



To: MISF Board of Directors
From: Tim Benz and Debbie Kaliszewski
RE: FY20 budget and cash flow assumptions
Date:

Please find below key assumptions that are incorporated into the FY20 budget.

1. Membership – increased revenue based on membership rate of \$4.75/student and minimum rate of \$265 for Associate member and schools with 55 or less students
 - a. New member rate offered at \$3.50/student or \$200 for schools with 55 or less students contingent on remaining for 2nd year at full rate
 - b. Science House estimate based on FY19 participation (opt-in, school paid, neutral budget impact)
2. Program Revenue – decreased, based on actual attendance previous year
3. Development
 - a. Grants
 - i. Restricted
 1. 3M funding reduced to \$50,000
 2. Schott funding increased to \$50,000
 - ii. Unrestricted
 1. RBC funding removed (\$5000)
 2. Increased Honor Fund by \$30,000 000 in unknown revenue
 - b. Sponsorship – decreased by 7% based on previous years actual and anticipated loss of RBC awards sponsorship
4. Salaries and related payroll taxes
 - a. 3% increase for all positions
 - b. Increased part-time position 1 hour/week
5. Health insurance based on actual renewal rates
 - a. Budgeted full cost for all eligible employees
6. Retirement plan contribution unchanged (6% of salary)
7. Consultants – decreased STEM consultant to \$35,000 (reduction of \$10,000)
8. Venue and Food

- a. Decreased School Leadership Conference expenses based on actuals from previous years. Have entered into a two year contract with no costs increases.
- b. Decreased Awards revenue by \$2,000 based on actuals
9. STEM grants decreased to \$100,000 (reduction of \$25,000)
10. Monthly transfer to reserve fund of \$3,000 (cash flow, not budget impact)

Cash flow

1. Included health insurance expenses for all employees, will adjust as year progresses
2. Have not included \$30,000 of unknown revenue from Honor Fund
3. Continue funding reserve at \$3000/month

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Minnesota Independent School Forum
Budget
For the Twelve Months Ending June 30, 2020

