



### **Part C—Financial Statement\***

(A financial statement that discloses the costs of administration, instruction and other spending categories for the charter school that is understandable to the general public that allows comparison of costs to other schools or comparable organizations and that is in a format required by the department)

**\*All schools must provide a response for this section of the application.**

# NM Public Education Department

STATE OF NEW MEXICO  
PUBLIC EDUCATION DEPARTMENT  
SCHOOL BUDGET AND FINANCE ANALYSIS BUREAU

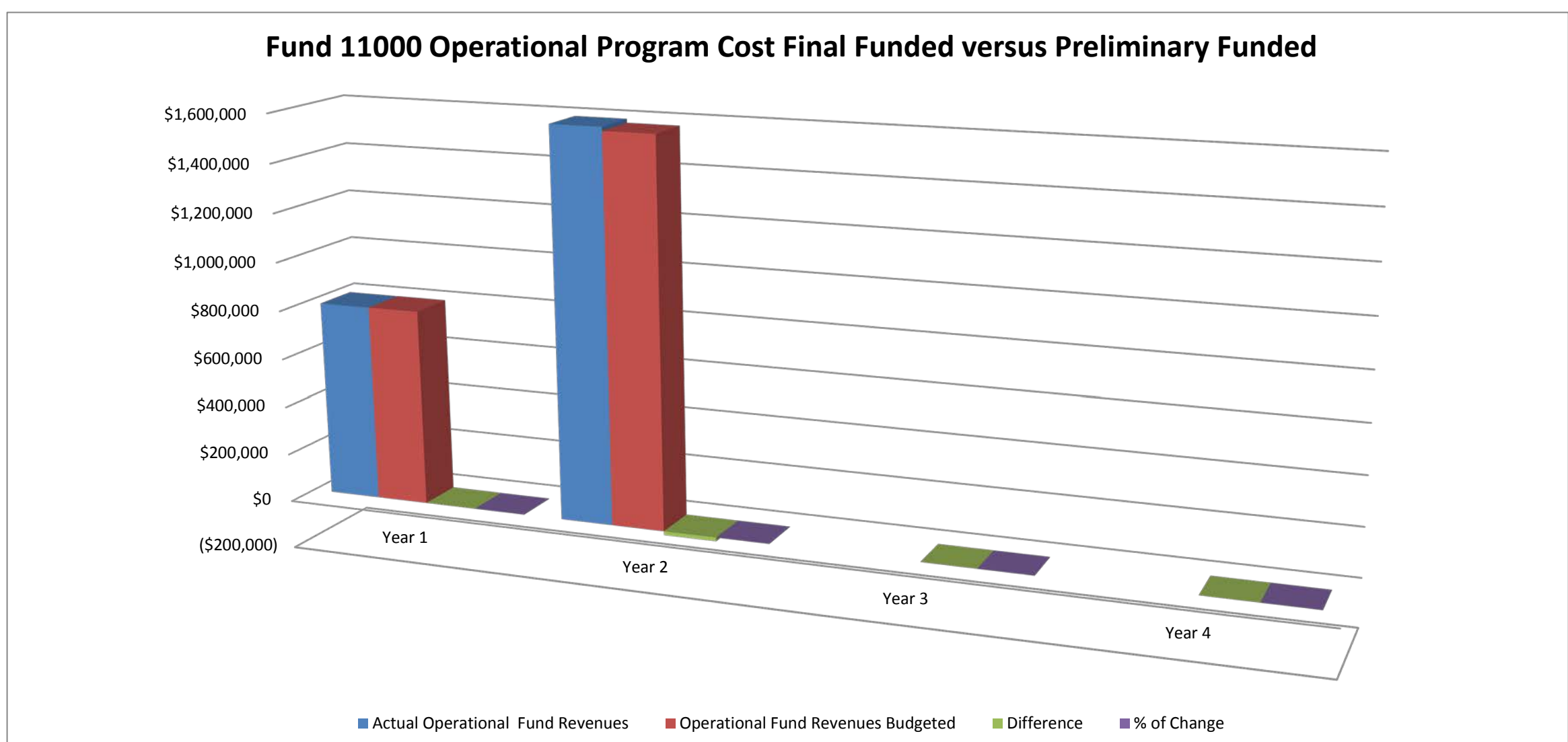
## CHARTER SCHOOL RENEWAL APPLICATION BUDGET ANALYSIS

### I. Operational Fund Revenues

- A. i. How do operational fund revenues budgeted compare to actual operational fund revenues for each year of the charter term?  
 ii. Was there a loss or a gain in each year?  
 iii. Explain where losses were absorbed or where gains were utilized.

*Southwest Primary Learning Center (SPLC) changed it's name to Southwest Preparatory Learning Center (SPLC) on July 1, 2017. At the same time SPLC absorbed the programs, staff and students from Southwest Intermediate Learning Center (SILC). Therefore, the overall operational revenue increased because of the increase in membership. The funds were used to provide programs for the additional grades of 7 and 8.*

		Actual Operational Fund Revenues	Operational Fund Revenues Budgeted	Difference	% of Change
B.i.	Year 1	Year 1	Year 1	(\$)	
		\$803,124	\$803,541	\$417	0.05%
B.ii.	Year 2	Year 2	Year 2	(\$)	
		\$1,593,390	\$1,577,901	(\$15,489)	-0.98%
B.iii.	Year 3	Year 3	Year 3	(\$)	
				\$0	#DIV/0!
B.iv.	Year 4	Year 4	Year 4	(\$)	
				\$0	#DIV/0!
B.iv.	Year 5	Year 5	Year 5	(\$)	
		N/A		N/A	N/A



**II. Student Membership**

- A. i. How does budgeted student membership compare to actual student membership (Avg 80/120) in each year of the charter term?
- ii. How does actual student membership (Avg 80/120) change over the charter term?
- iii. Was there a loss or a gain in each year?
- iv. Explain how these changes impacted the school's budget (revenues, expenses, etc.)
- v. Explain how budget losses were absorbed or how budget gains were utilized.

