

Los Angeles Leadership Academy

Monthly Financial Update

2021-22 Forecast Update – 2nd Interim

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MARCH 7, 2022



1. State Budget Update
2. 2021-2022 Forecast Update – 2nd Interim (January 2022)
3. Exhibits

State Budget Update

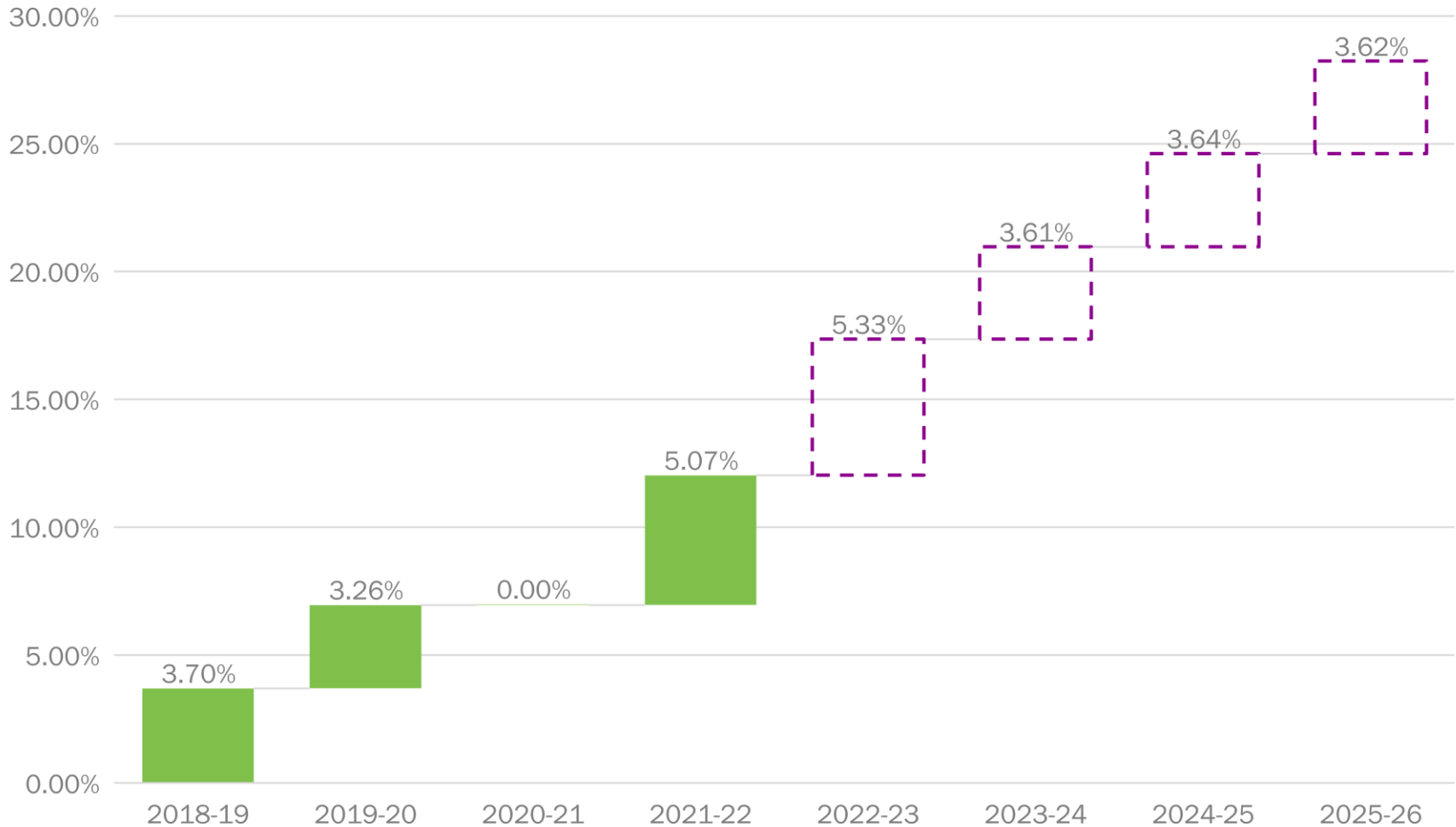


Plans Due Throughout 2021-22



CA Historical COLA

Increase of 28.23% since FY19, average COLA through FY22 is 3.01%



Pre-K Planning & Implementation



Three grants based on different data sets; spend by June 30, 2024

Base

- CALPADS 20-21
Fall 1
- Enrollment
 - \$25k: 1-23
 - \$50k: 24-99
 - \$100k: 100+

