



To: MISF Board of Directors

From: Tim Benz and Debbie Kaliszewski

RE: FY21 budget and cash flow assumptions

Date: 6/2/2020

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Please find below key assumptions that are incorporated into the FY21 budget.

1. Membership – revenue decreased 4% based on expected drop in school enrollment
  - a. Membership invoicing reflects previous year enrollment. Anticipate schools to ask for relief or adjustment based on actual enrollment
  - b. \$4.75/student and minimum rate of \$265 for Associate member and schools with 55 or less students
  - c. New member rate offered at \$3.50/student or \$200 for schools with 55 or less students contingent on remaining for 2<sup>nd</sup> year at full rate
  - d. Science House estimate based on FY20 participation (opt-in, school paid, neutral budget impact)
2. Development
  - a. Grants
    - i. Restricted
      1. 3M funding increased to \$60,000
      2. Schott funding increased to \$50,000
    - ii. Unrestricted
      1. Xcel grant moved to unrestricted, but plan to use for STEM
      2. Created a new line for trusts and moved Helen Harrington out of honor fund into here
  - b. Sponsorship
    - i. We had collected \$47,750 for the Awards Event in April 2020. This amount was deferred for the Awards Event to be held in November.
    - ii. Decreased sponsorships by 50% for STEM conference since it is to be held virtually

- iii. School Leadership Conference planning underway, uncertain if in-person conference will be possible. Would effect program and sponsorship revenue
- 3. Salaries and related payroll taxes
  - a. 3% increase for all positions
- 4. Health insurance based on actual renewal rates
  - a. Budgeted full cost for all eligible employees
- 5. Retirement plan contribution unchanged (6% of salary)
- 6. Consultants
  - a. Decreased STEM consultant 47%
  - b. Dropped Bakken program
- 7. Venue and Food
  - a. Increased for net effect of two Awards Events and holding STEM conference virtually

#### Cash flow

- 1. Included health insurance expenses for all employees, will adjust as year progresses
- 2. Continued funding reserve at \$3000/month
- 3. New computers based on quote received from IT consultant, \$5,200
- 4. Rent and parking based on current expenses. Anticipate reduction based on new location.

Minnesota Independent School Forum  
Budget  
For the Twelve Months Ending June 30, 2021

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues</b>			
Membership School Dues	155,000.00		\$ 155,000.00
Science House Membership	1,000.00		1,000.00
Associate Membership Dues	1,300.00		1,300.00
Grants	117,000.00	110,000.00	227,000.00
Program Revenue	42,000.00		42,000.00
Sponsorships	126,500.00		126,500.00
Honor Fund	79,500.00		79,500.00
Trusts	43,000.00		43,000.00
Interest Income	800.00		800.00
Net Assets Released from Restriction	207,000.00	(207,000.00)	0.00
 Total Revenues	 <u>773,100.00</u>	 <u>(97,000.00)</u>	 <u>676,100.00</u>
 <b>Expenses</b>			
Salaries	303,256.00		303,256.00
Payroll Taxes	23,199.00		23,199.00
Unemployment Taxes	4,739.00		4,739.00
Health Insurance	26,980.00		26,980.00
Life, Disability, Wrkmns Comp	11,290.00		11,290.00
Pension Plan Benefits	18,195.00		18,195.00
Pension Plan Expenses	2,000.00		2,000.00
Staff Development	4,450.00		4,450.00
Consultants	89,150.00		89,150.00
Accounting Service and Payroll	2,300.00		2,300.00
Audit	14,000.00		14,000.00
Rent and Utilities	21,700.00		21,700.00
Contract Parking	6,840.00		6,840.00
Telephone	3,480.00		3,480.00
Office Supplies	1,600.00		1,600.00
Postage	1,400.00		1,400.00
Equipment Service Contracts	1,260.00		1,260.00
Equipment Lease	3,900.00		3,900.00
Computer Software and Services	17,750.00		17,750.00
Depreciation	2,700.00		2,700.00
Meetings	1,400.00		1,400.00
Subscription, Dues, Membership	3,720.00		3,720.00
Constituency Development	2,760.00		2,760.00
Mileage and Parking	3,925.00		3,925.00
Paypal and Merchant Fees	1,260.00		1,260.00
Bank Charges	240.00		240.00
Interest Expense	0.00		0.00
Corporate Insurance	1,980.00		1,980.00
Printing	4,700.00		4,700.00
Marketing/PR	2,890.00		2,890.00
Materials	3,750.00		3,750.00
Venue and Food	46,500.00		46,500.00
School Grants/Scholarships	100,000.00		100,000.00
 Total Expenses	 <u>733,314.00</u>	 <u>0.00</u>	 <u>733,314.00</u>
 Net Income	 <u>\$39,786.00</u>	 <u>(\$97,000.00)</u>	 <u>(\$57,214.00)</u>