*Southwest Primary Learning Center (SPLC) changed it's name to Southwest Preparatory Learning Center (SPLC) on July 1, 2017. At the same time SPLC absorbed the programs, staff and students from Southwest Intermediate Learning Center (SILC). Therefore, the overall operational revenue increased because of the increase in membership. The funds were used to provide programs for the additional grades of 7 and 8.*

**B. Program Units**

i. Year 1

Funded Year 0	Budgeted Year 1	Funded Year 1	Year 1 Avg 80/120	Difference
	209.670	208.912	102.500	(106.4)

ii. Year 2

Funded Year 1	Budgeted Year 2	Funded Year 2	Year 2 Avg 80/120	Difference
208.912	367.513	386.878	102.000	(284.9)

iii. Year 3

Funded Year 2	Budgeted Year 3	Funded Year 3	Year 3 Avg 80/120	Difference
				0.0

iv. Year 4

Funded Year 3	Budgeted Year 4	Funded Year 4	Year 4 Avg 80/120	Difference
				0.0

iv. Year 5

Funded Year 4	BUDGETED Year 5			Difference
				0.0

**C. Growth Units**

	40 Day - Year 1	40 Day - Year 2	40 Day - Year 3	40 Day - Year 4	40 Day - Year 5
40 Day MEM Actual	102.000	193.000			
MEM Budgeted	105.000	184.000			
Difference	(3.000)	9.000	0.000	0.000	0.000

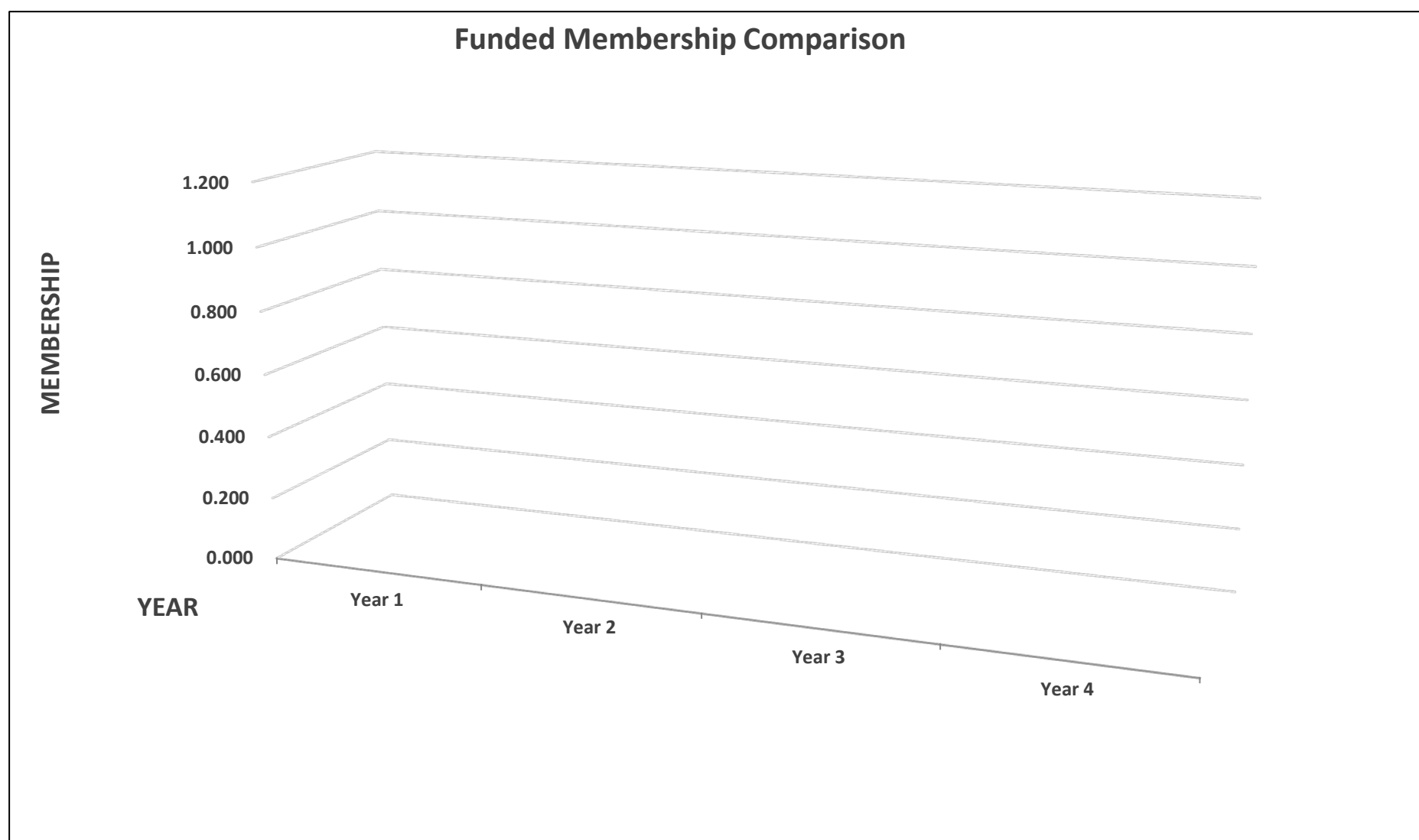
Budgeted Growth Units  
Funded Growth Units