Enrollment

- CALPADS 19-20
Fall 1

Success

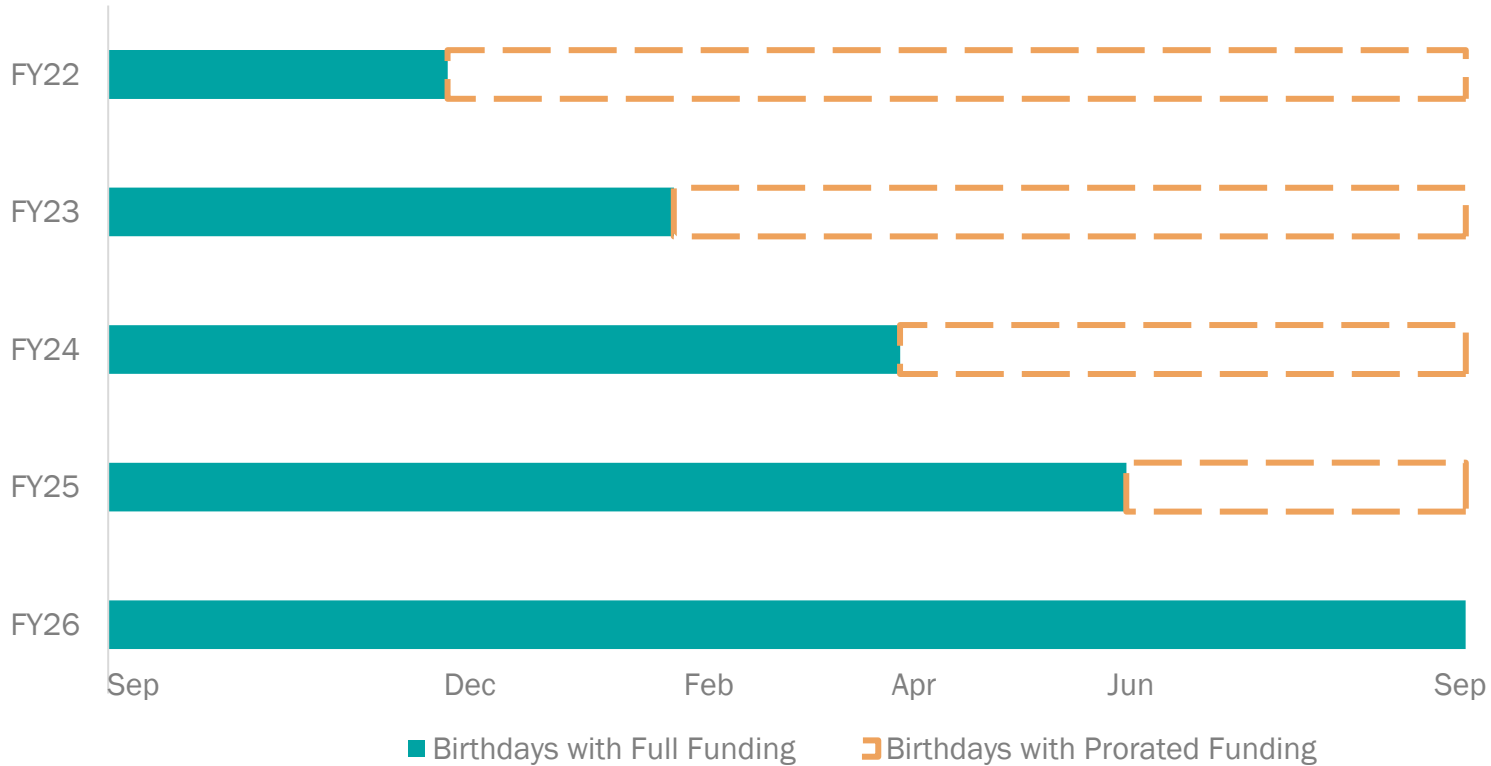
- CALPADS 19-20
Fall 1
- UPP as of P2

Total allocation - \$60,076

Universal TK Implementation Timeline



Over next 4 years, TK age cutoff for full LCFF funding will move back



By FY26 any 4-year-old may enter TK and generate full funding

Expanded Learning Opportunities Program



Proposed program with additional details from trailer bills

30 additional intersession days

School day +
ELOP must equal
9 hours

Ratios
10:1 (TK-K)
20:1 (1-6)

