

IvyTech Charter School Financial Update

NAOMI STEWART

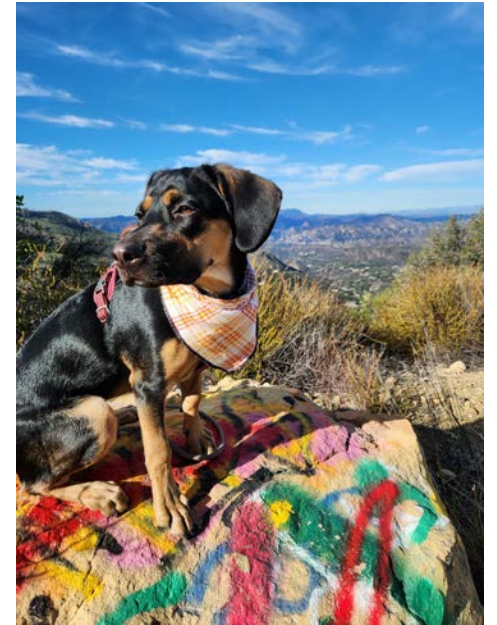
JUNE 2025



Introduction: Naomi Stewart

Associate School Finance Manager from EdTec

- Live in Los Angeles
- Been with EdTec for 1.5 years – have worked with over 6 schools
- Worked in higher education in Student Financials for over 7 years before EdTec
- MBA from Pepperdine University Graziadio Business
- Dog mom, art enthusiast, and enjoys travel