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Two Year Budget Comparison  
For the Twelve Months Ending June 30, 2021

	Fiscal Year July 1, 2019-June 30, 2020			Fiscal Year July 1, 2020-June 30, 2021			Variance Unrestricted Amount	Variance Restricted Amount	Variance Total Amount
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total			
<b>Revenues</b>									
Membership School Dues	162,000.00		\$ 162,000.00	155,000.00		\$ 155,000.00	\$ (7,000.00)	\$ -	\$ (7,000.00)
Science House Membership	2,500.00		2,500.00	1,000.00		1,000.00	(1,500.00)	0.00	(1,500.00)
Associate Membership Dues	1,300.00		1,300.00	1,300.00		1,300.00	0.00	0.00	0.00
Grants	62,000.00	122,000.00	184,000.00	117,000.00	110,000.00	227,000.00	55,000.00	(12,000.00)	43,000.00
Program Revenue	40,000.00		40,000.00	42,000.00		42,000.00	2,000.00	0.00	2,000.00
Sponsorships	80,500.00		80,500.00	126,500.00		126,500.00	46,000.00	0.00	46,000.00
Honor Fund	157,500.00		157,500.00	79,500.00		79,500.00	(78,000.00)	0.00	(78,000.00)
Trusts	0.00		0.00	43,000.00		43,000.00	43,000.00	0.00	43,000.00
Interest Income	1,200.00		1,200.00	800.00		800.00	(400.00)	0.00	(400.00)
Net Assets Release	231,000.00	(231,000.00)	0.00	207,000.00	(207,000.00)	0.00	(24,000.00)	24,000.00	0.00
<b>Total Revenues</b>	<b>738,000.00</b>	<b>(109,000.00)</b>	<b>629,000.00</b>	<b>773,100.00</b>	<b>(97,000.00)</b>	<b>676,100.00</b>	<b>35,100.00</b>	<b>12,000.00</b>	<b>47,100.00</b>
<b>Expenses</b>									
Salaries	293,904.00		293,904.00	303,256.00		303,256.00	9,352.00		9,352.00
Payroll Taxes	22,488.00		22,488.00	23,199.00		23,199.00	711.00		711.00
Unemployment Taxes	3,854.00		3,854.00	4,739.00		4,739.00	885.00		885.00
Health Insurance	25,620.00		25,620.00	26,980.00		26,980.00	1,360.00		1,360.00
Life, Disability, Wrkmns Comp	10,572.00		10,572.00	11,290.00		11,290.00	718.00		718.00
Pension Plan Benefits	17,640.00		17,640.00	18,195.00		18,195.00	555.00		555.00
Pension Plan Expenses	2,000.00		2,000.00	2,000.00		2,000.00	0.00		0.00
Staff Development	3,150.00		3,150.00	4,450.00		4,450.00	1,300.00		1,300.00
Consultants	111,200.00		111,200.00	89,150.00		89,150.00	(22,050.00)		(22,050.00)
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	14,000.00		14,000.00	1,800.00		1,800.00
Rent and Utilities	20,460.00		20,460.00	21,700.00		21,700.00	1,240.00		1,240.00
Contract Parking	6,480.00		6,480.00	6,840.00		6,840.00	360.00		360.00
Telephone	3,300.00		3,300.00	3,480.00		3,480.00	180.00		180.00
Office Supplies	1,600.00		1,600.00	1,600.00		1,600.00	0.00		0.00
Postage	1,400.00		1,400.00	1,400.00		1,400.00	0.00		0.00
Equipment Service Contracts	1,380.00		1,380.00	1,260.00		1,260.00	(120.00)		(120.00)
Equipment Lease	3,900.00		3,900.00	3,900.00		3,900.00	0.00		0.00
Computer Software & Services	15,400.00		15,400.00	17,750.00		17,750.00	2,350.00		2,350.00

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Two Year Budget Comparison  
For the Twelve Months Ending June 30, 2021