| | Budget 2018-19 | | | Budget 2019-20 | | | Variance | | | YTD 4/30/19 Actual 2018-19 | | | Budget 2019-20 | | | Variance | | |
|------------------------------|----------------|-----------------|-----------------|----------------|------------------|------------------|-----------------|-----------------|----------------|-------------------------------|------------------|----------------|------------------|------------------|-----------------|--------------|---------------|-------|
| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
| Revenues | | | | | | | | | | | | | | | | | | |
| Dues | 158,150 | | 158,150 | \$ 165,800 | | 165,800 | 7,650 | 0 | \$ 154,984 | | 154,984 | \$ 165,800 | | 165,800 | 10,816 | | 0 | |
| Grants | 110,000 | 207,500 | 317,500 | 62,000 | 122,000 | 184,000 | (48,000) | (85,500) | 25,000 | 15,000 | 40,000 | 62,000 | 122,000 | 184,000 | 37,000 | 107,000 | | |
| Program Revenue | 43,000 | | 43,000 | 40,000 | | 40,000 | (3,000) | 0 | 32,660 | | 32,660 | 40,000 | | 40,000 | 7,340 | | 0 | |
| Sponsorships | 81,500 | | 81,500 | 80,500 | | 80,500 | (1,000) | 0 | 79,000 | | 79,000 | 80,500 | | 80,500 | 1,500 | | 0 | |
| Honor Fund | 126,823 | | 126,823 | 157,500 | | 157,500 | 30,677 | 0 | 99,919 | 1,100 | 101,019 | 157,500 | | 157,500 | 57,581 | (1,100) | | |
| Other Income | 600 | | 600 | 1,200 | | 1,200 | 600 | 0 | 2,584 | | 2,584 | 1,200 | | 1,200 | (1,384) | | 0 | |
| Net Assets Release | 252,700 | (252,700) | 0 | 231,000 | (231,000) | 0 | (21,700) | 21,700 | 176,742 | (176,742) | 0 | 231,000 | (231,000) | 0 | 54,258 | (54,258) | | |
| Total Revenues | 772,773 | (45,200) | 727,573 | 738,000 | (109,000) | 629,000 | (34,773) | (63,800) | 570,889 | (160,642) | 410,247 | 738,000 | (109,000) | 629,000 | 167,111 | | 51,642 | |
| Expenses | | | | | | | | | | | | | | | | | | |
| Employee Expense | 369,518 | | 369,518 | 379,227 | | 379,227 | 9,709 | 0 | 289,159 | | 289,159 | 379,227 | | 379,227 | 90,068 | | 0 | |
| Fees-Outside Services | 136,100 | | 136,100 | 125,700 | | 125,700 | (10,400) | 0 | 112,382 | | 112,382 | 125,700 | | 125,700 | 13,318 | | 0 | |
| Occupancy | 26,340 | | 26,340 | 26,940 | | 26,940 | 600 | 0 | 22,233 | | 22,233 | 26,940 | | 26,940 | 4,707 | | 0 | |
| Office Expenses | 48,710 | | 48,710 | 44,642 | | 44,642 | (4,068) | 0 | 32,406 | | 32,406 | 44,642 | | 44,642 | 12,236 | | 0 | |
| Interest, Insurance and Fees | 5,190 | | 5,190 | 5,670 | | 5,670 | 480 | 0 | 4,377 | | 4,377 | 5,670 | | 5,670 | 1,293 | | 0 | |
| Direct Program Expense | 186,915 | | 186,915 | 153,791 | | 153,791 | (33,124) | 0 | 73,467 | | 73,467 | 153,791 | | 153,791 | 80,324 | | 0 | |
| Total Expenses | 772,773 | 0 | 772,773 | 735,970 | 0 | 735,970 | (36,803) | 0 | 534,024 | 0 | 534,024 | 735,970 | 0 | 735,970 | 201,946 | | 0 | |
| Net Income | 0 | (45,200) | (45,200) | 2,030 | (109,000) | (106,970) | 2,030 | (63,800) | 36,865 | (160,642) | (123,777) | 2,030 | (109,000) | (106,970) | (34,835) | | 51,642 | |

Minnesota Independent School Forum
Budget
For the Twelve Months Ending June 30, 2020

