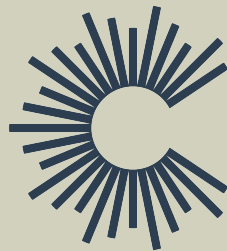


5 Keys to Creating a Balanced Budget



**A BRIEF GUIDE TO DEVELOPING SOUND
BUDGETING TECHNIQUES AND FISCAL
SUSTAINABILITY**

DEVELOPED BY:



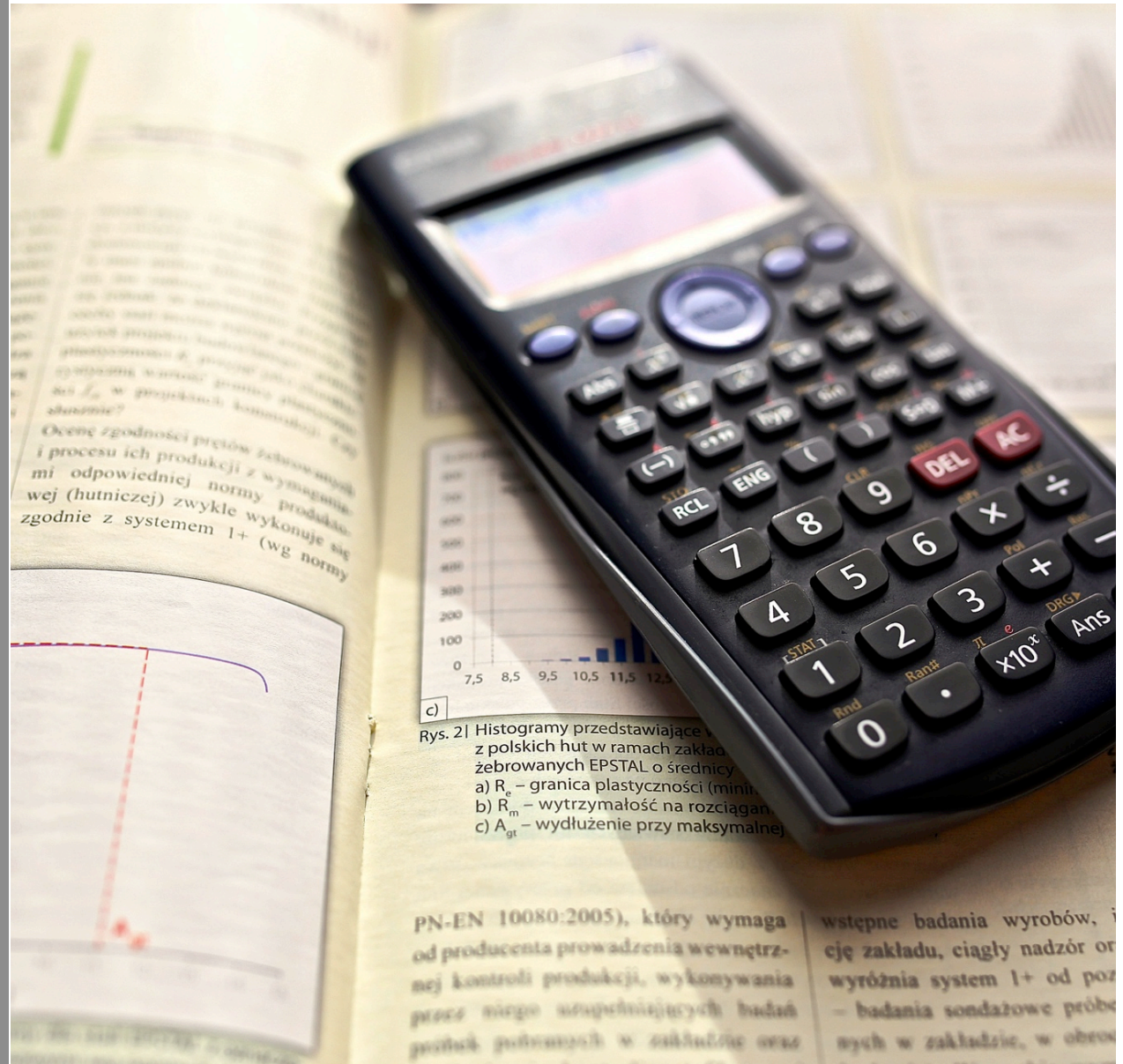
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It's Not Rocket Science...Just Budgeting

The Road Map to
Balanced Budget:

- Accurate Revenue Projections
- Fixed vs. Variable Cost Analysis
- The *Real* Cost of Employees
- Expenditure Allocations
- Thinking Outside the Fiscal Year



Key #1 – Accurate Revenue Projections



**BEFORE DEVELOPING ANY BUDGET IT'S
PIVOTAL TO CALCULATE THE REVENUE YOU'LL
HAVE TO WORK WITH**

You Can't Spend What You Don't Earn



- Accurate Enrollment Projections
 - Who Will be Attending?
- Your School's True ADA
 - What Will You Actually Earn?
- Calculating Supplemental Revenue Sources
 - Special Ed, Lottery, Grants & Donations

Key #2 – Determining Fixed vs. Variable Costs



**IT'S IMPORTANT TO RECOGNIZE WHAT COSTS
REMAIN THE SAME AND WHAT COSTS
FLUCTUATE WITH ENROLLMENT CHANGES**

When Small, Low Fixed. When Big, Low Variable.



