



ARKANSAS
ARTS ACADEMY
Aspire. Achieve. Advance.

July 8, 2016

1. Call to order
2. Establish quorum/Roll Call
3. Pledge of Allegiance
4. Comments from the Public
5. Consent Agenda
 - Approve minutes from February, Regular School Board Meeting
 - Approve February Financial Report
 - Enrollment Report – Lottery Data
6. New Business
 - Board Officer Elections
 - Principal Board Report – Matt Young (K8) Barb Padgett(HS)
 - Technology Report and Board Approval on report items – Conner Dohse
 - Facility Funding Use/ Benefits – Nathalie Brunell
 - Board Elections – Spring 2016
7. Discussion of items since publication of the agenda
8. Personnel: Hiring/Renewal/Promotion/Demotion/Transfer/Non-Renewal/Termination)
9. Adjournment
10. Upcoming Events

Memorandum

To: Board of Education and Mary Ley
From: Nathalie Brunell, CPA
Date: July 5, 2016
RE: Financial Report for the Period Ending June 30, 2016

Overall

The financial statements reflect 100% of the year completed.

The Academy's cash balance at June 30, 2016 is \$1,568,609.

Operating Summary

- Year-to-date operation expenses and revenues show operational revenues exceeded expenditures by \$149,928.
- Operation revenue is currently less than last year by \$573,997, which is due to grant proceeds received in the prior year for technology purchases.
- Operating expenses are less than last year by \$484,928, which is due to the technology purchases from the above grant and facilities expenditures, which are not funded by State Facility funds.

Operating Expense Report

Operating expenses are in line with the prior year, with the exception of Technology and Supplies. This is due to the grant received last year to purchase computers, I-pads and software.

Grant Information

Grant 2014-1330

Technology grant in the amount of \$452,956. Proceeds was spent to purchase Computers, I-pads and software. This grant is now complete.

Grant 2014-1156

Grant in the amount of \$483,813 to forge a relationship with Crystal Bridges of American Art to use art integration to deliver curriculum content. Proceeds were to be used for salaries, benefits, professional development, consultant fees and supplies/equipment. We have fully expended this grant. We were able to purchase a piano lab for both the High School and EMS.

Arkansas Arts Academy
Budget to Actual - Summary of All Funds
Twelve Months Ended June 30, 2016

	Annual Budget	Actual Thru June 30, 2016	% of Budget	Actual Thru June 30, 2015
Revenues				
State Foundation	\$ 4,988,236	\$ 4,988,236	100.0%	\$ 5,087,684
AR Recognition Grant	-	11,500		20,820
Student Growth	74,300	118,435	159.4%	-
Categorical	172,682	172,034	99.6%	167,006
Grants	204,550	204,550	100.0%	793,758
Other state revenues	6,956	23,294	334.9%	4,050
Other Local Sources				
Operating	-	18,729		37,457
Activity	-	64,002		39,199
Food service	140,000	133,992	95.7%	130,251
Facilities Funding	419,495	391,755	93.4%	-
Federal and state assistance				
Federal Grants	271,426	255,731	94.2%	193,901
Food service	140,000	127,991	91.4%	114,353
Total revenues	<u>6,417,645</u>	<u>6,510,249</u>		<u>6,588,479</u>
Expenditures				
Current				
Instruction	3,802,254	3,769,408	99.1%	4,098,234
Support services	1,896,926	1,731,083	91.3%	1,752,415
Other	714,495	690,138	96.6%	560,626
Total expenditures	<u>6,413,675</u>	<u>6,190,629</u>		<u>6,411,275</u>
Changes in fund balances	<u>\$ 3,970</u>	<u>319,620</u>		<u>177,204</u>
Fund balances, July 1, 2015		<u>907,026</u>		<u>707,416</u>
Fund balances, June 30, 2016		<u>\$ 1,226,646</u>		<u>\$ 884,620</u>

One Hundred Percent of the Year Reported

NOTE/ Above summary represents all funds of the Academy

Arkansas Arts Academy
Budget to Actual - **Operating** Funds 1, 2, and 4
Twelve Months Ended June 30, 2016

	Annual Budget	Actual Thru June 30, 2016	% of Budget	Notes	Actual Thru June 30, 2015
Revenues					
State Foundation	\$ 4,988,236	\$ 4,988,236	100.0%		\$ 5,087,684
AR Recognition Grant	-	11,500			20,820
Student Growth	74,300	118,435	159.4%		-
Categorical	172,682	172,034	99.6%		167,006
Grants	204,550	204,550	100.0%	A	793,758
Other state revenues	6,956	23,294	334.9%		4,050
Other Local Sources	-	18,729			37,457
Total Revenue	5,446,724	5,536,778			6,110,775
Expenses - Function					
Instruction	3,705,528	3,661,852	98.8%	A	3,993,799
Student Services - Students	140,273	77,534	55.3%		65,729
Student Services - Instruction	97,143	61,040	62.8%		110,580
General Administration	47,807	82,090	171.7%		108,620
School Administration	153,093	147,208	96.2%		190,599
Central Services	139,581	144,596	103.6%		149,688
Maintenance & Operations	1,136,079	1,181,619	104.0%		1,070,504
Transportation	23,250	20,711	89.1%		41,185
Facilities	-	10,200		B	141,074
Other uses	-	-			-
Total Expenditures	5,442,754	5,386,850			5,871,778
Net Revenues over Expenditures	\$ 3,970	149,928			238,997
Fund balances, July 1, 2015		872,685			701,972
Fund balances, June 30, 2016		\$ 1,022,613			\$ 940,969

The operating *fund* accounts for the operations of the District, including debt service requirements

One Hundred Percent of the Year Reported

A) In 2014-15, the Academy received additional grants to assist with technology funding

B) In the current year, the Academy is receiving facilities funding, therefore, expenditures related to upgrading the facilities are now recorded in fund 3 (building) versus the operating accounts.