Starting in FY24,
offer to all UP and
provide access to
at least 50% of UP

Board approved
plan before
starting

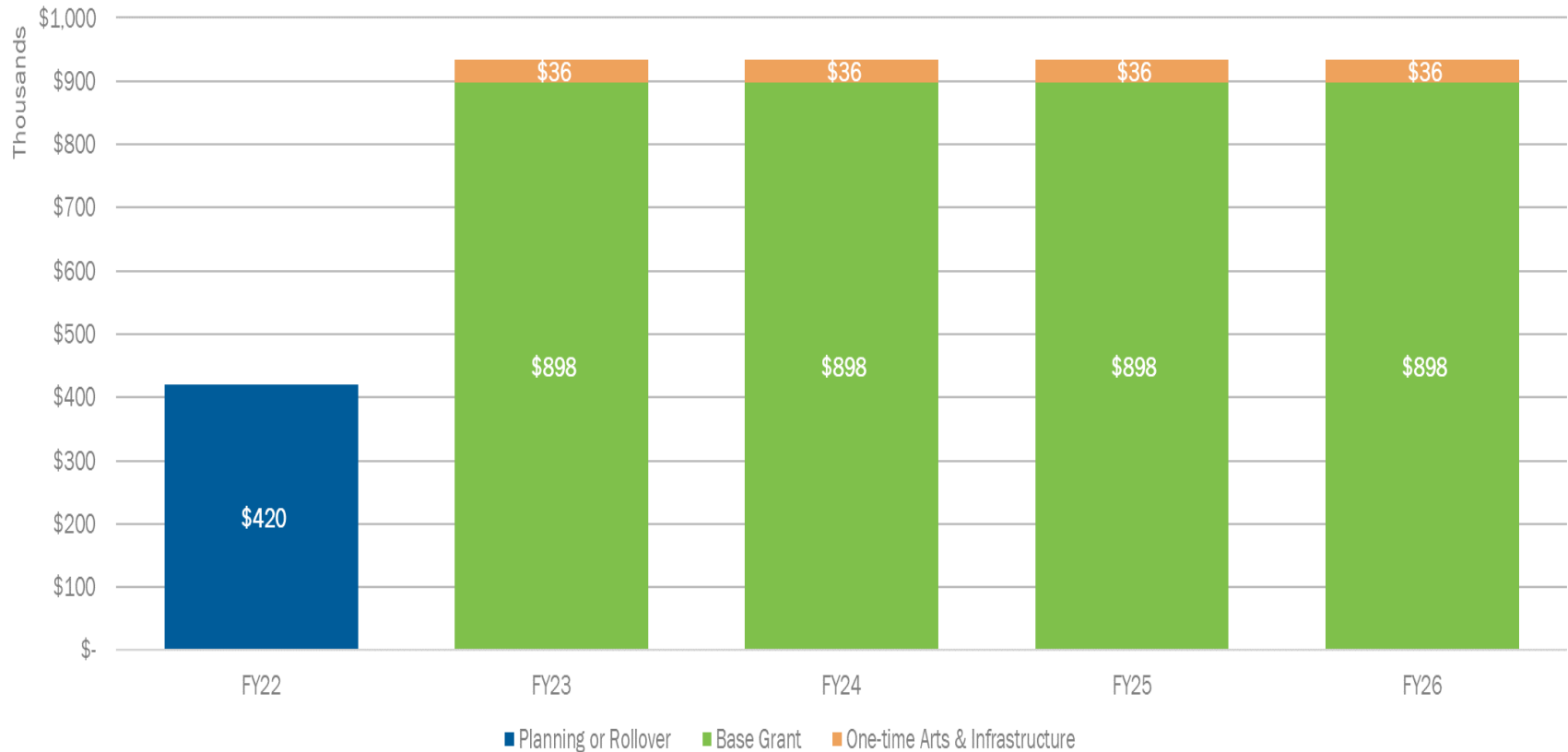
FY23-26 one-time
funding for arts
programming and
infrastructure

Preliminary entitlement: \$420,173, ongoing \$898k/year,
one-time arts and infrastructure \$144k

