



COMPASS
CHARTER SCHOOLS



2021-22 Finance Update

January 2022

(855) 937- 4227

CompassCharters.org

COMPASS
CHARTER SCHOOLS



Agenda

- Mission and Vision
- Values
- Enrollment Update
- Fiscal Impacts
- Funding Determination
- Q & A



Our Mission and Vision

MISSION STATEMENT

Our mission is to inspire and develop innovative, creative, self-directed learners, one scholar at a time.


VISION STATEMENT

Our vision is to create a collaborative virtual learning community, inspiring scholars to appreciate the ways in which arts and sciences nurture a curiosity for life-long learning, and prepare scholars to take responsibility for their future success.



Our Values

COMPASS CHARTERS

-  **A**chievement: Engage in and take charge of your learning.
-  **R**espect: Be respectful in all interactions with fellow scholars, learning coaches, faculty, and staff.
-  **T**eamwork: Work cooperatively with all persons involved in your education. *Teamwork makes the Dreamwork*
-  **I**ntegrity: Behave following strong ethical principles, values, and academic honesty.
-  **C**ommunication: Frequently and proactively communicate with all persons involved in your education.



2021 – 22 Local Control Funding Rates

Grade Span	LCFF Base Grant
TK-3	\$8,093
4-6	\$8,215
7-8	\$8,458
9-12	\$9,802

Grade Span	Grade Span Adjustment
TK-3	\$842
9-12	\$255



FY 22 Revenue - projected

Los Angeles	San Diego	YOLO	Home Office	Total
\$10,043,308	\$10,054,783	\$7,129,390	\$0	\$27,227,481

FY 22 Expenses - projected

Los Angeles	San Diego	YOLO	Home Office	Total
\$9,675,754	\$10,303,964	\$6,708,065	\$0	\$26,667,783

FY 22 Ending surplus/deficit - projected

Los Angeles	San Diego	YOLO	Home Office	Total
\$367,554	\$(249,181)	\$421,325	\$0	\$539,667

Based on enrollment of 2,336 scholars



Actual to Budget Summary

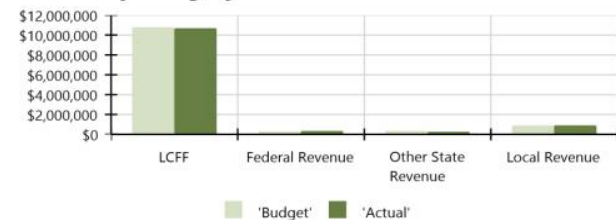
FY 2021-2022, July - December

This report displays all actual and budgeted revenue and expenditures by object code series and by month. This report can be useful in ensuring you receive your revenue in a timely manner and that you stay within the board approved expenditure levels.

Revenue	Expenses	Surplus / (Deficit)
\$12,088,066	\$13,641,884	(\$1,553,819)

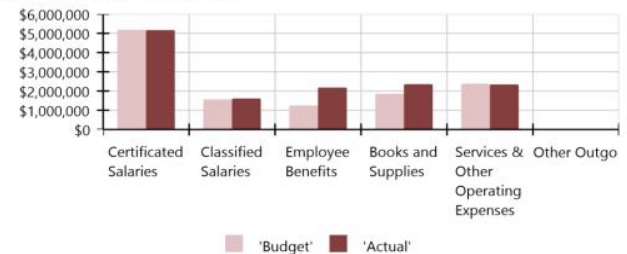
Account Description	July - Last Closed			2021-2022		
	Actual	Budget	Variance \$	Total Budget	Actual to Total Budget %	Remaining Budget
LCFF	\$10,679,937	\$10,776,637	(\$96,700)	\$21,920,352	48.7 %	\$11,240,415
Federal Revenue	\$342,495	\$281,507	\$60,988	\$2,700,827	12.7 %	\$2,358,332
Other State Revenue	\$162,078	\$324,972	(\$162,894)	\$800,301	20.3 %	\$638,223
Local Revenue	\$903,556	\$873,248	\$30,307	\$1,744,158	51.8 %	\$840,602
Total Revenue	\$12,088,066	\$12,256,365	(\$168,299)	\$27,165,638	44.5 %	\$15,077,572