Year 1	Year 2	Year 3	Year 4	Year 5

**D. Funded Membership**

Difference from Prior Year

Year 1	Year 2	Year 3	Year 4	Year 5 - Budgeted
	0	0	0	0

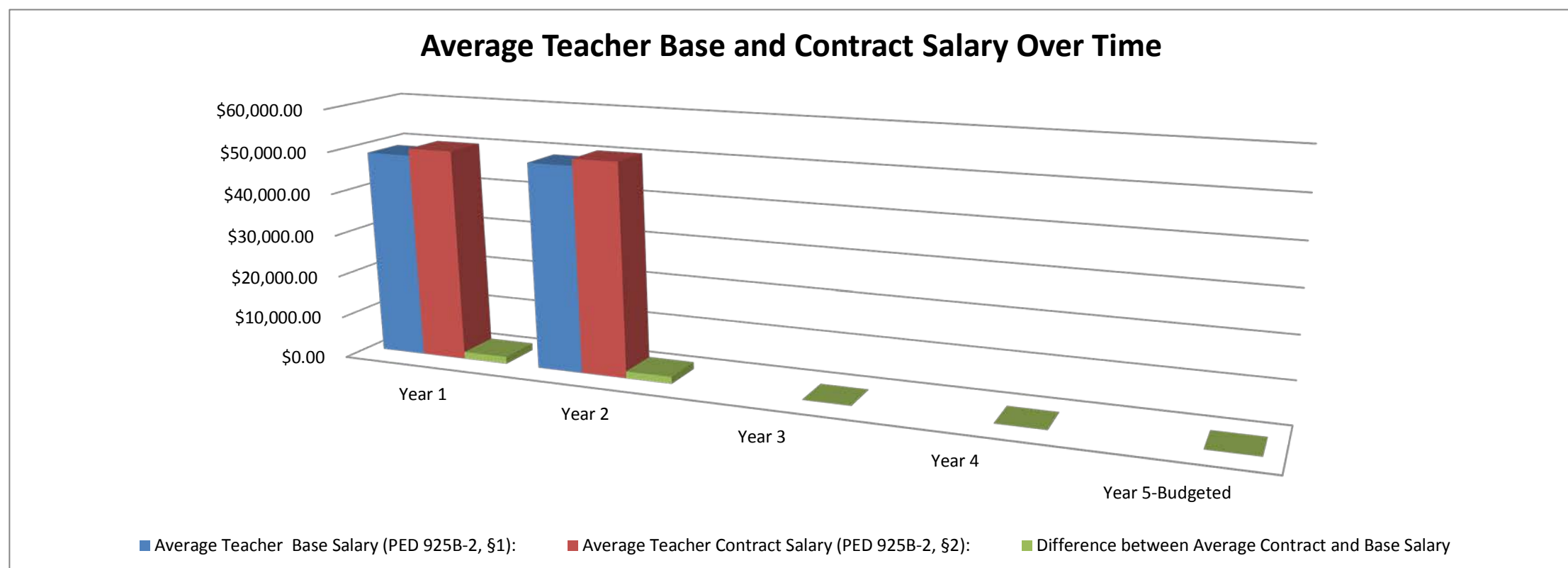
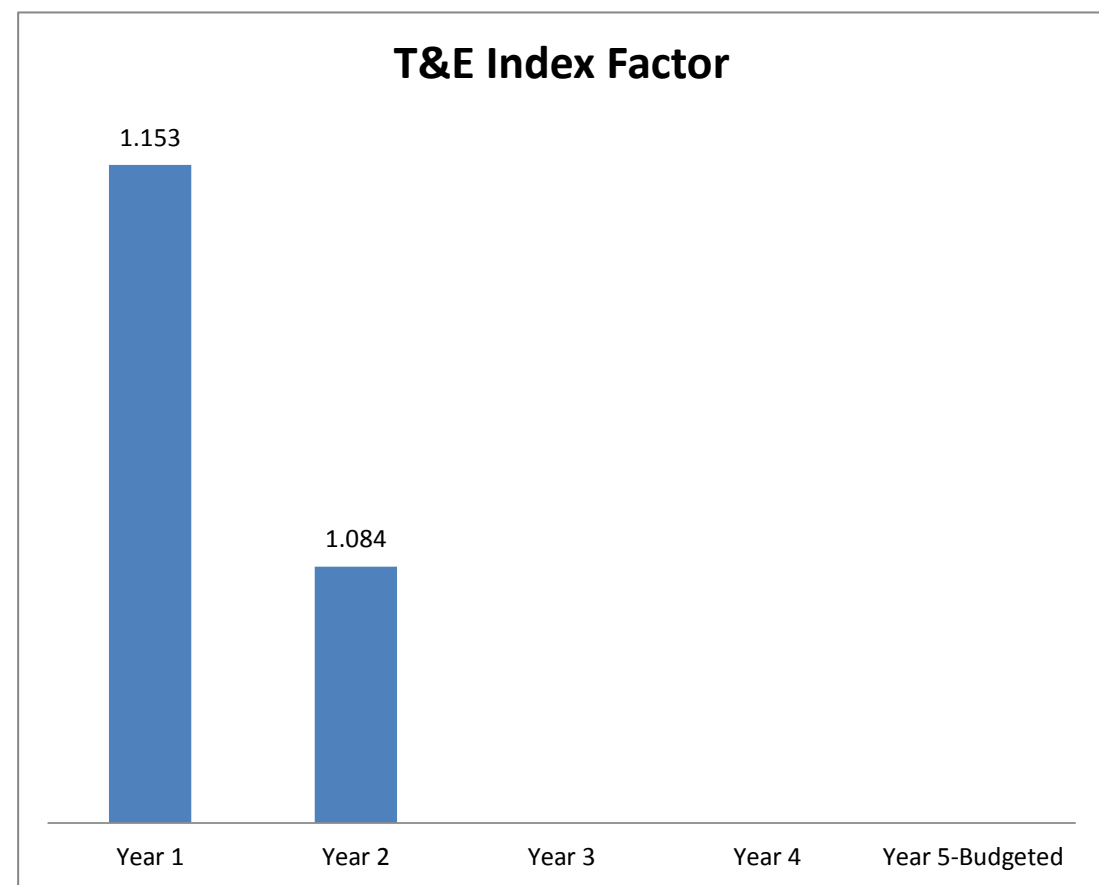
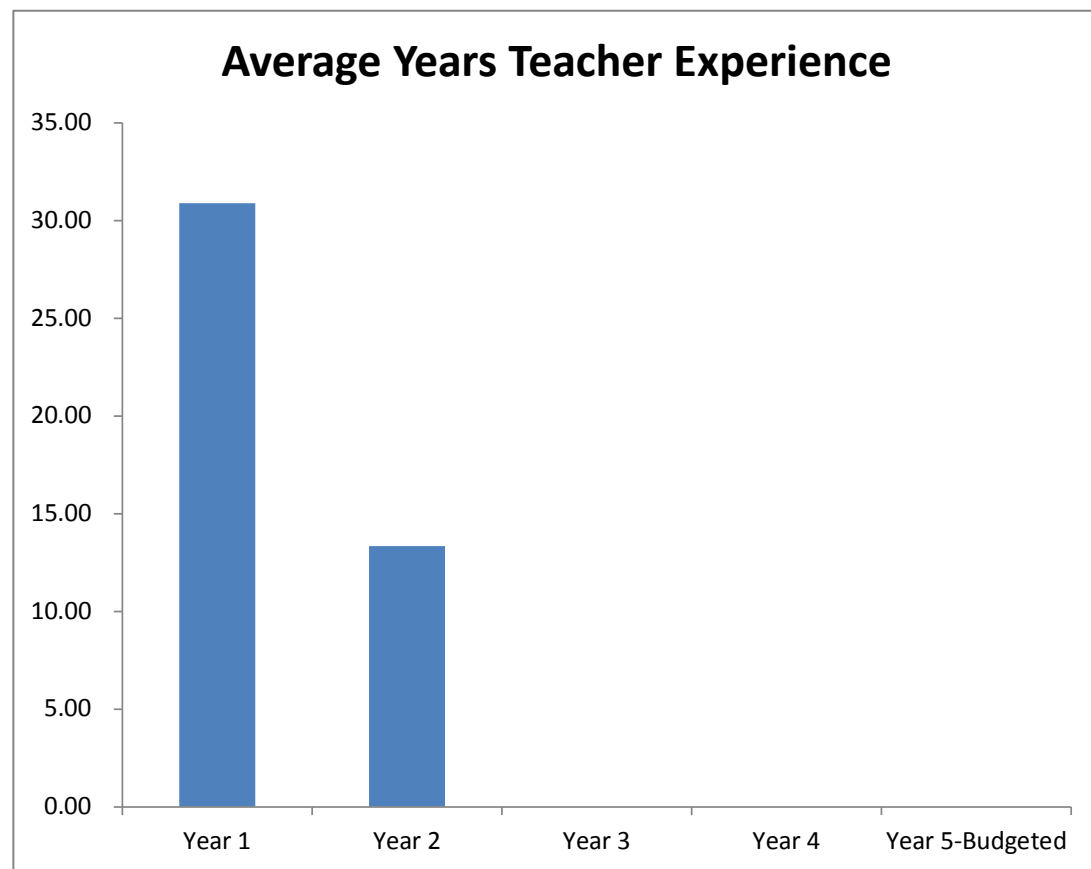