Projected Revenues for ELO-P



FY22 funds may be used for planning or rolled over for future use

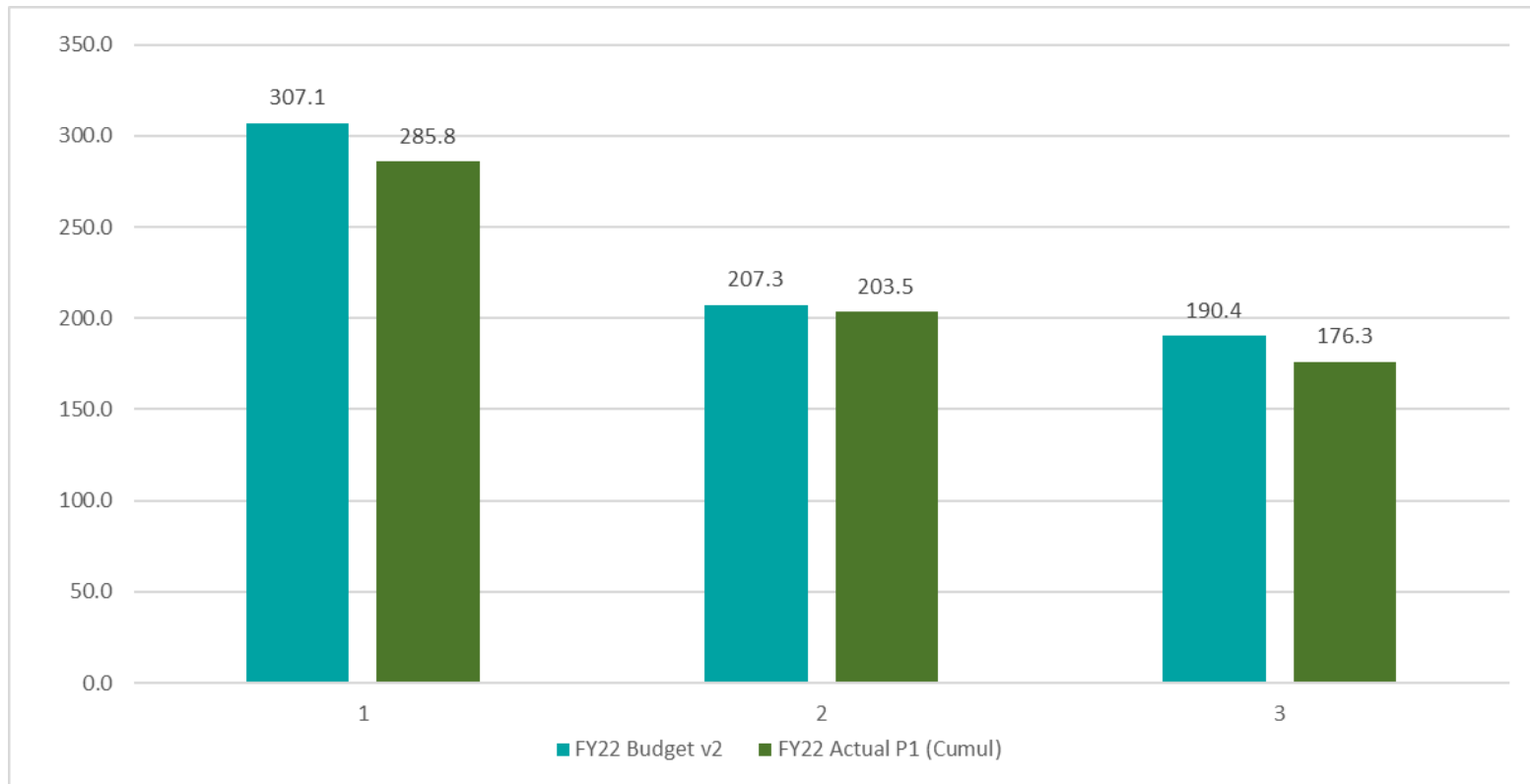


Ongoing funding almost \$900k per year

2021-22 Forecast Update

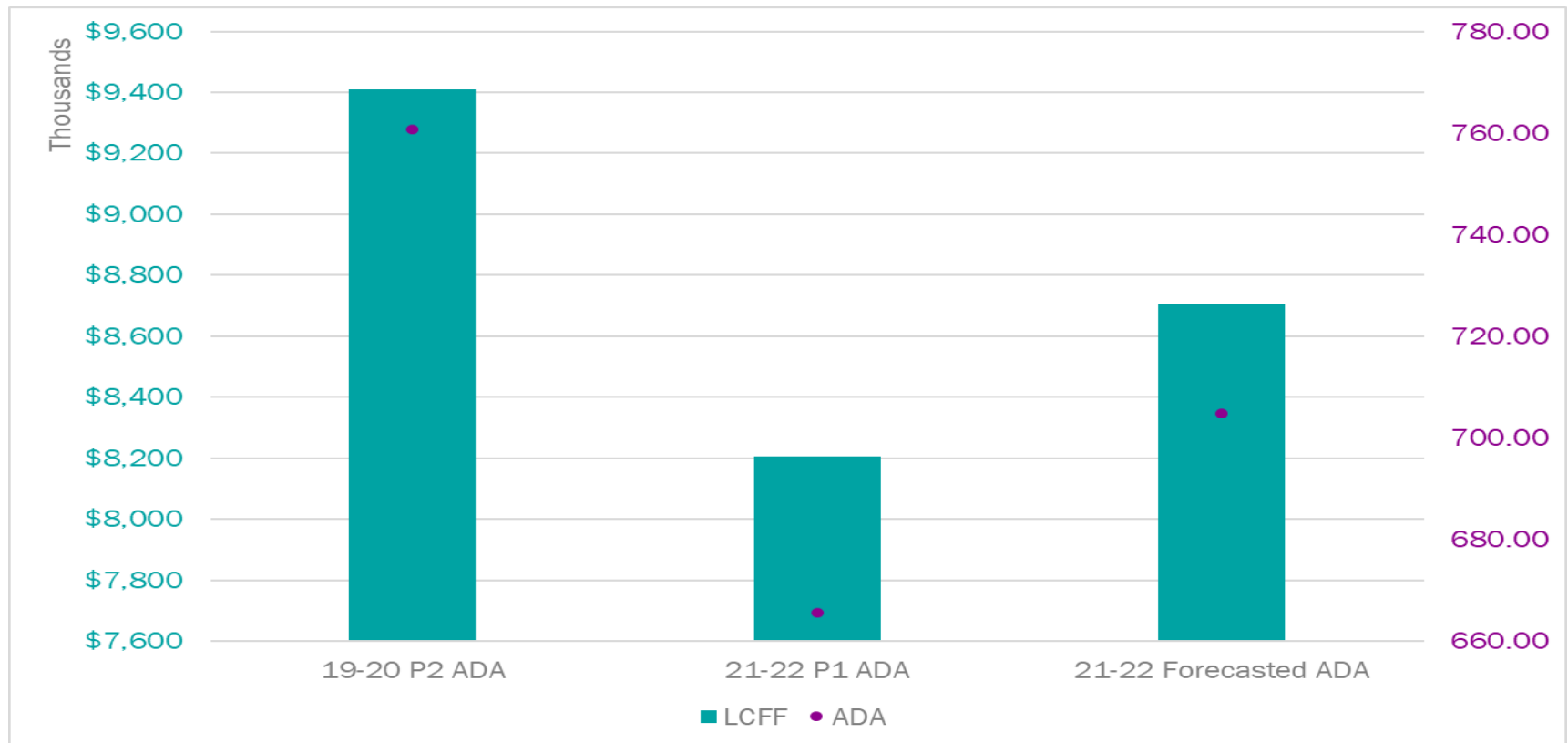


Cumulative ADA as of Month 4 (P1) trails behind forecast by -39, anticipating relief with SB579



SB579 Financial Impact – will know in June

LALA will choose greater of FY20 or FY22 ADA – FY21 not an option



Overall benefit of hold harmless in FY22 could be \$706k

FY21-22 Updated Forecast

Forecast does not include grants not yet confirmed (FEMA)

		LALA-MS/HS	LALPA	Home Office	Eliminations (CMO Fee)	Total
		FY21-22 Jan22				
Revenue	LCFF Entitlement	5,000,603	3,704,859	-		8,705,462
	Federal Revenue	2,817,068	2,048,145	-		4,865,214
	Other State Revenues	1,608,222	1,159,853	-		2,768,075
	Local Revenues	13,314	4,837	922,784	(907,015)	33,920
	Fundraising and Grants	2,920	2,964	-		5,884
	Total Revenue	9,442,127	6,920,659	922,784	(907,015)	16,378,554
Expenses	Comp and Benefits	4,113,775	2,634,382	717,851		7,466,008
	Books and Supplies	1,885,080	1,259,697	2,916		3,147,693
	Services and Other Ops	3,822,999	2,846,899	202,017	(907,015)	5,964,900
	Depreciation	154,652	101,636	-		256,288
	Total Expenses	9,976,505	6,842,614	922,784	(907,015)	16,834,888
	Operating Income	(534,378)	78,045	(0)	-	(456,334)
Fund Balance	Beginning Balance (Unaudited)	6,849,014	5,028,400	9,865		11,887,279
	Operating Income	(534,378)	78,045	(0)		(456,334)
Ending Fund Balance (incl. Depreciation)		6,314,636	5,106,445	9,865		11,430,945
Ending Fund Balance as % of Expenses		63.30%	74.63%	1.07%		67.90%
Enrollment		420	326	-		746
ADA		398	307	-		705
Forecasted UPP		358	278	-		636