Revenue by Category



Account Description	July - Last Closed			2021-2022		
	Actual	Budget	Variance \$	Total Budget	Actual to Total Budget %	Remaining Budget
Certificated Salaries	\$5,167,492	\$5,175,614	\$8,122	\$11,181,771	46.2 %	\$6,014,279
Classified Salaries	\$1,603,752	\$1,561,330	(\$42,422)	\$3,051,915	52.5 %	\$1,448,163
Employee Benefits	\$2,180,959	\$1,239,585	(\$941,373)	\$4,488,863	48.6 %	\$2,307,904
Total Personnel Expenses	\$8,952,203	\$7,976,530	(\$975,674)	\$18,722,549	47.8 %	\$9,770,345
Books and Supplies	\$2,353,929	\$1,857,573	(\$496,356)	\$4,183,544	56.3 %	\$1,829,615
Services & Other Operating Expenses	\$2,335,752	\$2,377,107	\$41,355	\$3,711,029	62.9 %	\$1,375,277
Other Outgo	-	-	-	-	0.0 %	\$0
Total Operational Expenses	\$4,689,681	\$4,234,680	(\$455,001)	\$7,894,573	59.4 %	\$3,204,892
Total Expenses	\$13,641,884	\$12,211,210	(\$1,430,675)	\$26,617,122	51.3 %	\$12,975,238
Net Income	(\$1,553,819)	\$45,155	(\$1,598,974)	\$548,516	-283.3 %	\$2,102,334

Expense by Category





Understanding the Financial Health of the Organization

Current Ratio (Liquidity)

Ability to pay short-term obligations



Current:

3.9

Target:

> 1.0

Formula:

$(\text{Current Assets}) / (\text{Current Liabilities})$

Defensive Interval

Months of continued operation without incoming funds



Current:

4.6

Target:

> 4 months

Formula:

$(\text{Cash} + \text{Securities} + \text{AR}) / (\text{Average Expenses for Past 12 Months})$

The chart below explains some of the parameters that the school's leadership can evaluate to understand their financial health, and potential areas of weakness.

Cash Ratio

Ability to meet short-term obligations with cash



Current:

366.1 %

Target:

> 100.0 %

Formula:

$(\text{Cash}) / (\text{Current Liabilities})$

At the current time, the areas of concern that the school needs to keep a close eye on are restricted funds management.