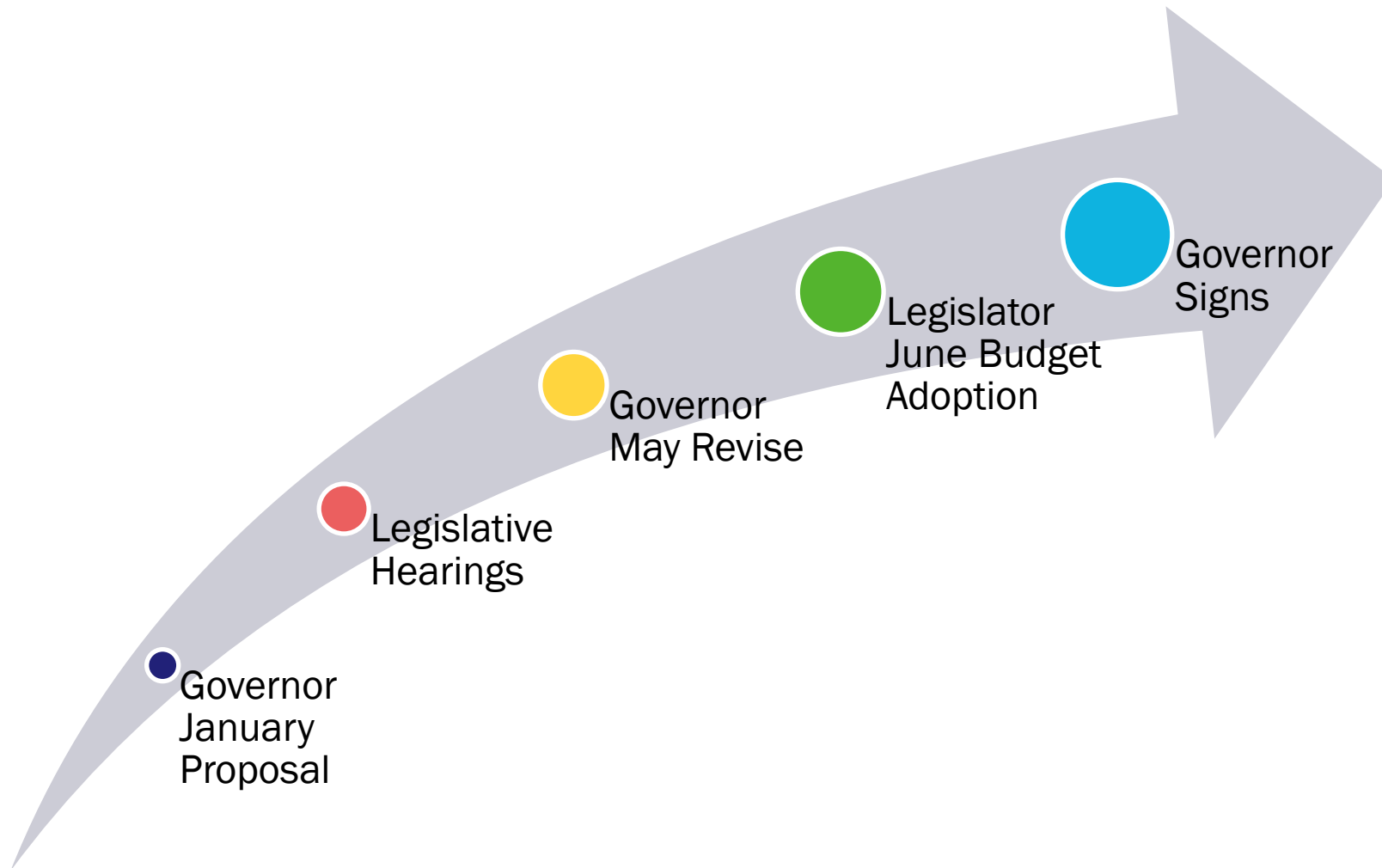


State Budget Updates

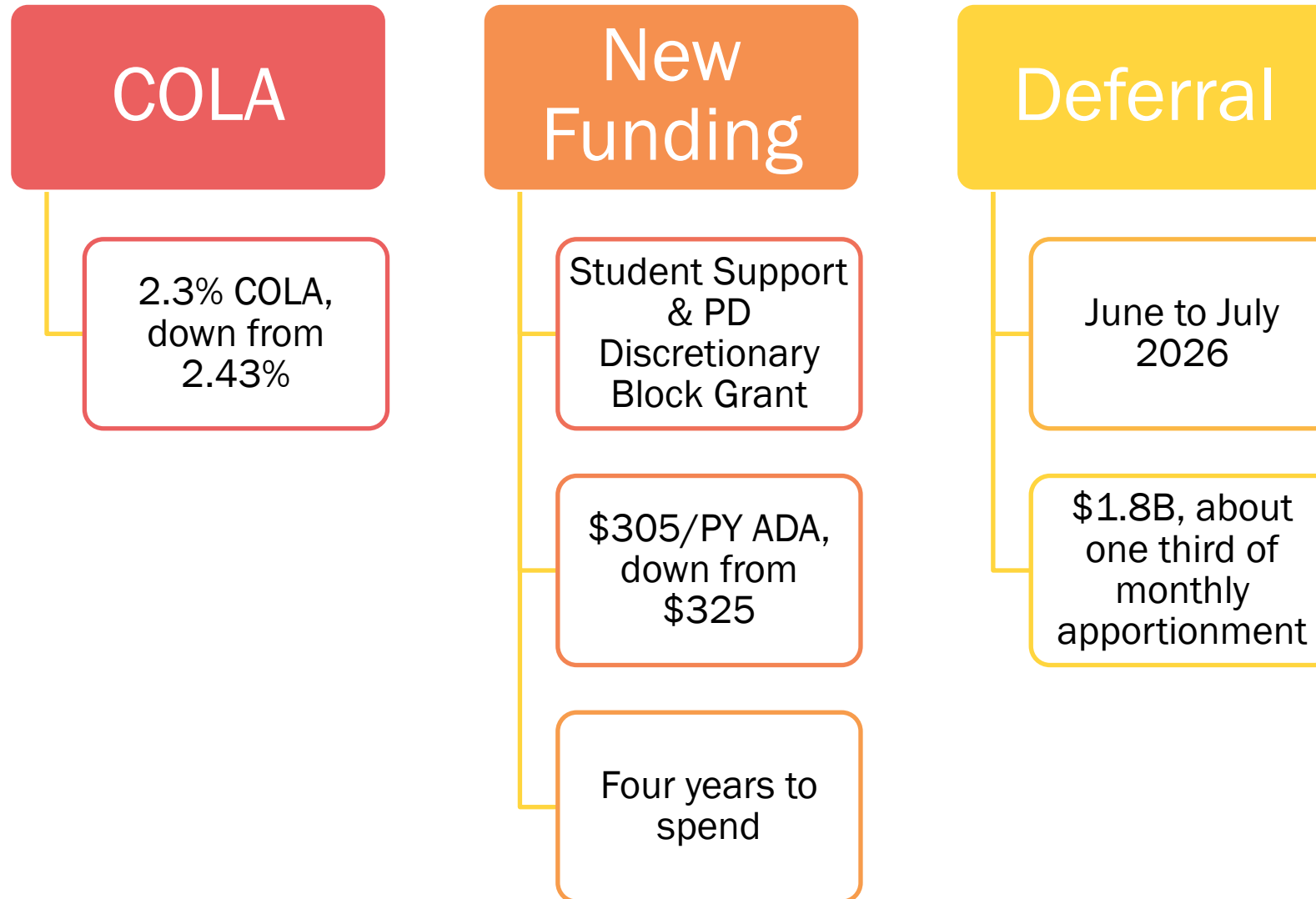


State Budget Process

Iterative process with many changes to Governor's Proposal



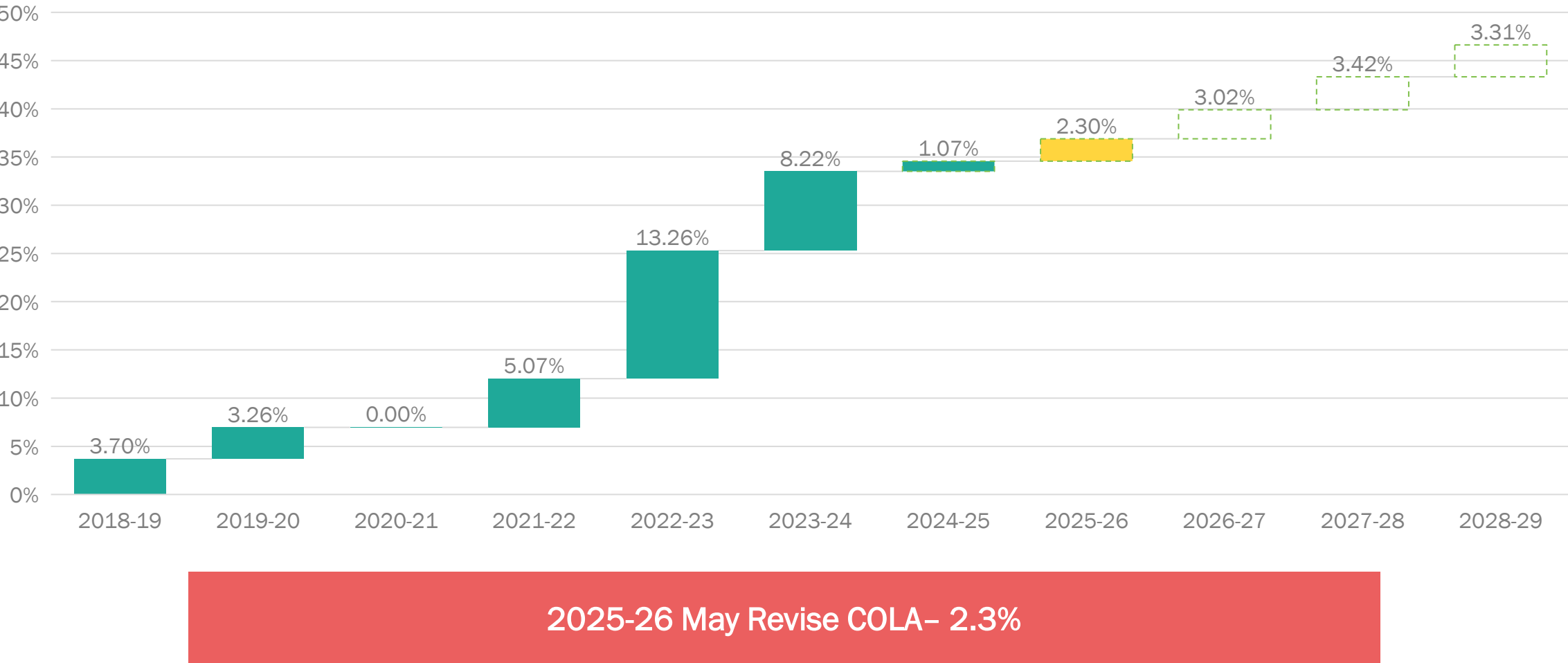
FY26 State Budget: May Revise



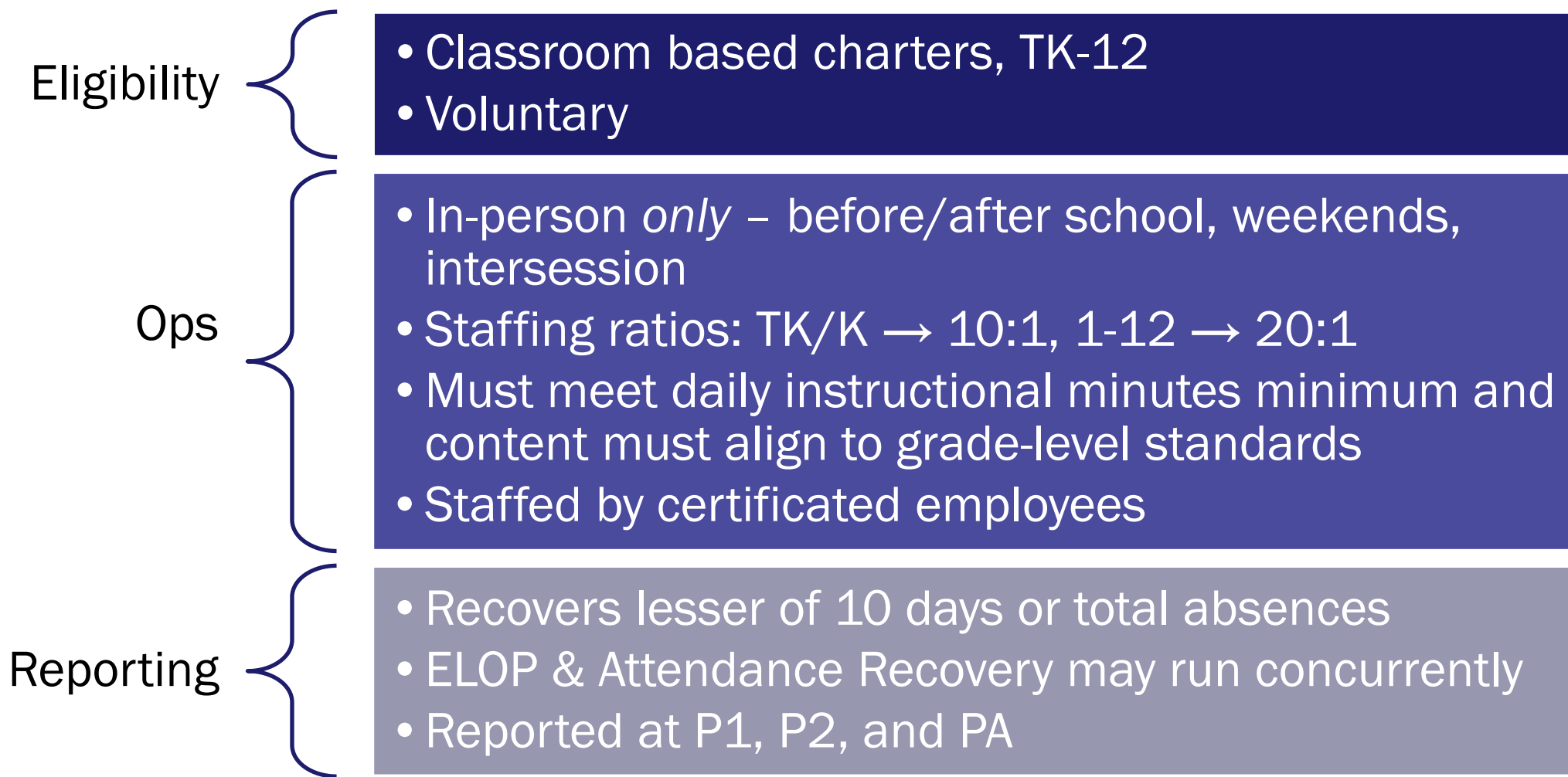
CA Historical and Projected LCFF Increase



COLA dropped substantially in FY25



Attendance Recovery



Attendance Recovery Considerations



Multiple attendance recovery days with full participation needed to earn 1 ADA

Grade	Daily Minutes Requirement	Number of students per Attendance Recovery day	Attendance Recovery days to earn 1 ADA
Gr 4-8	240	20	9
Gr 9-12	240	20	9

