	\$15,000.00	(\$7,620.25)
Background and Screening	\$9,000.00	\$9,000.00	\$18,889.56
Legal Services	\$42,619.05	\$42,619.05	(\$30,536.05)
Professional Development	\$539,808.05	\$539,808.05	(\$127,713.48)
Total Professional/Technical			
Facility, Equipment and Interest	\$1,935,536.00	\$1,935,536.00	(\$491,347.88)
True North Interest (95% Allocation)	\$15,000.00	\$15,000.00	\$40,892.30
Repairs & Maintenance	\$219,596.00	\$219,596.00	(\$18,345.46)
Energy/Utilities	\$41,329.74	\$41,329.74	(\$8,292.28)
Telecommunications	\$33,100.00	\$33,100.00	(\$5,875.54)
Copier Leases	\$34,000.00	\$34,000.00	\$40,089.57
Computer Software	\$35,086.54	\$35,086.54	(\$34,436.54)
Non Capitalized Equipment	\$47,780.00	\$47,780.00	\$415,813.06
Interest - Other	\$2,361,428.28	\$2,361,428.28	(\$61,502.77)
Total Facility, Equipment and Debt Service			
Student Services	\$44,644.19	\$44,644.19	\$59,643.57
Student Transportation	\$116,691.36	\$116,691.36	\$221,925.26
Student Activities	\$20,310.00	\$20,310.00	\$181,133.15
Student Program Fees	\$325,739.14	\$250,568.57	(\$83,013.81)
Textbook, Athletic and Instructional Supplies	\$28,427.69	\$28,427.69	\$14,391.17
General Supplies	\$535,812.38	\$460,641.81	\$394,079.34
Total Student Services			
Office and Administrative Expenses	\$38,092.18	\$38,092.18	(\$6,729.97)
Office Supplies	\$898.93	\$898.93	(\$397.40)
Postage	\$25,683.23	\$19,756.33	(\$15,551.73)

ACADEMY FOR CLASSICAL EDUCATION
 Financial Activity and Budget Report
 for Period Ended June 30, 2017

Printing and Reproduction	\$16,669.00	\$16,669.00	(\$8,339.42)
Bank Fees	\$900.00	\$900.00	\$476.00
Licenses and Permits	\$28,803.55	\$28,803.55	\$942.45
Payroll Processing Fees	\$250.00	\$250.00	\$4,706.95
Professional Associations	\$49,231.94	\$49,231.94	(\$9,101.94)
Property, Gen Liab, D&O	\$1,200.00	\$1,200.00	(\$800.00)
Surety Bonds	\$21,845.25	\$14,563.50	(\$6,526.25)
Worker's Compensation	\$4,624.26	\$4,624.26	(\$3,373.61)
Travel - Staff	\$30,436.00	\$30,436.00	\$43,005.25
Other Purchased Services	\$1,500.00	\$1,500.00	(\$1,500.00)
Other Insurance	\$1,000.00	\$1,000.00	\$1,589.63
Other Expenditures	\$221,134.34	\$207,925.69	(\$1,600.04)
Total Office and Administrative Expenses	\$9,325,433.73	\$9,237,054.51	
	\$624,698.27	\$713,077.49	

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Financial Activity and Budget Report
for Period Ended June 30, 2017



The Academy for Classical Education

"A school where teachers can teach...and students will learn"

Enrollment level as of 30 JUNE 2017 - - 1560 students

Signature – Pat Kelly, Chief Financial Officer
Academy for Classical Education

Date