Compass Charter Schools Financial Snapshot

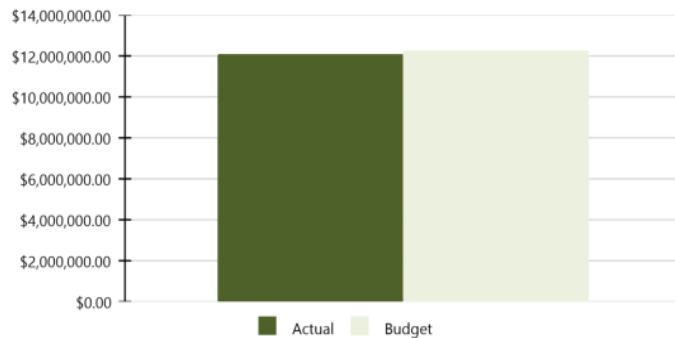
FY 2021-2022, July - December



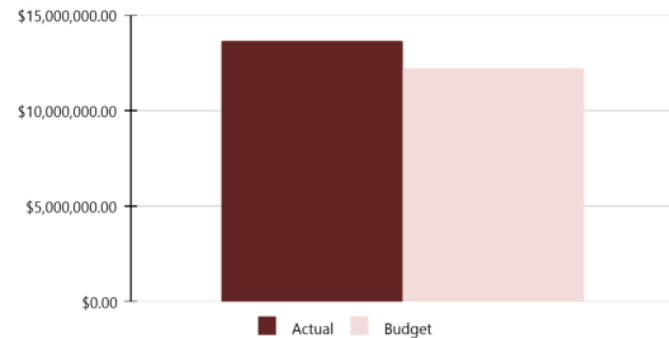
Cash Balance

\$11,575,941

Revenue to Date



Expense to Date



Revenue Summary

Actual	\$12,088,066
Budget	\$12,256,365
Actual to Budget	-1.4 %

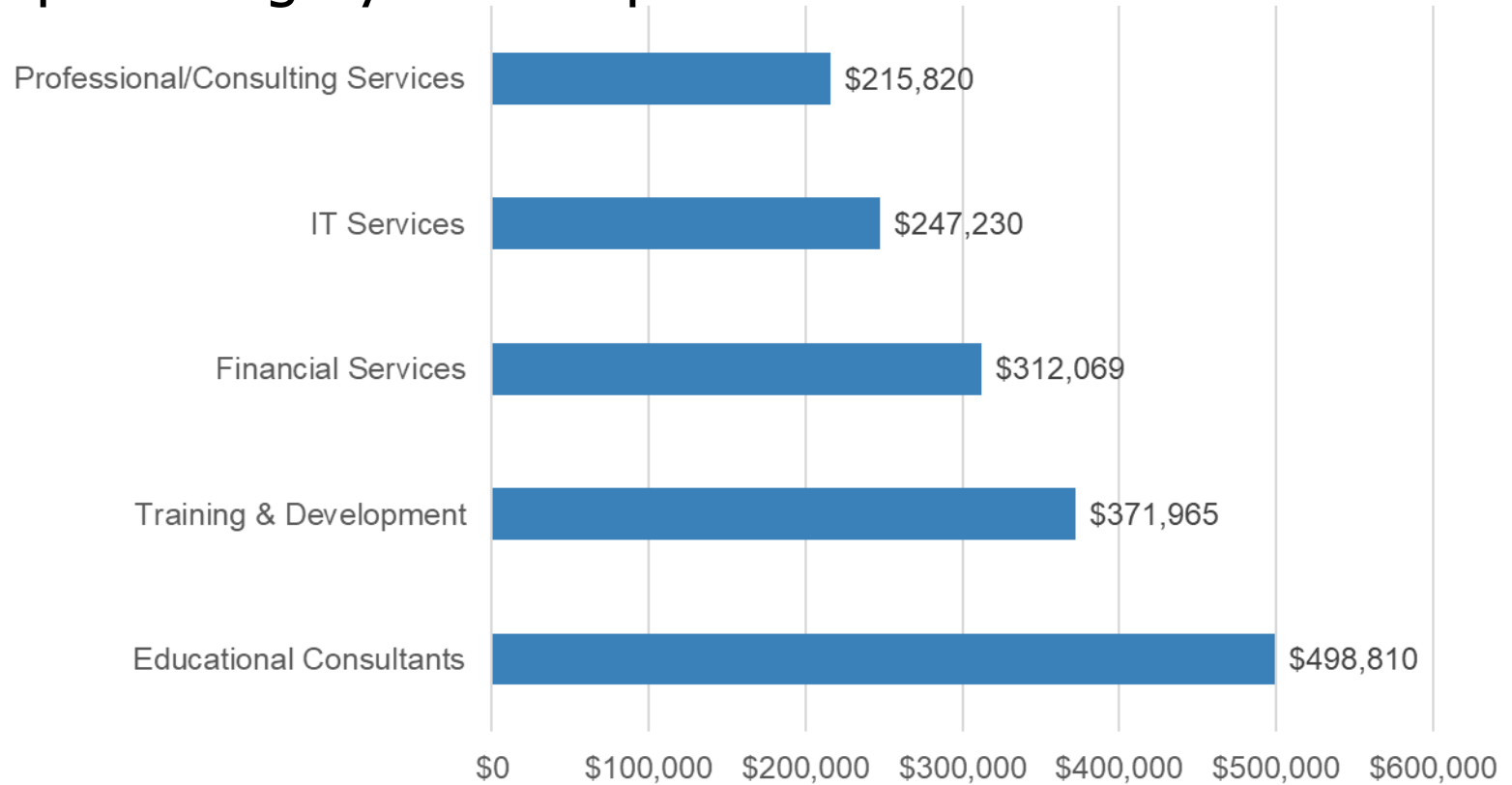
Expense Summary

Actual	\$13,641,884
Budget	\$12,211,210
Actual to Budget	11.7 %





Top 5 Category 5000 Expenses – as of 12.31.21





Funding Determination Overview

To qualify for a recommendation of 100 percent funding to the SBE, an NCB charter school must meet the following criteria:

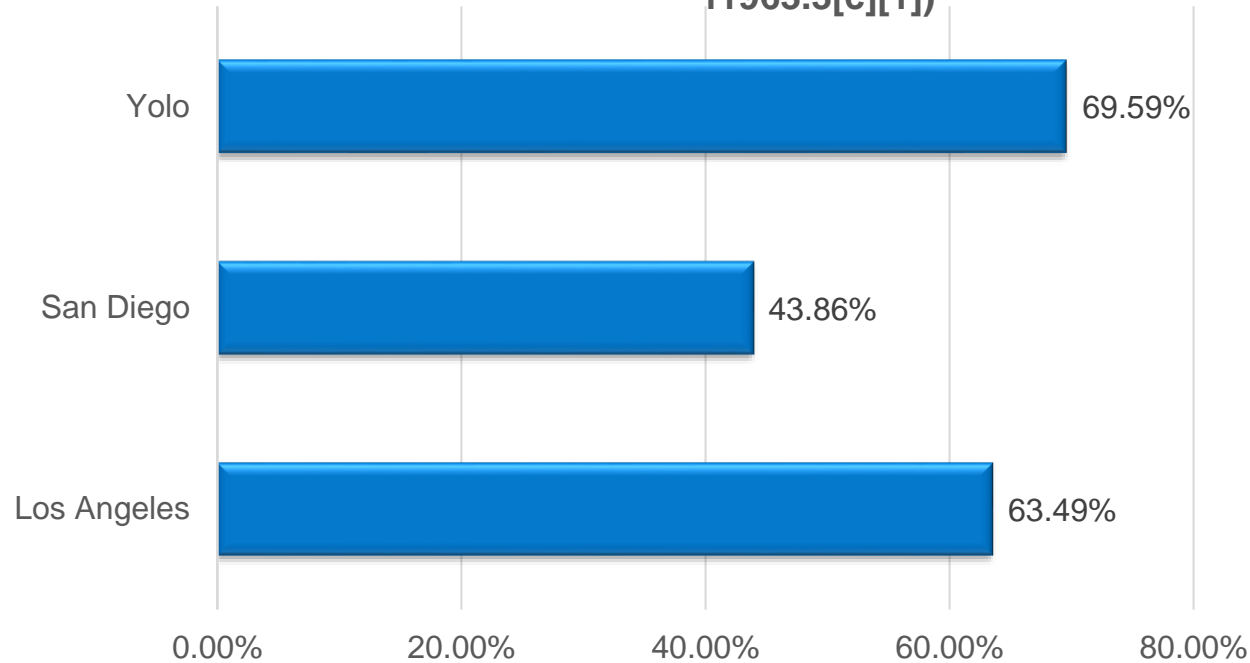
- Spend at least 40 percent of total public revenues (which includes federal revenues, state revenues, and local revenues from in-lieu property taxes) on salaries and benefits for all employees who possess a valid teaching certificate
- Spend at least 80 percent of total revenues on instruction and related services
 - Instruction/related services do not include:
 - Operations and Facilities;
 - Administration and All Other Activities; and
 - Other Outgo and Other Financing Uses.