**III. SALARY - Estimated Average Salary Increases**

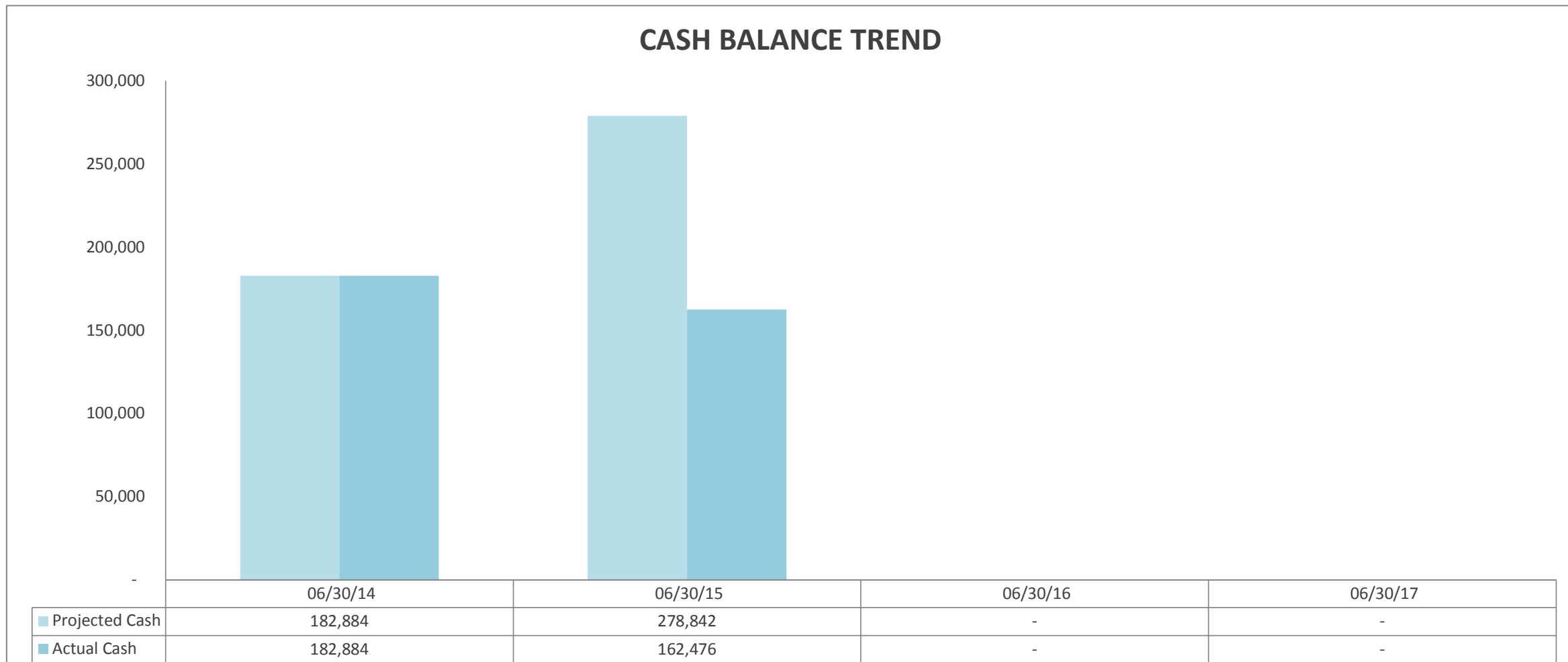
	Year 1	Year 2	Year 3	Year 4	Year 5-Budgeted
Average Teacher Base Salary (PED 925B-2, §1):	\$48,700.00	\$48,983.00			
Average Teacher Contract Salary (PED 925B-2, §2):	\$50,367.00	\$50,650.00			
Difference between Average Contract and Base Salary	\$1,667.00	\$1,667.00	\$0.00	\$0.00	\$0.00
% Average BASE Salary Increase (§1)		0.58%			
% Average Contract Salary Increase (§2)		0.56%			
Average Base Salary Difference from Prior Year		\$283.00	(\$48,983.00)	\$0.00	\$0.00
Average Contract Salary Difference from Prior Year		\$283.00	(\$50,650.00)	\$0.00	\$0.00
Average Years Experience (PED 925B-3)	30.89	13.33			
Average Years Experience Difference from Prior Year		-17.56	-13.33	0	0

**IV. TRAINING & EXPERIENCE**

	Year 1	Year 2	Year 3	Year 4	Year 5-Budgeted
T&E Index Factor Actual	1.153	1.084			
T&E Index Factor Budgeted		1.139			



V. CASH BALANCE REVIEW



- A. i. Explain how actions of the school leadership (administrator and board) have impacted the trend in cash balances over the years above.  
 ii. How has the amount of the cash balance in each year impacted the school's programmatic or capital plans.