| | Fiscal Year July 1, 2018-June 30, 2019 | | | Fiscal Year July 1, 2019-June 30, 2020 | | | Variance | Variance | Variance |
|-------------------------------|--|--------------------|-------------------|--|---------------------|-------------------|---------------------|--------------------|--------------------|
| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total | Unrestricted Amount | Restricted Amount | Total Amount |
| Revenues | | | | | | | | | |
| Membership School Dues | \$ 154,650.00 | | \$ 154,650.00 | 162,000.00 | | \$ 162,000.00 | \$ 7,350.00 | \$ - | \$ 7,350.00 |
| Science House Membership | 2,500.00 | | 2,500.00 | 2,500.00 | | 2,500.00 | 0.00 | 0.00 | 0.00 |
| Associate Membership Dues | 1,000.00 | | 1,000.00 | 1,300.00 | | 1,300.00 | 300.00 | 0.00 | 300.00 |
| Grants | 110,000.00 | 207,500.00 | 317,500.00 | 62,000.00 | 122,000.00 | 184,000.00 | (48,000.00) | (85,500.00) | (133,500.00) |
| Program Revenue | 43,000.00 | | 43,000.00 | 40,000.00 | | 40,000.00 | (3,000.00) | 0.00 | (3,000.00) |
| Sponsorships | 81,500.00 | | 81,500.00 | 80,500.00 | | 80,500.00 | (1,000.00) | 0.00 | (1,000.00) |
| Honor Fund | 126,823.00 | | 126,823.00 | 157,500.00 | | 157,500.00 | 30,677.00 | 0.00 | 30,677.00 |
| Interest Income | 600.00 | | 600.00 | 1,200.00 | | 1,200.00 | 600.00 | 0.00 | 600.00 |
| Net Assets Release | 252,700.00 | (252,700.00) | 0.00 | 231,000.00 | (231,000.00) | 0.00 | (21,700.00) | 21,700.00 | 0.00 |
| Total Revenues | 772,773.00 | (45,200.00) | 727,573.00 | 738,000.00 | (109,000.00) | 629,000.00 | (34,773.00) | (63,800.00) | (98,573.00) |
| Expenses | | | | | | | | | |
| Salaries | 285,546.00 | | 285,546.00 | 293,904.00 | | 293,904.00 | 8,358.00 | | 8,358.00 |
| Payroll Taxes | 21,831.00 | | 21,831.00 | 22,488.00 | | 22,488.00 | 657.00 | | 657.00 |
| Unemployment Taxes | 3,749.00 | | 3,749.00 | 3,854.00 | | 3,854.00 | 105.00 | | 105.00 |
| Health Insurance | 23,922.00 | | 23,922.00 | 25,620.00 | | 25,620.00 | 1,698.00 | | 1,698.00 |
| Life, Disability, Wrkmns Comp | 10,824.00 | | 10,824.00 | 10,572.00 | | 10,572.00 | (252.00) | | (252.00) |
| Pension Plan Benefits | 17,128.00 | | 17,128.00 | 17,640.00 | | 17,640.00 | 512.00 | | 512.00 |
| Pension Plan Expenses | 1,900.00 | | 1,900.00 | 2,000.00 | | 2,000.00 | 100.00 | | 100.00 |
| Staff Development | 4,620.00 | | 4,620.00 | 3,150.00 | | 3,150.00 | (1,470.00) | | (1,470.00) |
| Consultants | 121,600.00 | | 121,600.00 | 111,200.00 | | 111,200.00 | (10,400.00) | | (10,400.00) |
| Accounting Service & Payroll | 2,300.00 | | 2,300.00 | 2,300.00 | | 2,300.00 | 0.00 | | 0.00 |
| Audit | 12,200.00 | | 12,200.00 | 12,200.00 | | 12,200.00 | 0.00 | | 0.00 |
| Rent and Utilities | 20,220.00 | | 20,220.00 | 20,460.00 | | 20,460.00 | 240.00 | | 240.00 |
| Contract Parking | 6,120.00 | | 6,120.00 | 6,480.00 | | 6,480.00 | 360.00 | | 360.00 |
| Telephone | 4,500.00 | | 4,500.00 | 3,300.00 | | 3,300.00 | (1,200.00) | | (1,200.00) |
| Office Supplies | 1,600.00 | | 1,600.00 | 1,600.00 | | 1,600.00 | 0.00 | | 0.00 |
| Postage | 1,305.00 | | 1,305.00 | 1,400.00 | | 1,400.00 | 95.00 | | 95.00 |
| Equipment Service Contracts | 1,380.00 | | 1,380.00 | 1,380.00 | | 1,380.00 | 0.00 | | 0.00 |
| Equipment Lease | 3,900.00 | | 3,900.00 | 3,900.00 | | 3,900.00 | 0.00 | | 0.00 |
| Computer Software & Services | 15,268.00 | | 15,268.00 | 15,400.00 | | 15,400.00 | 132.00 | | 132.00 |
| Depreciation | 3,100.00 | | 3,100.00 | 2,735.00 | | 2,735.00 | (365.00) | | (365.00) |