FY21-22 2nd Interim vs. Approved Budget - Consolidated

		2021-22	2021-22	\$ Change
		Approved Budget v2	Jan22 Forecast (2nd Interim)	
Revenue	LCFF Entitlement	8,718,255	8,705,462	(12,793)
	Federal Revenue	4,401,914	4,865,214	463,300
	Other State Revenues	2,711,205	2,768,075	56,870
	Local Revenues	927,104	940,935	13,831
	Fundraising and Grants	-	5,884	5,884
	Total Revenue	16,758,478	17,285,569	527,091
Expenses	Comp and Benefits	7,486,601	7,466,008	(20,593)
	Books and Supplies	2,670,413	3,147,693	477,280
	Services and Other Ops	6,461,076	6,871,915	410,839
	Depreciation	256,288	256,288	(0)
	Total Expenses	16,874,377	17,741,903	867,526
	Operating Income	(115,899)	(456,334)	(340,435)
	Beginning Balance (Unaudited)	11,887,279	11,887,279	-
	Operating Income	(115,899)	(456,334)	(340,435)
	Ending Fund Balance (incl. Depreciation)	11,771,380	11,430,945	340,435
	Ending Fund Balance as % of Expenses	68.05%	64.43%	5.62%
	ADA	704.85	704.85	-

FY21-22 2nd Interim vs. Approved Budget – LALA (MS/HS)

		2021-22	2021-22	\$ Change
		Approved Budget v2	Jan22 Forecast (2nd Interim)	
Revenue	LCFF Entitlement	4,994,180	5,000,603	6,423
	Federal Revenue	2,704,162	2,817,068	112,906
	Other State Revenues	1,576,704	1,608,222	31,518
	Local Revenues	-	13,314	13,314
	Fundraising and Grants	-	2,920	2,920
	Total Revenue	9,275,046	9,442,127	167,081
Expenses	Comp and Benefits	4,092,708	4,113,775	21,067
	Books and Supplies	1,555,549	1,885,080	329,531
	Services and Other Ops	3,792,939	3,822,999	30,060
	Depreciation	154,652	154,652	(0)
	Total Expenses	9,595,848	9,976,505	380,657
	Operating Income	(320,802)	(534,378)	(213,576)
	Beginning Balance (audited)	6,849,014	6,849,014	-
	Operating Income	(320,802)	(534,378)	(213,576)
Ending Fund Balance (incl. Depreciation)		6,528,212	6,314,636	213,576
Ending Fund Balance as % of Expenses		68.05%	63.30%	7.51%
ADA		397.74	397.74	-

FY21-22 2nd Interim vs. Approved Budget - LALPA

		2021-22	2021-22	\$ Change
		Approved Budget v2	Jan22 Forecast (2nd Interim)	
Revenue	LCFF Entitlement	3,724,075	3,704,859	(19,216)
	Federal Revenue	1,697,752	2,048,145	350,393
	Other State Revenues	1,134,501	1,159,853	25,352
	Local Revenues	-	4,837	4,837
	Fundraising and Grants	-	2,964	2,964
	Total Revenue	6,556,328	6,920,659	364,331
Expenses	Comp and Benefits	2,662,722	2,634,382	(28,340)
	Books and Supplies	1,111,948	1,259,697	147,749
	Services and Other Ops	2,475,119	2,846,899	371,780
	Depreciation	101,636	101,636	-
	Total Expenses	6,351,425	6,842,614	491,189
	Operating Income	204,903	78,045	(126,858)
	Beginning Balance (Unaudited)	5,028,400	5,028,400	-
	Operating Income	204,903	78,045	(126,858)
Ending Fund Balance (incl. Depreciation)		5,233,303	5,106,445	126,858
Ending Fund Balance as % of Expenses		68.05%	74.63%	-8.81%
ADA		307.11	307.11	-

FY21-22 Forecast Changes

CATEGORY	LALA Bottom Line Impact	LALPA Bottom Line Impact	NOTES
Fundraising	2,920	2,964	Adj per actuals
Local Revenues	13,314	4,837	Option 3 grants not budgeted
COVID Funding - Federal	48,600	37,722	SNP Emergency COVID funding
COVID Funding - Federal	60,261	309,548	ESSER adjustments to match spending plan
LCFF & Other	41,985	9,259	SpEd rate increase, SB740 proration adj, PY State, LCFF
Compensation	(21,066)	28,339	Adjusted per actuals & vacant positions, updated payroll master, offset by reduction of contracted counselor (HS)
Office & other supplies	(329,530)	(147,749)	Added ed software, COVID supplies, noncap exp per actuals
College Readiness expense	(9,102)	-	Adj to exhaust restricted balance carryover
Contracted nursing	(60,000)	(34,000)	Increase per actuals
Tutoring	37,638	(307,099)	funded by ESSER, one-time funding
Contracted substitutes	(58,652)	(25,350)	Increased per actuals annualized
Prof Development	71,133	5,467	Correct, adj timing of planned PD funded by ESSER
Misc. Other	(11,077)	(10,796)	tutoring, Legal, other adj per actuals
	(213,576)	(126,858)	Total Change - Jan22 vs. Approved Budget