*We were warned by our off-site business managerial group, The Vigil Group, that the 2017-2018 year would be lean and so we operated on a very lean budget. As a result, we carried over another \$90,000.00 in cash. The lesson we learned was that we can be comfortable and provide more classroom support that previously planned. This year we have 10 UNM work study students that provide tutoring and teacher support during school hours and after school. Our plan is to provide a reading specialist to support the students that are not proficient in reading and not supported through and IEP.*

B. Operational Cash Comparison

	Year 1	Year 2	Year 3	Year 4	Year 5-Budgeted
4th Quarter Audited Cash	\$182,884.00	\$278,842.00	\$0.00	\$0.00	\$0.00
Estimated OpBud Cash Balance	\$182,884.00	\$162,476.00			
Difference	\$0.00	\$116,366.00	\$0.00	\$0.00	\$0.00
Actual Total Yearly Expenditures	\$0.00	\$1,461,534.62	\$0.00	\$0.00	\$0.00
Budgeted Total Yearly Expenditures		\$1,740,377.00			
Difference	\$0.00	\$278,842.38	\$0.00	\$0.00	\$0.00
% EOY Cash Balance to Total Yearly Expenditures	#DIV/0!	19.08%	#DIV/0!	#DIV/0!	#DIV/0!
% Prior EOY Cash Balance to Yearly Expenditures		12.51%	#DIV/0!	#DIV/0!	#DIV/0!

C. Emergency Reserve:

	Year 1	Year 2	Year 3	Year 4	Year 5-Budgeted
Amount in Approved Operating Budget	\$0	\$0	\$0	\$0	\$0
Restricted Expenditures	\$31,578	\$28,350	\$0	\$0	\$0
Percentage of Operating Expenditures	0.039012882	2%	#DIV/0!	#DIV/0!	#DIV/0!

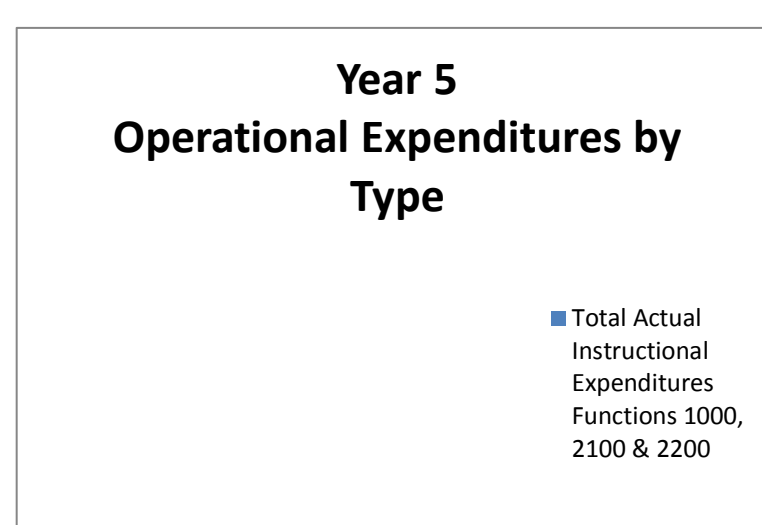
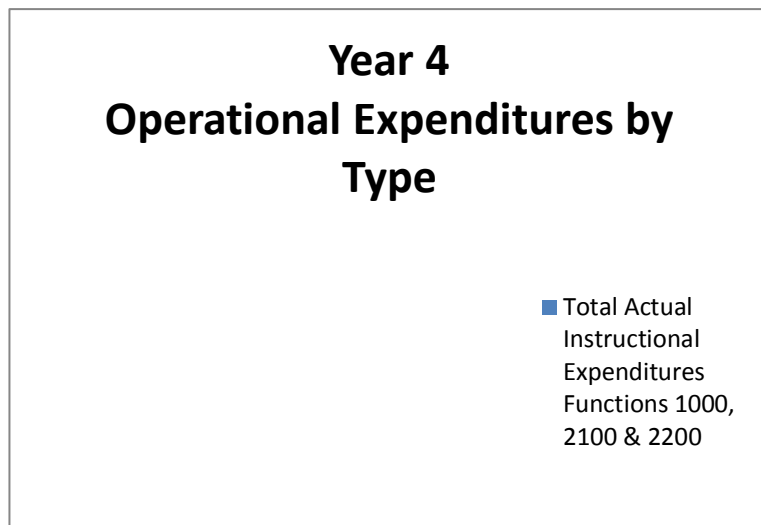
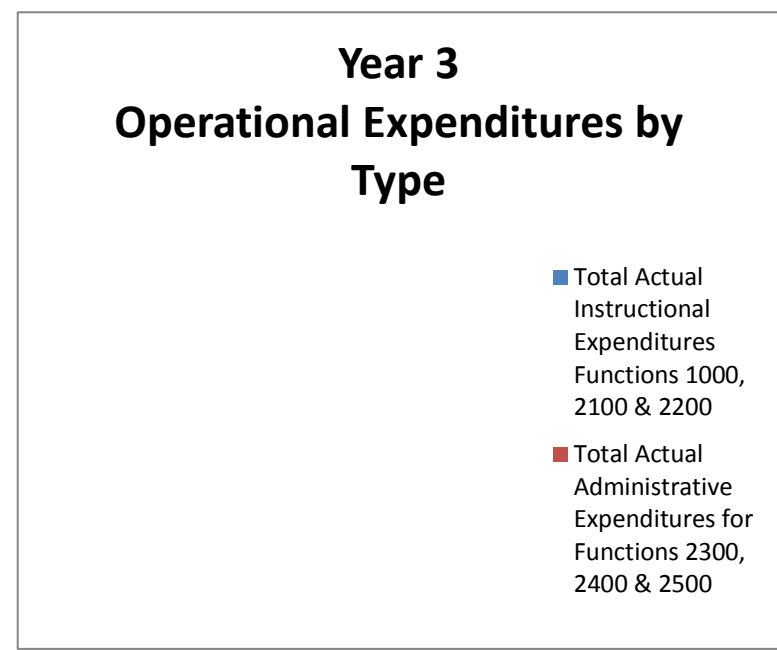
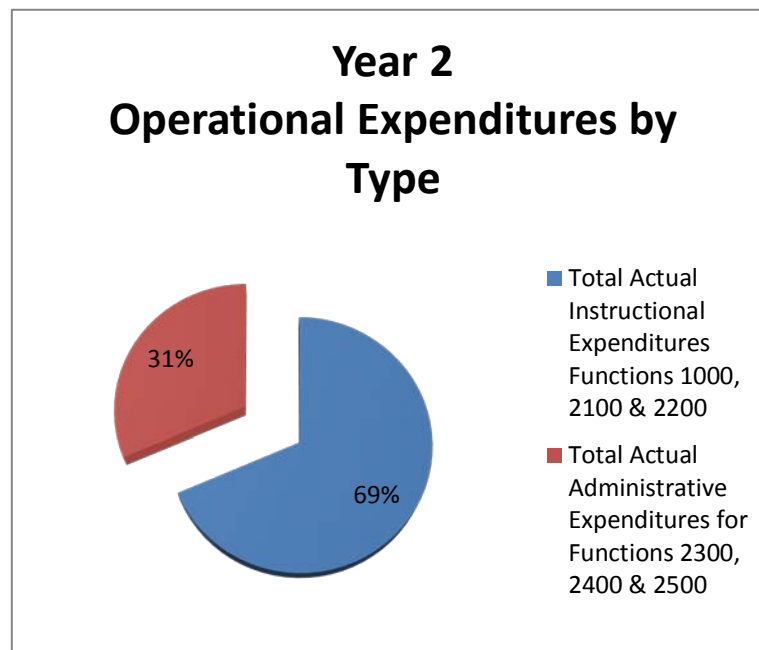
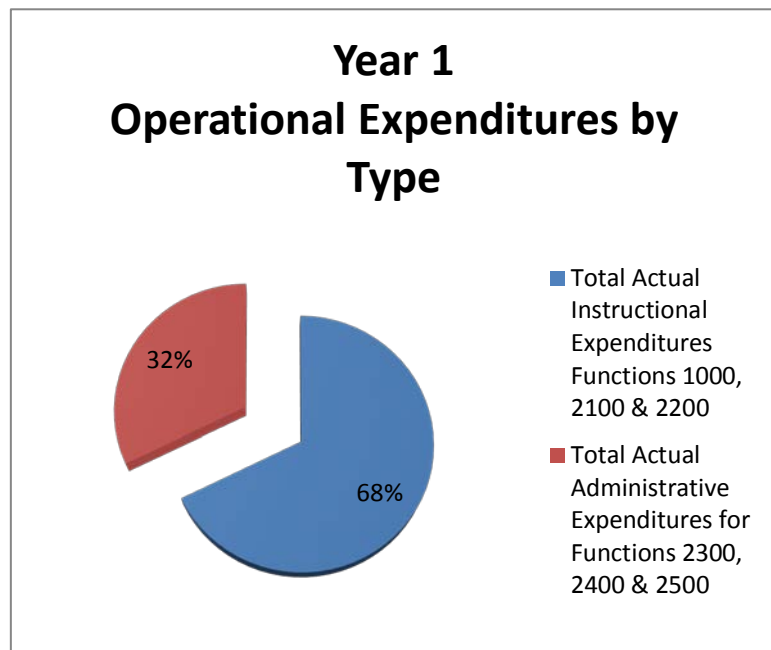
VI. OPERATIONAL FUNCTION VARIANCES:

A. Overall Operational Expenditures

	Year 1	Year 2	Year 3	Year 4	Year 5-Budgeted
Total Actual Operational Expenditures	\$809,424.95	\$1,461,534.62			
Total Budgeted Operational Expenditures	\$993,715.00	\$1,740,377.00			

B. Operational Expenditure by Type

	Year 1	Year 2	Year 3	Year 4	Year 5-Budgeted
<b>Total Actual Instructional Expenditures Functions 1000, 2100 &amp; 2200</b>	\$488,069.24	\$869,386.05			
<b>Total Budgeted Instructional Expenditures Functions 1000, 2100 &amp; 2200</b>	\$544,670.00	\$941,673.00			
<b>Difference</b>	(\$56,600.76)	(\$72,286.95)	\$0.00	\$0.00	\$0.00
<b>% Actual Total Instructional Expenditures to Total Operational Expenditures</b>	60.30%	59.48%	#DIV/0!	#DIV/0!	#DIV/0!
<b>% Budgeted Total Instructional Expenditures to Total Operational Expenditures</b>	54.81%	54.11%	#DIV/0!	#DIV/0!	#DIV/0!
<b>Difference</b>	5.49%	5.38%	#DIV/0!	#DIV/0!	#DIV/0!
<b>Total Actual Administrative Expenditures for Functions 2300, 2400 &amp; 2500</b>	\$231,866.00	\$398,445.87			
<b>Total Budgeted Administrative Expenditures for Functions 2300, 2400 &amp; 2500</b>	\$311,946.00	\$514,596.00			
<b>Difference</b>	(\$80,080.00)	(\$116,150.13)	\$0.00	\$0.00	\$0.00
<b>% Actual Total Instructional Expenditures to Total Operational Expenditures</b>	28.65%	27.26%	#DIV/0!	#DIV/0!	#DIV/0!
<b>% Budgeted Total Instructional Expenditures to Total Operational Expenditures</b>	31.39%	29.57%	#DIV/0!	#DIV/0!	#DIV/0!
<b>Difference</b>	-2.75%	-2.31%	#DIV/0!	#DIV/0!	#DIV/0!