Minnesota Independent School Forum
Budget
For the Twelve Months Ending June 30, 2020

| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total | Variance Unrestricted Amount | Variance Restricted Amount | Variance Total Amount |
|-------------------------------|---------------------|--------------------|--------------------|---------------------|---------------------|---------------------|---|---|--------------------------------------|
| Meetings | 1,525.00 | | 1,525.00 | 1,525.00 | | 1,525.00 | 0.00 | | 0.00 |
| Subscription, Dues, Mbrshp | 7,665.00 | | 7,665.00 | 5,435.00 | | 5,435.00 | (2,230.00) | | (2,230.00) |
| Constituency Development | 3,940.00 | | 3,940.00 | 3,940.00 | | 3,940.00 | 0.00 | | 0.00 |
| Mileage and Parking | 4,525.00 | | 4,525.00 | 4,025.00 | | 4,025.00 | (500.00) | | (500.00) |
| Paypal and Merchant Fees | 2,940.00 | | 2,940.00 | 2,700.00 | | 2,700.00 | (240.00) | | (240.00) |
| Bank Charges | 180.00 | | 180.00 | 180.00 | | 180.00 | 0.00 | | 0.00 |
| Interest Expense | 0.00 | | 0.00 | 0.00 | | 0.00 | 0.00 | | 0.00 |
| Corporate Insurance | 2,070.00 | | 2,070.00 | 2,070.00 | | 2,070.00 | 0.00 | | 0.00 |
| Unrelated Business Income Tax | 0.00 | | 0.00 | 720.00 | | 720.00 | 720.00 | | 720.00 |
| Printing | 3,750.00 | | 3,750.00 | 3,750.00 | | 3,750.00 | 0.00 | | 0.00 |
| Marketing/PR | 2,115.00 | | 2,115.00 | 2,890.00 | | 2,890.00 | 775.00 | | 775.00 |
| Materials | 2,550.00 | | 2,550.00 | 3,150.00 | | 3,150.00 | 600.00 | | 600.00 |
| Venue and Food | 53,500.00 | | 53,500.00 | 44,000.00 | | 44,000.00 | (9,500.00) | | (9,500.00) |
| School Grants/Scholarships | 125,000.00 | | 125,000.00 | 100,000.00 | | 100,000.00 | (25,000.00) | | (25,000.00) |
| Total Expenses | 772,773.00 | 0.00 | 772,773.00 | 735,968.00 | 0.00 | 735,968.00 | (36,805.00) | | (36,805.00) |
| Net Income | 0.00 | (45,200.00) | (45,200.00) | 2,032.00 | (109,000.00) | (106,968.00) | 2,032.00 | (63,800.00) | (61,768.00) |

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Budget
For the Twelve Months Ending June 30, 2020