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Variance Unrestricted Amount</b>	<b>Variance Restricted Amount</b>	<b>Variance Total Amount</b>
Depreciation	2,735.00		2,735.00	2,700.00		2,700.00	(35.00)		(35.00)
Meetings	1,525.00		1,525.00	1,400.00		1,400.00	(125.00)		(125.00)
Subscription, Dues, Mbrshp	5,435.00		5,435.00	3,720.00		3,720.00	(1,715.00)		(1,715.00)
Constituency Development	3,940.00		3,940.00	2,760.00		2,760.00	(1,180.00)		(1,180.00)
Mileage and Parking	4,025.00		4,025.00	3,925.00		3,925.00	(100.00)		(100.00)
Paypal and Merchant Fees	2,700.00		2,700.00	1,260.00		1,260.00	(1,440.00)		(1,440.00)
Bank Charges	180.00		180.00	240.00		240.00	60.00		60.00
Interest Expense	0.00		0.00	0.00		0.00	0.00		0.00
Corporate Insurance	2,070.00		2,070.00	1,980.00		1,980.00	(90.00)		(90.00)
Unrelated Business Income Tax	720.00		720.00	0.00		0.00	(720.00)		(720.00)
Printing	3,750.00		3,750.00	4,700.00		4,700.00	950.00		950.00
Marketing/PR	2,890.00		2,890.00	2,890.00		2,890.00	0.00		0.00
Materials	3,150.00		3,150.00	3,750.00		3,750.00	600.00		600.00
Venue and Food	44,000.00		44,000.00	46,500.00		46,500.00	2,500.00		2,500.00
School Grants/Scholarships	100,000.00		100,000.00	100,000.00		100,000.00	0.00		0.00
<b>Total Expenses</b>	<b>735,968.00</b>	<b>0.00</b>	<b>735,968.00</b>	<b>733,314.00</b>	<b>0.00</b>	<b>733,314.00</b>	<b>(2,654.00)</b>		<b>(2,654.00)</b>
<b>Net Income</b>	<b>2,032.00</b>	<b>(109,000.00)</b>	<b>(106,968.00)</b>	<b>39,786.00</b>	<b>(97,000.00)</b>	<b>(57,214.00)</b>	<b>37,754.00</b>	<b>12,000.00</b>	<b>49,754.00</b>

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Budget Comparisons  
For the Twelve Months Ending June 30, 2021

	Budget 2019-20			Budget 2020-21			Variance	
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions
Revenues								
Dues	165,800		165,800	157,300		157,300	(8,500)	0
Grants	62,000	122,000	184,000	117,000	110,000	227,000	55,000	(12,000)
Program Revenue	40,000		40,000	42,000		42,000	2,000	0
Sponsorships	80,500		80,500	126,500		126,500	46,000	0
Honor Fund	157,500		157,500	122,500		122,500	(35,000)	0
Other Income	1,200		1,200	800		800	(400)	0
Net Assets Release	231,000	(231,000)	0	207,000	(207,000)	0	(24,000)	24,000
<b>Total Revenues</b>	<b>738,000</b>	<b>(109,000)</b>	<b>629,000</b>	<b>773,100</b>	<b>(97,000)</b>	<b>676,100</b>	<b>35,100</b>	<b>12,000</b>
Expenses								
Employee Expense	379,227		379,227	394,116		394,116	14,889	
Fees-Outside Services	125,700		125,700	105,450		105,450	(20,250)	
Occupancy	26,940		26,940	28,540		28,540	1,600	
Office Expenses	44,642		44,642	43,899		43,899	(743)	
Interest, Insurance and Fees	5,670		5,670	3,480		3,480	(2,190)	
Direct Program Expense	153,791		153,791	157,841		157,841	4,050	
<b>Total Expenses</b>	<b>735,970</b>	<b>0</b>	<b>735,970</b>	<b>733,326</b>	<b>0</b>	<b>733,326</b>	<b>(2,644)</b>	<b>0</b>
<b>Net Income</b>	<b>2,030</b>	<b>(109,000)</b>	<b>(106,970)</b>	<b>39,774</b>	<b>(97,000)</b>	<b>(57,226)</b>	<b>37,744</b>	<b>12,000</b>

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 Budget Comparisons  
 For the Twelve Months Ending June 30, 2021

Actual YTD 4/30/20			Budget 2020-21			Variance	
Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions
161,562		161,562	157,300		157,300	(4,262)	0
85,000	210,000	295,000	117,000	110,000	227,000	32,000	(100,000)
32,150		32,150	42,000		42,000	9,850	0
32,850		32,850	126,500		126,500	93,650	0
103,054		103,054	122,500		122,500	19,446	0
913		913	800		800	(113)	0
250,926	(250,926)	0	207,000	(207,000)	0	(43,926)	43,926
666,455	(40,926)	625,529	773,100	(97,000)	676,100	106,645	(56,074)
298,590		298,590	394,116		394,116	95,526	0
81,928		81,928	105,450		105,450	23,522	0
24,658		24,658	28,540		28,540	3,882	0
29,739		29,739	43,899		43,899	14,160	0
3,852		3,852	3,480		3,480	(372)	0
166,735		166,735	157,841		157,841	(8,894)	0
605,502	0	605,502	733,326	0	733,326	127,824	0
60,953	(40,926)	20,027	39,774	(97,000)	(57,226)	(21,179)	(56,074)