C. Actual Operational Expenditures by Function

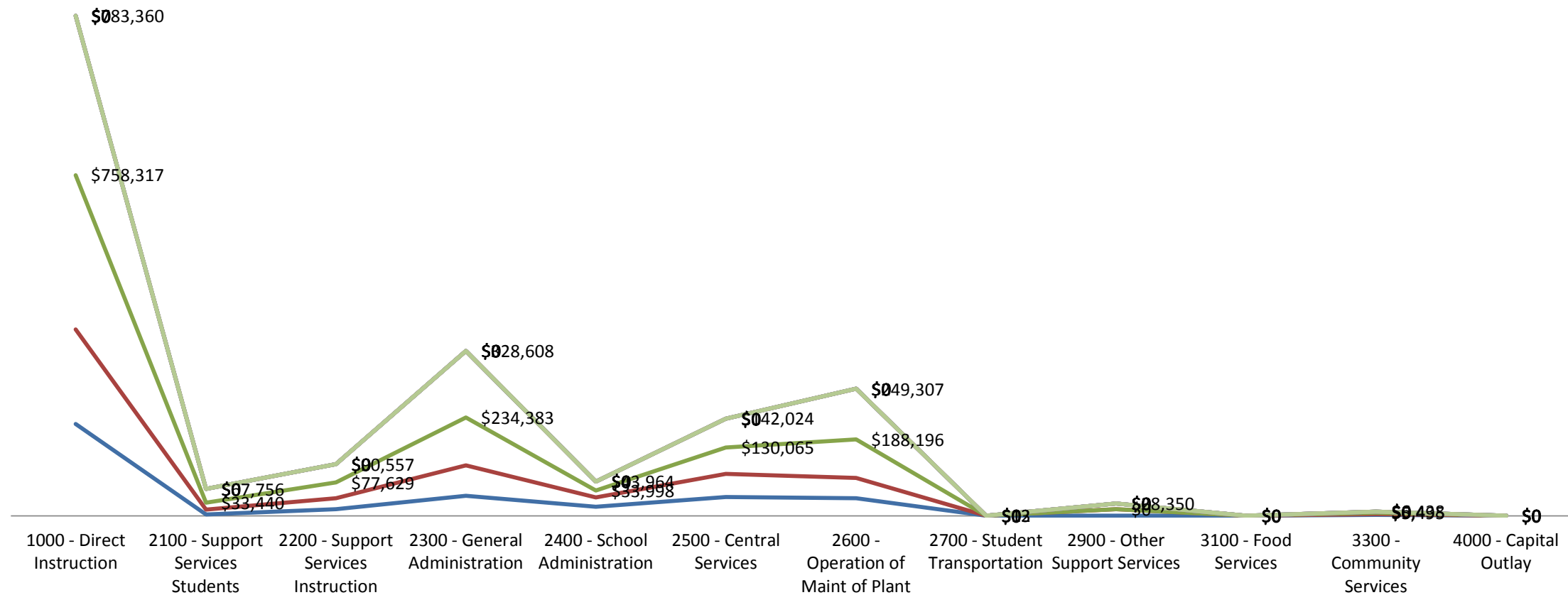
	Year 1	Year 2	Year 3	Year 4
1000 - Direct Instruction	\$451,396	\$758,317	\$0	\$0
2100 - Support Services Students	\$5,119	\$33,440	\$0	\$0
2200 - Support Services Instruction	\$31,555	\$77,629	\$0	\$0
2300 - General Administration	\$97,305	\$234,383	\$0	\$0
2400 - School Administration	\$43,065	\$33,998	\$0	\$0
2500 - Central Services	\$91,496	\$130,065	\$0	\$0
2600 - Operation of Maint of Plant	\$86,377	\$188,196	\$0	\$0
2700 - Student Transportation	\$0	\$12	\$0	\$0
2900 - Other Support Services	\$0	\$0	\$0	\$0
3100 - Food Services	\$0	\$0	\$0	\$0
3300 - Community Services	\$3,113	\$5,495	\$0	\$0
4000 - Capital Outlay	\$0	\$0	\$0	\$0
<b>Totals should equal expenditures above</b>	<b>\$809,425</b>	<b>\$1,461,535</b>	<b>\$0</b>	<b>\$0</b>

C. Budgeted Operational Expenditures by Function

	Year 1	Year 2	Year 3	Year 4	Year 5
1000 - Direct Instruction	\$465,792	\$783,360	\$0	\$0	\$0
2100 - Support Services Students	\$25,110	\$67,756	\$0	\$0	\$0
2200 - Support Services Instruction	\$53,768	\$90,557	\$0	\$0	\$0
2300 - General Administration	\$151,070	\$328,608	\$0	\$0	\$0
2400 - School Administration	\$46,708	\$43,964	\$0	\$0	\$0
2500 - Central Services	\$114,168	\$142,024	\$0	\$0	\$0
2600 - Operation of Maint of Plant	\$100,029	\$249,307	\$0	\$0	\$0
2700 - Student Transportation	\$0	\$13	\$0	\$0	\$0
2900 - Other Support Services	\$31,578	\$28,350	\$0	\$0	\$0
3100 - Food Services	\$0	\$0	\$0	\$0	\$0
3300 - Community Services	\$5,492	\$6,438	\$0	\$0	\$0
4000 - Capital Outlay	\$0	\$0	\$0	\$0	\$0
<b>Totals should equal expenditures above</b>	<b>\$993,715</b>	<b>\$1,740,377</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

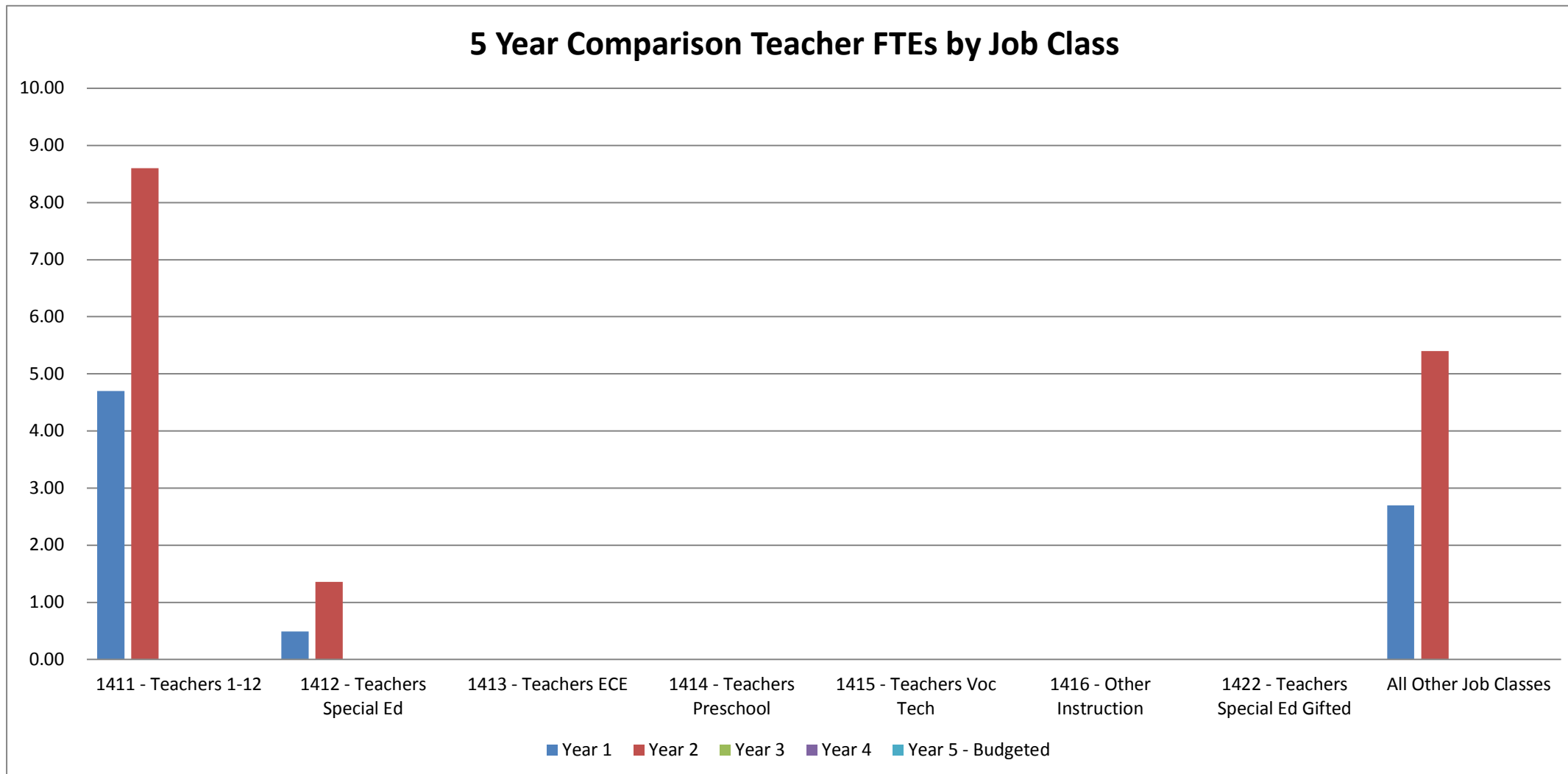
5 Year Comparison of Actual and Budgeted Expenditures by Function