80/40 Funding Determination

All FDF tests passed

Percent spent on Certificated Employee Salaries & Benefits to Total Public Revenues (5 CCR 11963.3[c][1])

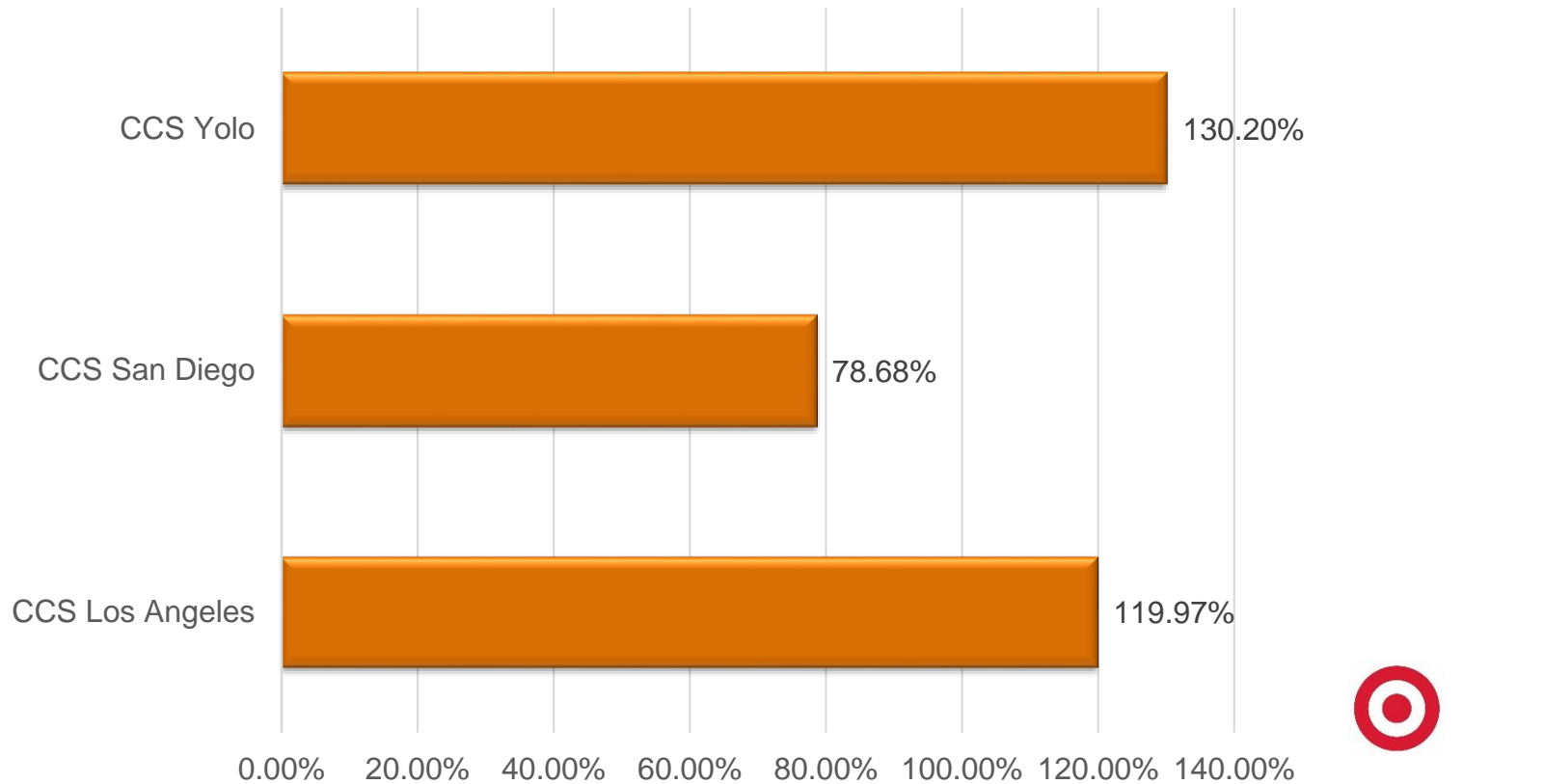


TARGET= 40%



80/40 Funding Determination

Percent spent on Instruction & Instruction Related Services Total Revenues (5 CCR 11963.3[c][2])





Questions?



Contact:

Lisa Fishman | Chief Operations Officer

(818) 732-4692

lfishman@compasscharters.org

[@CCSCFO](#)