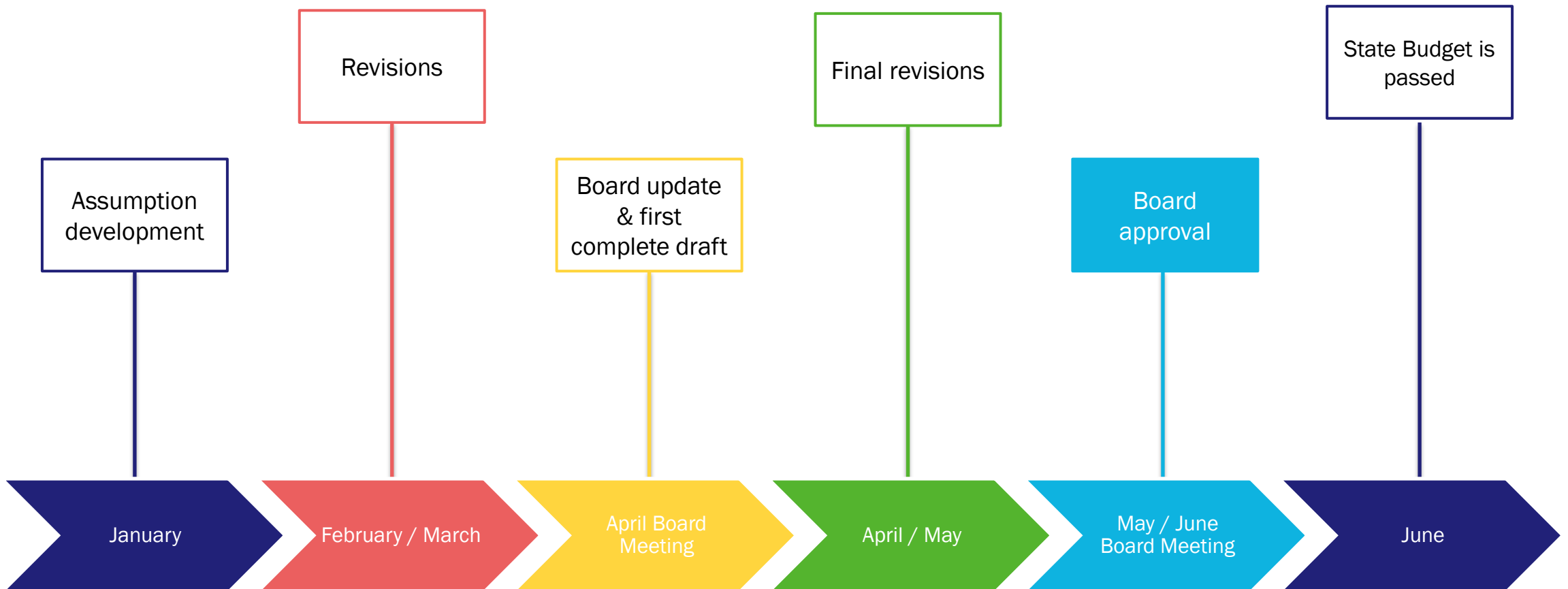
A student participating in Attendance Recovery can recover their total absences or 10 days, whichever is less.

FY26 Budget Proposal



Budget Development

Process begins in late winter/early spring with budget approval by June 30



2025-26 Budget Proposal

Projecting net loss of -204k in FY26, however, strong fund balance at 85% of budgeted expenditures by FY28

		2024-25	2025-26	2026-27	2027-28
		Current Forecast	Projected Budget	Projected Budget	Projected Budget
Revenue	LCFF Entitlement	2,426,343	2,423,161	2,642,144	2,741,909
	Other State Revenues	163,077	152,714	117,348	118,523
	Local Revenues	5,000	-	-	-
	Total Revenue	2,594,420	2,575,875	2,759,492	2,860,432
Expenses	Compensation and Benefits	1,688,398	1,889,613	1,946,150	2,004,382
	Books and Supplies	477,327	266,026	284,006	292,527
	Services and Other Operating Expenditures	733,561	625,103	635,712	643,598
	Total Expenses	2,899,286	2,780,742	2,865,868	2,940,507
	Net Income	(304,866)	(204,867)	(106,376)	(80,075)
	Beginning Balance (Audited)	3,193,821	2,888,955	2,684,088	2,577,712
	Net Income	(304,866)	(204,867)	(106,376)	(80,075)
Ending Fund Balance (incl. Depreciation)		2,888,955	2,684,088	2,577,712	2,497,637
Ending Fund Balance as % of Expenses		99.6%	96.5%	89.9%	84.9%