Restricted Funds Tracking – LALA (MS/HS)

Spending occurring for all restricted programs

	Title I/IV	Title II	Title III	NSLP	SpEd
	3010	4035	4203	5310	3310/6500
Apportionment/ Budgeted Funds	191,855	25,683	12,957	406,762	380,323
Comp and Benefits	109,100				155,418
Books and Supplies				239,741	821
Services and Other Ops		13,968	0		127,586
Total Spent to Date	109,100	13,968	0	239,741	283,825
Budget Remaining	82,755	11,715	12,957	167,021	96,498
Percent of Funds Remaining	43%	46%	100%	41%	25%

Monitoring spending monthly, largely on track to spend all this year – watch Title III

Restricted Funds Tracking – LALPA

Includes carryover of Title II from prior year

	Title I/IV	Title II	Title III	NSLP	SpEd
	3010	4035	4203	5310	3310/6500
Apportionment/ Budgeted Funds	146,523	24,997	20,864	334,800	293,660
Comp and Benefits	88,970		10,229		130,850
Books and Supplies				185,545	1,871
Services and Other Ops		24,997			103,167
Total Spent to Date	88,970	24,997	10,229	185,545	235,888
Budget Remaining	57,553	0	10,635	149,255	57,772
Percent of Funds Remaining	39%	0%	51%	45%	20%

On track to spend all this year

COVID Funding - LALA

LALA has \$904k (34%) of COVID funds remaining, primarily ESSER II-III

	GEER	ESSER I, II, III	AB 86 In Person Instruction	AB 86 Expanded Learning
Revenue	28,061	2,111,586	173,659	368,781
Expense – to date	9,660	1,240,566	170,076	357,595
Salaries & Benefits	-	13,419	55,304	17,379
Books & Supplies	8,169	400,209	26,092	-
Services & Other	1,491	774,219	88,680	340,216
Capital Projects	-	52,719	-	-
Remaining Funds	18,401	871,020	3,583	11,186
% Remaining	66%	41%	2%	3%

Due dates extend as far as September 2024

LALPA has \$667k (36%) of COVID funds remaining, primarily ESSER II-III

	GEER	ESSER I, II, III	AB 86 In Person Instruction	AB 86 Expanded Learning
Revenue	9,660	1,510,439	112,274	236,484
Expense – to date	7,560	865,199	93,180	236,484
Salaries & Benefits	-	926	51,924	8,934
Books & Supplies	3,914	211,803	7,996	-
Services & Other	3,646	615,590	33,260	227,550
Capital Projects	-	36,880	-	-
Remaining Funds	2,100	645,240	19,094	-
% Remaining	22%	43%	17%	0%