| | Unrestricted | Restricted | Total |
|--------------------------------|-------------------|-----------------------|-----------------------|
| Revenues | | | |
| Membership School Dues | 162,000.00 | | \$ 162,000.00 |
| Science House Membership | 2,500.00 | | 2,500.00 |
| Associate Membership Dues | 1,300.00 | | 1,300.00 |
| Grants | 62,000.00 | 122,000.00 | 184,000.00 |
| Program Revenue | 40,000.00 | | 40,000.00 |
| Sponsorships | 80,500.00 | | 80,500.00 |
| Honor Fund | 157,500.00 | | 157,500.00 |
| Interest Income | 1,200.00 | | 1,200.00 |
| Net Assets Release | 231,000.00 | (231,000.00) | 0.00 |
| Total Revenues | <u>738,000.00</u> | <u>(109,000.00)</u> | <u>629,000.00</u> |
| Expenses | | | |
| Salaries | 293,904.00 | | 293,904.00 |
| Payroll Taxes | 22,488.00 | | 22,488.00 |
| Unemployment Taxes | 3,854.00 | | 3,854.00 |
| Health Insurance | 25,620.00 | | 25,620.00 |
| Life, Disability, Wrkmns Comp | 10,572.00 | | 10,572.00 |
| Pension Plan Benefits | 17,640.00 | | 17,640.00 |
| Pension Plan Expenses | 2,000.00 | | 2,000.00 |
| Staff Development | 3,150.00 | | 3,150.00 |
| Consultants | 111,200.00 | | 111,200.00 |
| Accounting Service and Payroll | 2,300.00 | | 2,300.00 |
| Audit | 12,200.00 | | 12,200.00 |
| Rent and Utilities | 20,460.00 | | 20,460.00 |
| Contract Parking | 6,480.00 | | 6,480.00 |
| Telephone | 3,300.00 | | 3,300.00 |
| Office Supplies | 1,600.00 | | 1,600.00 |
| Postage | 1,400.00 | | 1,400.00 |
| Equipment Service Contracts | 1,380.00 | | 1,380.00 |
| Equipment Lease | 3,900.00 | | 3,900.00 |
| Computer Software and Services | 15,400.00 | | 15,400.00 |
| Depreciation | 2,735.00 | | 2,735.00 |
| Meetings | 1,525.00 | | 1,525.00 |
| Subscription, Dues, Membership | 5,435.00 | | 5,435.00 |
| Constituency Development | 3,940.00 | | 3,940.00 |
| Mileage and Parking | 4,025.00 | | 4,025.00 |
| Paypal and Merchant Fees | 2,700.00 | | 2,700.00 |
| Bank Charges | 180.00 | | 180.00 |
| Interest Expense | 0.00 | | 0.00 |
| Corporate Insurance | 2,070.00 | | 2,070.00 |
| Unrelated Business Income Tax | 720.00 | | 720.00 |
| Printing | 3,750.00 | | 3,750.00 |
| Marketing/PR | 2,890.00 | | 2,890.00 |
| Materials | 3,150.00 | | 3,150.00 |
| Venue and Food | 44,000.00 | | 44,000.00 |
| School Grants/Scholarships | 100,000.00 | | 100,000.00 |
| Total Expenses | <u>735,968.00</u> | <u>0.00</u> | <u>735,968.00</u> |
| Net Income | <u>\$2,032.00</u> | <u>(\$109,000.00)</u> | <u>(\$106,968.00)</u> |

| | | | | | | | | | |
|--|--------------|------------|------------|-------------|-------------|-------------|--------------|-------------|--------------|
| Sub-total expenses | 243,026.50 | 71,945.95 | 37,398.65 | 51,248.65 | 56,228.65 | 45,872.30 | 230,247.30 | 0.00 | 735,968.00 |
| Administration Expense Allocation | | | | | | | | | |
| individual program expense % | n/a | 0.15 | 0.08 | 0.10 | 0.11 | 0.09 | 0.47 | | 1.00 |
| Indirect Expenses Allocation | (243,026.50) | 35,470.28 | 18,438.02 | 25,266.24 | 27,721.45 | 22,615.63 | 113,514.88 | | |
| Total Expenses + administration exp. allocation | | 107,416.23 | 55,836.67 | 76,514.89 | 83,950.10 | 68,487.93 | 343,762.18 | 0.00 | 735,968.00 |
| Fundraising Expense Allocation | | | | | | | | | |
| Total program income | | 407,300.00 | 407,300.00 | 407,300.00 | 407,300.00 | | 407,300.00 | | |
| individual program income % of total income | | 0.42 | 0.14 | 0.10 | 0.00 | | 0.35 | | 1.00 |
| % of total income applied to fundraising expense | | 28,636.13 | 9,248.31 | 6,641.97 | 0.00 | (68,487.93) | 23,961.53 | | |
| Total Expenses + administrati | 0.00 | 136,052.36 | 65,084.97 | 83,156.86 | 83,950.10 | 0.00 | 367,723.71 | 0.00 | 735,968.00 |
| Excess (deficit) of revenue | 1,200.00 | 62,883.77 | (836.67) | (37,014.89) | (83,950.10) | 152,012.07 | (201,262.18) | 0.00 | (106,968.00) |
| Balance Sheet Items | | | | | | | | | |
| Operating Reserve | | | | | | | | 36,000.00 | 36,000.00 |
| Excess (deficit) of revenue | 1,200.00 | 62,883.77 | (836.67) | (37,014.89) | (83,950.10) | 152,012.07 | (201,262.18) | (36,000.00) | (142,968.00) |