Budget Assumptions

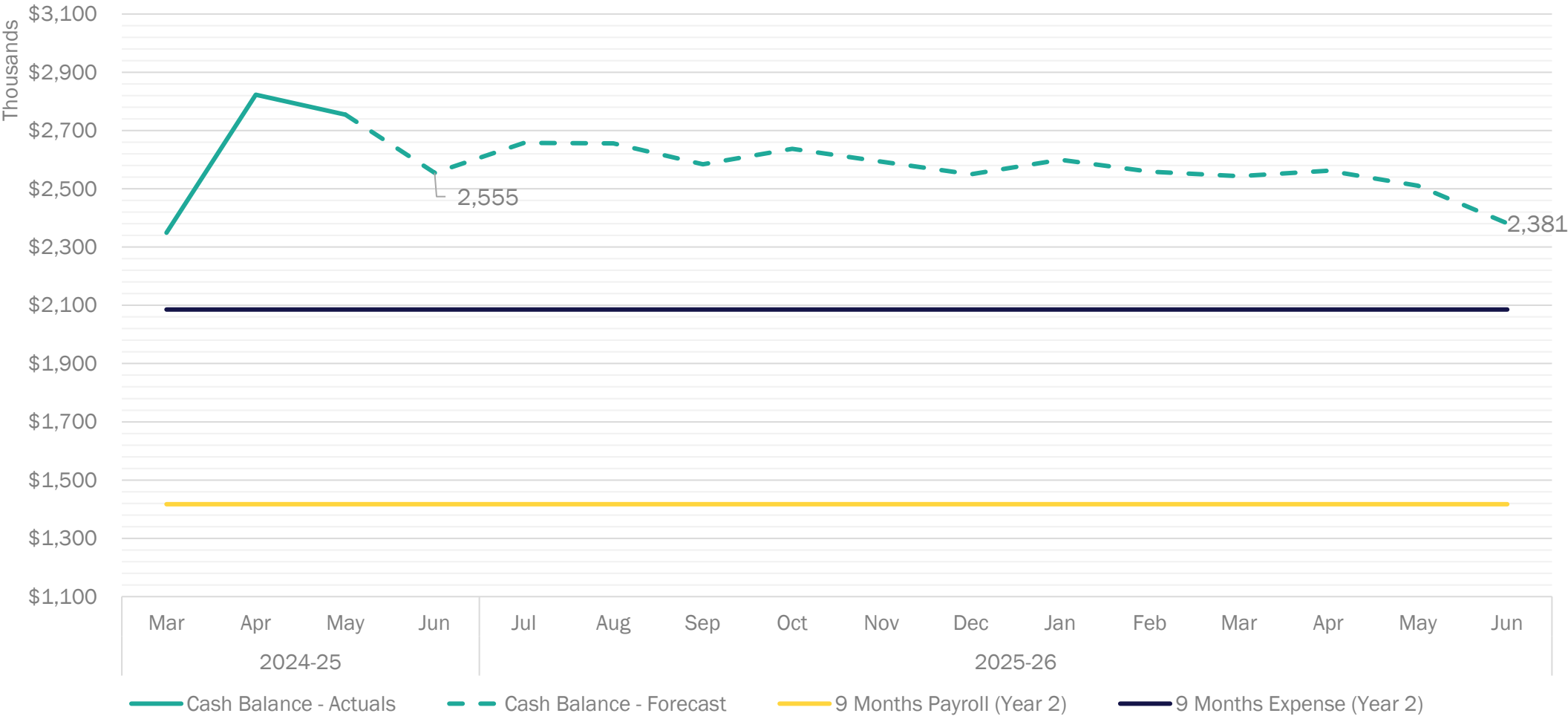
Revenue Drivers	2024-25	2025-26	2026-27	2027-28
Enrollment	180	180	190	190
ADA	184.6	180	190	190
Unduplicated Count	22	24	24	24

Funding Sources	2024-25	2025-26	2026-27	2027-28
State Revenues				
LCFF Rate Per ADA	\$13,147	\$13,462	\$13,906	\$14,431
SPED Reimbursement	\$30,000	\$30,000	\$30,000	\$30,000
Lottery per ADA	\$273	\$273	\$273	\$273
Mandate per PY ADA	\$76	\$78	\$80	\$83
Arts, Music, Instructional Materials Block Grant – Fully spent by FY26	\$38,327	\$38,327	\$0	\$0

Expense Assumptions	2025-26	Notes
Compensation and Benefits	Increase in headcount, salaries	1 new teacher, 1 new counselor, additional summer instructors
Books and Supplies	44% decrease from prior year	Cuts in educational software vendors and reduced instructional materials and supplies, other minor adjustments
Services and Other Operating Expenses	14% decrease from prior year	Reduced building repairs and maintenance, sped contractors, other minor adjustments

Two-Year Cashflow

June 2026 deferral of 1/3 State Aid to July 2026, cash balance projection still strong through year end



Exhibits



IvyTech
Multi-year Projection
As of May FY2025

	Year 1 2024-25	Year 2 2025-26	Year 3 2026-27	Year 4 2027-28	Assumptions
SUMMARY					
Revenue					
LCFF Entitlement	2,426,343	2,423,161	2,642,144	2,741,909	
Federal Revenue	-	-	-	-	
Other State Revenues	163,077	152,714	117,348	118,523	
Local Revenues	5,000	-	-	-	
Fundraising and Grants	-	-	-	-	
Total Revenue	2,594,420	2,575,875	2,759,492	2,860,432	
Expenses					
Compensation and Benefits	1,688,398	1,889,613	1,946,150	2,004,382	
Books and Supplies	477,327	266,026	284,006	292,527	
Services and Other Operating Expenditures	733,561	625,103	635,712	643,598	
Depreciation	-	-	-	-	
Other Outflows & Amortization	-	-	-	-	
Total Expenses	2,899,286	2,780,742	2,865,868	2,940,507	
Net Income	(304,866)	(204,867)	(106,376)	(80,075)	
Fund Balance					
Beginning Balance (Unaudited)	3,193,821	2,888,955	2,684,088	2,577,712	
Audit Adjustment					
Beginning Balance (Audited)	3,193,821	2,888,955	2,684,088	2,577,712	
Net Income	(304,866)	(204,867)	(106,376)	(80,075)	
Ending Fund Balance	2,888,955	2,684,088	2,577,712	2,497,637	
Total Revenue Per ADA	14,057	14,310	14,524	15,055	
Total Expenses Per ADA	15,709	15,449	15,084	15,476	
Net Income Per ADA	(1,652)	(1,138)	(560)	(421)	
Fund Balance as a % of Expenses	100%	97%	90%	85%	
Key Assumptions					
Enrollment Breakdown					
7	5	5	5	5	
8	5	5	5	5	
9	60	60	60	60	
10	37	37	37	37	
11	40	40	40	40	
12	33	33	43	43	
Total Enrolled	180	180	190	190	