— Year 1 Actual Operational Expenditures   
 — Year 1 Budgeted Operational Expenditures   
 — Year 2 Actual Operational Expenditures  
— Year 2 Budgeted Operational Expenditures   
 — Year 3 Actual Operational Expenditures   
 — Year 3 Budgeted Operational Expenditures  
— Year 4 Actual Operational Expenditures   
 — Year 4 Budgeted Operational Expenditures   
 — Year 5 Budgeted Operational Expenditures



VII. FUND 11000 "OPERATIONAL" FTE COMPARISON

	Year 1	Year 2	Year 3	Year 4	Year 5 - Budgeted
1411 - Teachers 1-12	4.70	8.60			
1412 - Teachers Special Ed	0.49	1.36			
1413 - Teachers ECE					
1414 - Teachers Preschool					
1415 - Teachers Voc Tech					
1416 - Other Instruction					
1422 - Teachers Special Ed Gifted					
All Other Job Classes	2.70	5.40			
<b>Grand Total Fund 11000 FTE</b>	<b>7.89</b>	<b>15.36</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



VIII. SCHOOL CALENDAR

	Year 1	Year 2	Year 3	Year 4	Year 5-Budgeted
Instructional Days	170	170			

IX. SCHOOLS THAT HAVE EARNED A "D" OR LOWER LETTER GRADE

Describe how the school prioritized resources toward proven programs and methods linked to improved student achievement from the time it earned a "D" or "F" until the school earned a grade of C or better for two consecutive years. If the school has not yet earned a grade of C or better for two consecutive years, the narrative must identify current/ongoing actions. CSD will review and evaluate evidence to verify these actions on the site visit.

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CHRISTOPHER N. RUSZKOWSKI  
SECRETARY DESIGNATE OF EDUCATION

SUSANA MARTINEZ  
GOVERNOR

December 18, 2017

Ms. Leah Graham  
Governing Board of Education President  
Southwest Preparatory Learning Center (SPLC)  
4509 Acapulco Dr., NE  
Albuquerque, NM 87111

Dear Ms. Graham:

On August 28, 2014, Public Education Secretary Hanna Skandera suspended the Southwest Preparatory Learning Center's (SPLC's) Board of Education's board of finance authority. I am pleased to inform you that effective January 1, 2018, I am returning board of finance authority to the SPLC Charter School Board.

SPLC finances have improved such that: the Public Education Department (PED) has not implemented any financial improvement actions for a period of six months; all prior financial improvement actions have been completed; the school has a positive cash position in all areas and strong transaction cycles; the school employs a PED issued Level II licensed school business official and preliminary reports regarding the fiscal year 2017 (FY17) audit indicate few or minor issues when the PED's audit is made public.

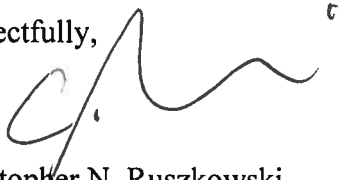
The improvement in your school's financial operations is the result of cooperative efforts by both PED and charter staff over the last three and one half years. Because of their joint diligence, a new financial system is now in place to facilitate appropriate management controls, strengthen board review procedures and improve policy level input regarding district financial activities. Continued progress will require a unified effort by both your board and your charter administration.

During the time PED operated as your fiscal agent, the SPLC Charter School Governing Board continued to exercise its statutorily mandated policy-making and employment roles. These functions positively contributed to the stability of charter operations, and were a necessary precursor to allow work to be completed on financial performance improvement.

Our return of board of finance authority to the SPLC Charter School Governing Board of Education will not diminish our interest in the school's financial activities. The business manager will be required to demonstrate evidence of effectively and efficiently performing at the required level of expertise and shall hold a PED issued Level II Business Manager License for the remainder of the year. The licensed school business manager is required to report to the Head Administrator and work collaboratively with the school's Finance Committee.

As a result of what had already been accomplished together, it is likely that the financial environment will continue to improve. The PED will continue to work with you as a partner to ensure that the charter school perpetuates the positive gains it has made with its finances and ensure the best environment for educating students.

Respectfully,



Christopher N. Ruszkowski  
Secretary Designate, NM Public Education Department

CNR/dc

cc: Robert Pasztor, Head Administrator, Southwest Preparatory Learning Center  
Sean Fry, Business Manager, Southwest Preparatory Learning Center  
Marian K. Rael, Acting Deputy Secretary, Finance and Operations, PED  
David Craig, Director, School Budget & Finance Analysis Bureau, PED  
Pamela Bowker, Deputy Director, School Budget & Finance Analysis Bureau, PED  
Vince Vigil, Budget Analyst, School Budget & Finance Analysis Bureau, PED