- Fixed Costs – costs that remain the same regardless of enrollment

- Lease Agreements
- Administrative Staff
- Vendor Contacts

- Variable Costs – costs that fluctuate with enrollment changes

- Textbooks & Curriculum
- Materials & Supplies
- Instructional Staff

Key #3 - The True Cost Of Your Employees

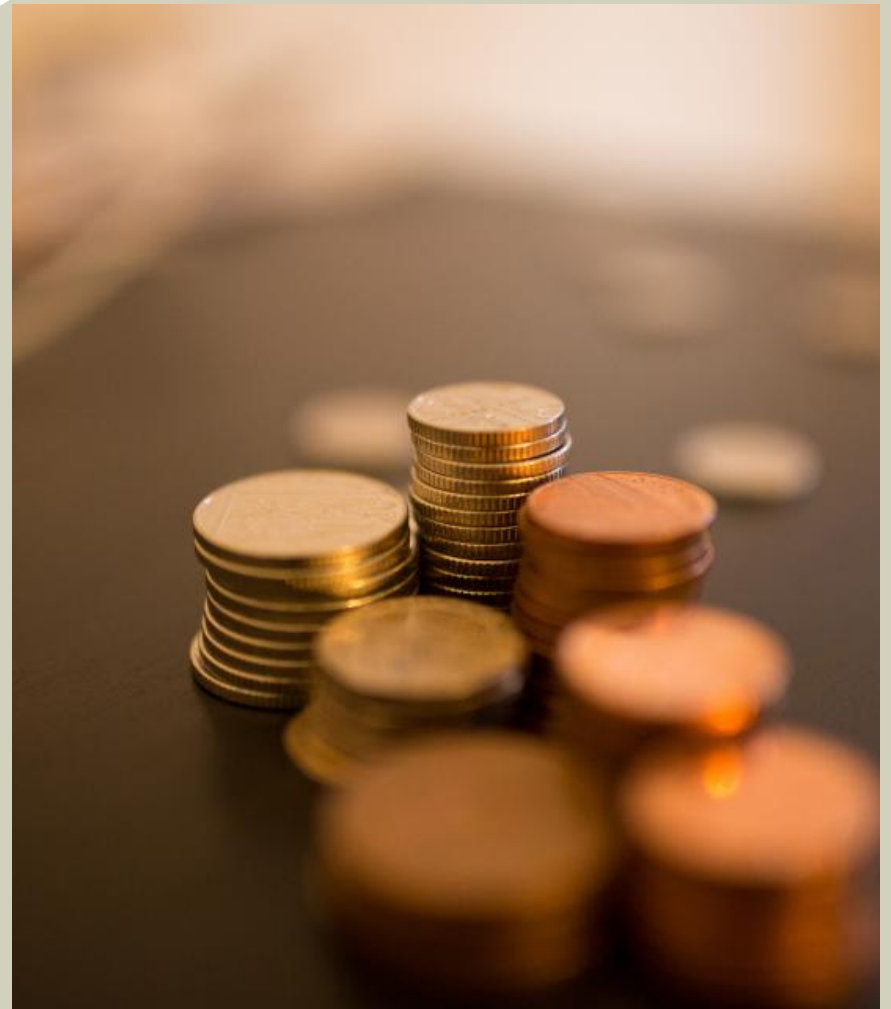


HERE'S A HINT: IT'S NOT JUST SALARIES

Employee Salaries...A Small Part of the Equation



- Increasing Medical Premiums, Mandated STRS & PERS Rate Hikes and Raises have compounding effects on budgets
- Ancillary costs can add 30-40% to an employee's total compensation



Key #4 – Correctly Allocating Funds



**MATCHING ALLOWABLE EXPENDITURES WITH
RESTRICTED REVENUE SOURCES ENSURES
EVERY DOLLAR IS ACCOUNTED FOR**

Don't Lose It, By Not Using It



- Allocate Exact Expenditures To Correspond With Restricted Revenues
 - Are All Special Education Funds Being Spent
 - Were Supplemental & Concentration Grant Funds Allocated Towards Targeted Students

Key #5 – Think Beyond The Current Year



**IT'S CRITICAL TO UNDERSTAND HOW EACH
FISCAL YEAR CONNECTS TO THE PREVIOUS
AND SUBSEQUENT FISCAL YEARS**

Analyze the Fiscal Life Cycle of Your School



- Are Reserves & Cash On Hand from last year sufficient to begin this year?
- Are you deficit spending? If so, can it be avoided?
 - Should raises be delayed?
 - Can new equipment wait until next year?



About Us



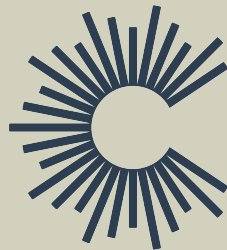
- Our Experience...
 - Delivered solutions for over 50 charter schools, ranging in size from 30 to 1,800 students
 - Site-Based, Independent Study, Virtual & Blended Programs
- Customized Service Offering to Match Your Needs
 - Just as there is no “one-size fits all” blueprint for educating students, we believe the same holds true for high-quality back office services
 - We want to provide you only what you need, not charge you for what you don’t

Contact Us Today



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