ADA %

IvyTech
Multi-year Projection
As of May FY2025

		Year 1	Year 2	Year 3	Year 4	Assumptions
		2024-25	2025-26	2026-27	2027-28	
	7-8	86.8%	150.0%	100.0%	100.0%	
	9-12	103.5%	97.1%	100.0%	100.0%	
	Average ADA %	102.5%	100.0%	100.0%	100.0%	
ADA						
	7-8	9	15	10	10	
	9-12	176	165	180	180	
	Total ADA	185	180	190	190	
REVENUE						
LCFF Entitlement						
8011	Charter Schools General Purpose Entitlement - State Aid	1,147,752	1,189,210	1,326,690	1,411,346	
8012	Education Protection Account Entitlement	429,927	406,255	441,775	456,884	
8096	Charter Schools in Lieu of Property Taxes	848,664	827,696	873,679	873,679	
	SUBTOTAL - LCFF Entitlement	2,426,343	2,423,161	2,642,144	2,741,909	
Federal Revenue						
	SUBTOTAL - Federal Revenue	-	-	-	-	
Other State Revenue						
8381	Special Education - Entitlement (State	30,000	30,000	30,000	30,000	
8382	Special Education Reimbursement (State	14,976	14,348	15,145	15,145	
8550	Mandated Cost Reimbursements	9,694	10,211	10,075	11,249	
8560	State Lottery Revenue	52,625	51,325	54,176	54,176	
8590	All Other State Revenue	38,327	38,326	-	-	
8591	Prop 28 Arts & Music in Schools	17,455	8,505	7,953	7,953	
	SUBTOTAL - Other State Revenue	163,077	152,714	117,348	118,523	
Local Revenue						
8699	All Other Local Revenue	5,000	-	-	-	
	SUBTOTAL - Local Revenue	5,000	-	-	-	
Fundraising and Grants						
	SUBTOTAL - Fundraising and Grants	-	-	-	-	
TOTAL REVENUE		2,594,420	2,575,875	2,759,492	2,860,432	
EXPENSES						
Compensation & Benefits						
Certificated Salaries						
1100	Teachers Salaries	592,263	604,762	622,905	641,592	
1200	Certificated Pupil Support Salaries	-	74,799	77,043	79,354	

IvyTech
Multi-year Projection
As of May FY2025

		Year 1	Year 2	Year 3	Year 4	Assumptions
		2024-25	2025-26	2026-27	2027-28	
1300	Certificated Supervisor & Administrator Salaries	321,206	353,326	363,926	374,844	
	SUBTOTAL - Certificated Salaries	913,468	1,032,888	1,063,874	1,095,791	
Classified Salaries						
2100	Classified Instructional Aide Salaries	127,181	143,691	148,001	152,441	
2400	Classified Clerical & Office Salaries	149,184	161,143	165,977	170,956	
	SUBTOTAL - Classified Salaries	276,365	304,833	313,978	323,398	
Employee Benefits						
3100	STRS	170,064	191,502	197,247	203,164	
3300	OASDI-Medicare-Alternative	35,818	40,173	41,378	42,619	
3400	Health & Welfare Benefits	220,746	246,315	253,705	261,316	
3500	Unemployment Insurance	10,470	9,470	9,602	9,738	
3600	Workers Comp Insurance	11,898	13,377	13,779	14,192	
3700	Additional Retirement Benefits	33,500	34,505	35,540	36,606	
3900	Other Employee Benefits	16,068	16,550	17,047	17,558	
	SUBTOTAL - Employee Benefits	498,564	551,892	568,297	585,194	
Books & Supplies						
4300	Materials & Supplies	5,150	5,305	5,464	5,628	
4320	Educational Software	44,066	32,216	33,183	34,178	
4325	Instructional Materials & Supplies	227,003	110,000	123,300	126,999	
4326	Art & Music Supplies	17,454	8,505	8,760	9,023	
4330	Office Supplies	21,218	10,000	10,300	10,609	
4345	Non Instructional Student Materials & Supplies	21,218	10,000	10,300	10,609	
4410	Classroom Furniture, Equipment & Supplies	59,000	20,000	20,600	21,218	
4420	Computers: individual items less than \$5k	21,218	15,000	15,450	15,914	
4430	Non Classroom Related Furniture, Equipment & Supplies	16,000	10,000	10,300	10,609	
4700	Food	45,000	45,000	46,350	47,741	
	SUBTOTAL - Books and Supplies	477,327	266,026	284,006	292,527	
Services & Other Operating Expenses						
5200	Travel & Conferences	15,914	15,000	15,450	15,914	
5305	Dues & Membership - Professional	9,909	5,000	5,150	5,305	
5450	Insurance - Other	23,000	43,000	44,290	45,619	
5510	Utilities - Gas and Electric	12,000	10,932	11,260	11,598	
5515	Janitorial, Gardening Services & Supplies	10,609	10,000	10,300	10,609	
5520	Security	10,300	8,000	8,240	8,487	
5610	Rent	243,766	255,061	262,713	270,594	
5615	Repairs and Maintenance - Building	120,000	10,000	10,300	10,609	
5616	Repairs and Maintenance - Computers	1,030	2,000	2,060	2,122	
5619	Non-Cash Lease Adjustment	30,356	30,206	22,554	14,673	
5803	Accounting Fees	24,250	24,978	25,727	26,499	
5812	Business Services	81,800	84,655	87,609	87,609	