Due dates extend as far as September 2024

2021-2022 Cash Flow By Charter

LALA MS/HS

cash balance \$3.4M as of 1/31/22



LALPA

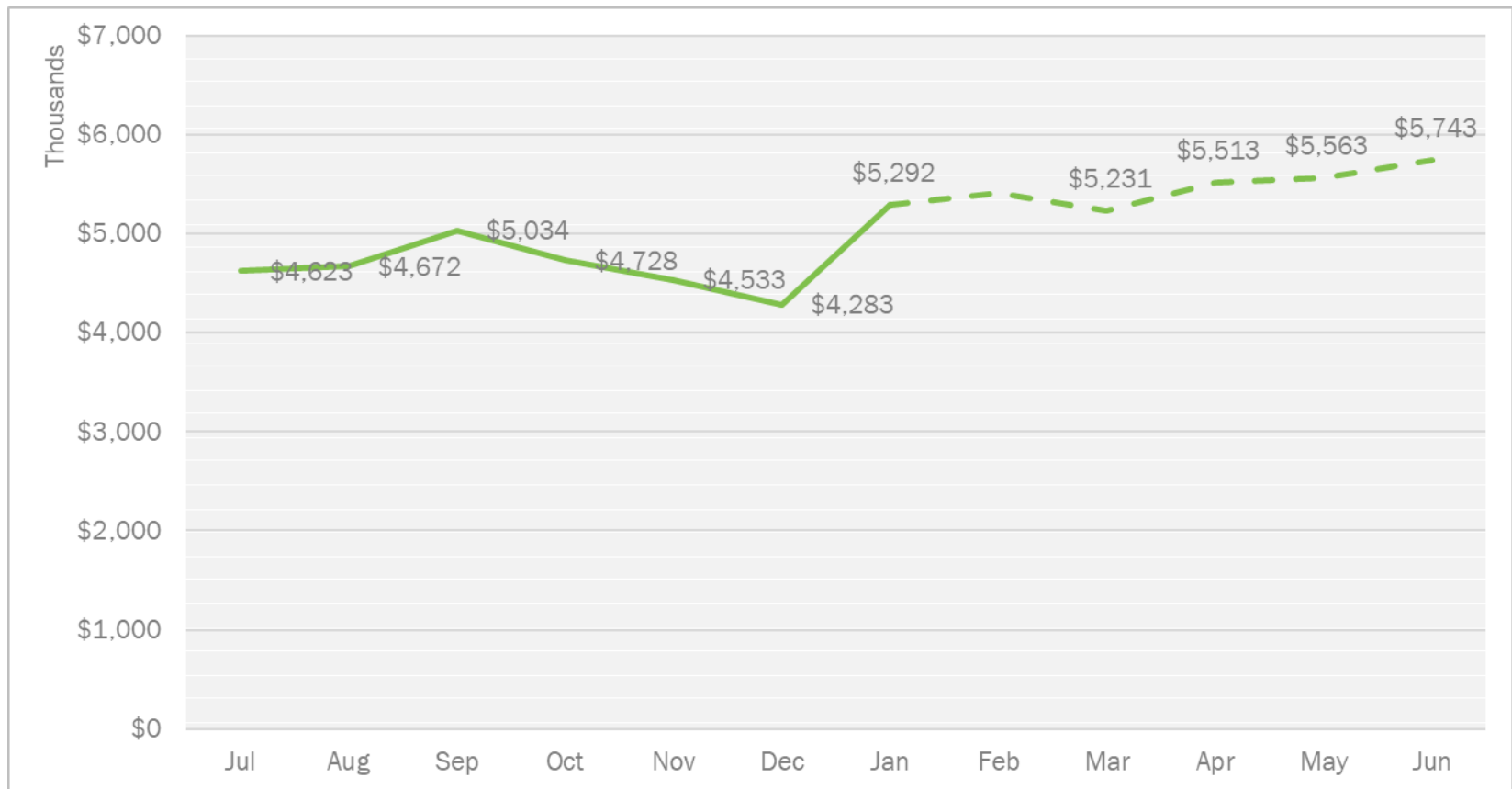
cash balance \$2.3M as of 1/31/22



Year-end cash balance of 32% reserve for LALA (119 days cash on hand), and 36% reserve for LALPA (131 days cash on hand)

2021-2022 Cash Flow - Consolidated

Cash balance is steady - consolidated balance of \$5.3M as of 1/31/22



Forecasting to end year with 34% reserve in cash,
125 days (4.1 months) cash on hand

Balance Sheet – Consolidated as of January 2022

What the Organization owns and owes as of 1/31/22 (Unaudited)

		LALA-MS/HS	LALPA	Home Office	Total 1/31/22 (Unaudited)	Total 6/30/21 (Audited)	YTD CHANGE
Assets	Cash Balance	3,400,905	2,318,699	(427,589)	5,292,015	4,892,672	399,343
	Accounts Receivable	15,798	1,450		17,248	3,009,139	(2,991,891)
	Prepays and Other Assets	46,089	38,014		84,103	234,597	(150,494)
	Fixed Assets, Net	3,929,393	2,392,057		6,321,450	6,321,450	-
	Total Assets	7,392,185	4,750,220	(427,589)	11,714,816	14,457,858	(2,743,042)
Liabilities & Equity	Accounts Payable	275,344	78,937	7,498	361,779	409,297	(47,518)
	Deferred Revenues	124,958	247,766		372,724	502,443	(129,719)
	Current Loans and Other Payables	189,419	124,143	78,887	392,449	731,836	(339,387)
	Long-Term Loans and Other Liabilities	927,000	-		927,000	927,000	-
	Beginning Net Assets	6,849,014	5,028,400	9,865	11,887,279	9,613,070	2,274,209
	Net Income (Loss) to Date	(973,550)	(729,026)	(523,839)	(2,226,415)	2,274,212	(4,500,627)
	Total Liabilities & Equity	7,392,185	4,750,220	(427,589)	11,714,816	14,457,858	(2,743,042)

Some items may impact final numbers at year-end

- A-G Grant (funding TBD, plan due 4/1/22)
- ELO-P, needs plan approval before spending
- FEMA Grant (pending approval) \$473,460
- ADA Relief in FY22??
- eRate funding/expense timing

Exhibits