IvyTech
Multi-year Projection
As of May FY2025

		Year 1	Year 2	Year 3	Year 4	Assumptions
		2024-25	2025-26	2026-27	2027-28	
5820	Consultants - Non Instructional	10,609	-	-	-	
5830	Field Trips Expenses	10,300	10,609	10,927	11,255	
5836	Fingerprinting	530	546	563	580	
5845	Legal Fees	5,305	5,464	5,628	5,796	
5848	Licenses and Other Fees	500	515	530	546	
5851	Marketing and Student Recruiting	5,800	10,000	10,300	10,609	
5857	Payroll Fees	8,500	7,868	8,104	8,347	
5863	Professional Development	15,450	15,914	16,391	16,883	
5869	Special Education Contract Instructors	53,045	35,000	36,050	37,132	
5878	Student Assessment	4,244	4,371	4,502	4,638	
5887	Technology Services	10,609	10,000	10,300	10,609	
5893	Transportation - Student	1,545	1,000	1,030	1,061	
5899	Miscellaneous Operating Expenses	200	206	212	219	
5900	Communications	2,300	2,060	2,122	2,185	
5910	Communications - Internet / Website Fees	18,600	19,158	19,733	20,325	
5915	Postage and Delivery	1,030	1,061	1,093	1,126	
5920	Communications - Telephone & Fax	2,060	2,500	2,575	2,652	
SUBTOTAL - Services & Other Operating Exp.		733,561	625,103	635,712	643,598	
Depreciation Expense						
SUBTOTAL - Depreciation Expense		-	-	-	-	
Other Outflows & Amortization						
SUBTOTAL - Other Outflows & Amortization		-	-	-	-	
TOTAL EXPENSES		2,899,286	2,780,742	2,865,868	2,940,507	

IvyTech
2024-25
As of May FY2025

	Year 1 2024-25	Year 2 2025-26	Year 3 2026-27	Year 4 2027-28	Driver/ Rate Type
Revenues and related expenses					
Statewide LCFF Assumptions					
LCFF COLA	1.07%	2.30%	3.02%	3.42%	
7-8 LCFF Base	10,478	10,719	11,043	11,421	
9-12 LCFF Base	12,144	12,423	12,798	13,236	
9-12 Gr Span Adj	316	323	333	344	
School LCFF Assumptions					
LCFF per ADA	13,147	13,462	13,906	14,431	
ILPT per ADA	4,598	4,598	4,598	4,598	
Supplemental & Concentration Funding	143,929	159,286	168,134	183,299	
Unduplicated Pupil % (3 year avg)	31.53%	35.18%	33.98%	35.82%	
District UPP	36.79%	36.79%	36.79%	36.79%	
Other Federal and State Revenues					
Other SELPA Fed	0	0.00	0.00	0.00	CY ADA
Other SELPA State	30,000	30,000.00	30,000.00	30,000.00	Flat Rate (R)
SPED Mental Health State Rate	83	79.71	79.71	79.71	
Mandated Cost Reimbursements: K-8	20.06	20.52	21.14	21.86	Prior Year Enrollment
Mandated Cost Reimbursements: 9-12	55.76	57.04	58.76	60.77	Prior Year Enrollment
One Time Funding	0.00	0.00	0.00	0.00	Prior Year Enrollment
State Lottery Unrestricted	191.00	191.00	191.00	191.00	P-A ADA
State Lottery Restricted	82.00	82.00	82.00	82.00	P-A ADA
Absence Factor	1.04	1.04	1.04	1.04	Multiplier to state lottery rates
AMS Enrollment Rate	107	111	111	111	
AMS FRPM Rate	74	78	78	78	
Fees					
Authorizer Fees	0.00%	0.00%			% of LCFF
Special Education Encroachment Fees	0.00	0.00			Flat Rate (R)
Payroll					
Annual Pay Increase					
Teacher		3.00%	3.00%	3.00%	
Other Certificated		3.00%	3.00%	3.00%	
Classified		3.00%	3.00%	3.00%	
Benefits					
STRS	19.10%	19.10%	19.10%	19.10%	% of eligible payroll
Social Security	6.20%	6.20%	6.20%	6.20%	% of eligible payroll
Medicare	1.45%	1.45%	1.45%	1.45%	% of total payroll
Health & Welfare Benefits					Annual rate per employee
yes	\$18,395	\$18,947	\$19,516	\$20,101	
H&W average annual increase	3.00%	3.00%	3.00%	3.00%	
In Lieu Medical Stipend			\$0	\$0	Annual stipend
SUTA %	4.50%	4.50%	4.50%	4.50%	% of eligible payroll
SUTA Tax Base	\$7,000	\$7,000	\$7,000	\$7,000	
ETT (part of SUTA)	\$7	\$7	\$7	\$7	Annual rate per employee
Workers Comp	1.00%	1.00%	1.00%	1.00%	% of total payroll

IvyTech
Monthly Cash Forecast
As of May FY2025

	2024-25													
	Actuals & Forecast													
	Jul Actuals	Aug Actuals	Sep Actuals	Oct Actuals	Nov Actuals	Dec Actuals	Jan Actuals	Feb Actuals	Mar Actuals	Apr Actuals	May Actuals	Jun Forecast	Forecast	Remaining Balance
Beginning Cash	2,584,988	2,630,786	2,352,165	2,173,793	2,173,747	2,016,841	2,560,982	2,355,823	2,492,861	2,349,163	2,822,960	2,754,893		
REVENUE														
LCFF Entitlement	-	60,933	60,933	208,353	248,972	219,358	-	318,031	336,267	300,467	136,258	225,452	2,426,343	311,319
Federal Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other State Revenue	1,850	46,888	1,153	2,075	9,000	13,844	-	15,150	12,000	19,479	6,000	2,314	163,077	33,325
Other Local Revenue	579	227	-	2,324	-	492	975	167	-	-	142,506	(142,270)	5,000	-
Fundraising & Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	2,429	108,048	62,086	212,752	257,972	233,694	975	333,347	348,267	319,946	284,764	85,495	2,594,420	344,645
EXPENSES														
Certificated Salaries	121,008	129,390	57,188	59,696	57,188	58,619	60,160	55,703	57,188	58,674	58,368	140,286	913,468	-
Classified Salaries	24,403	27,740	23,023	26,772	25,066	20,972	22,915	23,671	22,283	22,340	26,103	11,076	276,365	-
Employee Benefits	72,243	46,917	30,012	30,814	30,849	15,920	88,700	33,109	14,733	51,757	33,587	49,923	498,564	-
Books & Supplies	139,302	42,869	33,590	44,644	31,011	11,050	12,406	14,358	14,151	14,605	21,461	97,881	477,327	-
Services & Other Operating Expenses	101,921	100,282	74,423	51,607	12,056	36,840	56,838	34,644	34,692	60,855	50,227	88,820	733,561	30,356
Capital Outlay & Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outflows	-	-	-	-	-	-	35	-	-	-	-	(35)	-	-
TOTAL EXPENSES	458,876	347,198	218,236	213,533	156,171	143,403	241,053	161,484	143,048	208,231	189,747	387,952	2,899,286	30,356
Operating Cash Inflow (Outflow)	(456,448)	(239,150)	(156,150)	(781)	101,801	90,291	(240,078)	171,863	205,219	111,715	95,017	(302,456)	(304,866)	314,289
Accounts Receivable	600,521	3,000	-	-	(257,972)	453,414	-	(24,988)	(348,389)	349,113	(142,258)	162,357		
Other Assets	-	-	(1,047)	-	-	-	-	-	-	-	-	-		
ROU Assets	-	-	-	-	-	-	-	-	-	-	-	209,065		
Accounts Payable	(2,141)	(2,462)	-	-	-	-	-	24,988	-	10,741	(20,737)	(34,984)		
Other Current Liabilities	(96,135)	5,725	(21,176)	735	(735)	436	34,919	(34,826)	(528)	2,229	(90)	(18,912)		
Deferred Revenue	-	(45,735)	-	-	-	-	-	-	-	-	-	-		
ROU Long-Term Liabilities	-	-	-	-	-	-	-	-	-	-	-	(215,121)		
Ending Cash	2,630,786	2,352,165	2,173,793	2,173,747	2,016,841	2,560,982	2,355,823	2,492,861	2,349,163	2,822,960	2,754,893	2,554,841		

IvyTech
Monthly Cash Forecast
As of May FY2025

2025-26														
	Actuals & Forecast													
	Jul Forecast	Aug Forecast	Sep Forecast	Oct Forecast	Nov Forecast	Dec Forecast	Jan Forecast	Feb Forecast	Mar Forecast	Apr Forecast	May Forecast	Jun Forecast	Forecast	Remaining Balance
Beginning Cash	2,554,841	2,657,638	2,655,672	2,584,036	2,637,550	2,593,055	2,549,771	2,599,970	2,559,158	2,543,095	2,561,930	2,510,806		
REVENUE														
LCFF Entitlement	-	111,887	162,807	285,115	177,633	177,633	285,115	177,633	215,539	249,354	159,627	125,055	2,423,161	295,762
Federal Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other State Revenue	40,230	1,904	1,904	1,904	10,904	12,115	1,904	15,061	1,904	1,904	21,061	4,904	152,714	37,012
Other Local Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fundraising & Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	40,230	113,791	164,711	287,020	188,538	189,749	287,020	192,694	217,443	251,259	180,687	129,960	2,575,875	332,774
EXPENSES														
Certificated Salaries	28,586	88,549	88,549	88,549	88,549	88,549	88,549	88,549	88,549	88,549	88,549	118,810	1,032,888	-
Classified Salaries	-	27,107	27,107	27,107	27,107	27,107	27,107	27,107	27,107	27,107	27,107	33,760	304,833	-
Employee Benefits	54,891	46,444	49,285	46,444	45,971	45,971	49,759	46,444	46,444	44,717	44,717	30,804	551,892	-
Books & Supplies	21,727	21,727	21,727	21,727	21,727	21,727	21,727	21,727	21,727	22,372	21,760	26,353	266,026	-
Services & Other Operating Expenses	49,056	49,056	49,678	49,678	49,678	49,678	49,678	49,678	49,678	49,678	49,678	49,678	625,103	30,206
Capital Outlay & Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outflows	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	154,261	232,884	236,347	233,506	233,033	233,033	236,821	233,506	233,506	232,424	231,812	259,405	2,780,742	30,206
Operating Cash Inflow (Outflow)	(114,030)	(119,093)	(71,636)	53,514	(44,495)	(43,284)	50,199	(40,812)	(16,063)	18,835	(51,124)	(129,445)	(204,867)	302,568
Accounts Receivable	189,191	155,453	-	-	-	-	-	-	-	-	-	-	-	
Other Assets	38,000	-	-	-	-	-	-	-	-	-	-	-	-	
ROU Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	
Accounts Payable	19,992	-	-	-	-	-	-	-	-	-	-	-	-	
Other Current Liabilities	(30,356)	-	-	-	-	-	-	-	-	-	-	-	-	
Deferred Revenue	-	(38,326)	-	-	-	-	-	-	-	-	-	-	-	
ROU Long-Term Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ending Cash	2,657,638	2,655,672	2,584,036	2,637,550	2,593,055	2,549,771	2,599,970	2,559,158	2,543,095	2,561,930	2,510,806	2,381,360		