Arkansas Arts Academy
 Budget to Actual - **Building** Fund 3
 Twelve Months Ended June 30, 2016

	Annual Budget	Actual Thru June 30, 2016	% of Budget	Notes	Actual Thru June 30, 2015
Revenues					
Facilities Funding	\$ 419,495	\$ 391,755	93.4%		\$ -
Total revenues	<u>419,495</u>	<u>391,755</u>			<u>-</u>
Expenditures					
Current					
Instruction	-	-			-
Support services	-	-			-
Other	419,495	235,472	56.1%	B	-
Total expenditures	<u>419,495</u>	<u>235,472</u>			<u>-</u>
Changes in fund balances	-	156,283			-
Fund balances, July 1, 2015	<u>-</u>	<u>-</u>			<u>-</u>
Fund balances, June 30, 2016	<u>\$ -</u>	<u>\$ 156,283</u>			<u>\$ -</u>

NOTES/

The *building fund* accounts for the acquisition of fixed assets or construction of major capital projects.

The Arkansas Arts Academy currently receives facilities funding from the State of Arkansas

Arkansas Arts Academy
Budget to Actual - Federal Fund 6
Twelve Months Ended June 30, 2016

	Annual Budget	Actual Thru June 30, 2016	% of Budget	Notes	Actual Thru June 30, 2015
Revenues					
Federal and state assistance	\$ 271,426	\$ 255,731	94.2%	A	\$ 193,901
Total revenues	<u>271,426</u>	<u>255,731</u>			<u>193,901</u>
Expenditures					
Current					
Instruction	96,726	107,556	111.2%	B	104,435
Support services	159,700	16,285	10.2%	B	15,510
Other	<u>15,000</u>	<u>106,935</u>	712.9%		<u>79,551</u>
Total expenditures	<u>271,426</u>	<u>230,776</u>			<u>199,496</u>
Changes in fund balances	-	24,955			(5,595)
Fund balances, July 1, 2015	-	<u>2,345</u>			<u>3</u>
Fund balances, June 30, 2016	\$ -	\$ <u>27,300</u>			\$ <u>(5,592)</u>

NOTES/

The *federal fund* accounts for the revenue and expenses related to federal programs such as Title I; Title VI-B; Medicaid, etc.

One Hundred Percent of the Year Reported

A\ Amount represents revenue received from various federal agencies. Revenue is received on a reimbursement basis (with the exception of Medicaid). For example, May expenses are not reimbursed until June

B\ Expenses incurred for federal programs. Expenses range from salaries and benefits to supplies and technology to be used in the classroom

Arkansas Arts Academy
 Budget to Actual - **Activity** Fund 7
 Twelve Months Ended June 30, 2016

	Annual Budget	Actual Thru June 30, 2016	% of Budget	Notes	Actual Thru June 30, 2015
Revenues					
Other local revenues	\$ -	\$ 64,002		A	\$ 39,199
Total revenues	-	64,002			39,199
Expenditures					
Current					
Instruction	-	-			-
Support services	-	-			-
Other	-	45,263		A	12,644
Total expenditures	-	45,263			12,644
Changes in fund balances	-	18,739			26,555
Fund balances, July 1, 2015	-	31,996			5,441
Fund balances, June 30, 2016	\$ -	\$ 50,735			\$ 31,996

NOTES/

The activity fund accounts for revenues generated from fundraising activities; student fees, athletic gates and donations. Expenses are used for various student activities; scholarships, etc.

One Hundred Percent of the Year Reported

A\ Amounts can vary from year to year based on the schools fundraising activities

Arkansas Arts Academy
Budget to Actual - Food Service Fund 8
Twelve Months Ended June 30, 2016

	Annual Budget	Actual Thru June 30, 2016	% of Budget	Notes	Actual Thru June 30, 2015
Revenues					
Other local revenues	\$ 140,000	\$ 133,992	96%	A	\$ 130,251
Federal and state assistance	140,000	127,991	91%	B	114,353
Total revenues	<u>280,000</u>	<u>261,983</u>			<u>244,604</u>
Expenditures					
Current					
Instruction	-	-			-
Support services	-	-			-
Other	280,000	292,268	104%	C	327,357
Total expenditures	<u>280,000</u>	<u>292,268</u>			<u>327,357</u>
Changes in fund balances	-	(30,285)			(82,753)
Fund balances, July 1, 2015	-	-			-
Fund balances, June 30, 2016	<u>\$ -</u>	<u>\$ (30,285)</u>			<u>\$ (82,753)</u>

NOTES/

The *food service fund* accounts for transactions related to the food service program of the District.

One Hundred Percent of the Year Reported

A\ Other local revenue consists of fees charged to students and staff for food

B\ Amount represents federal reimbursements for free/reduced students

C\ Amount represents expenses paid for salaries, food costs and cafeteria supplies

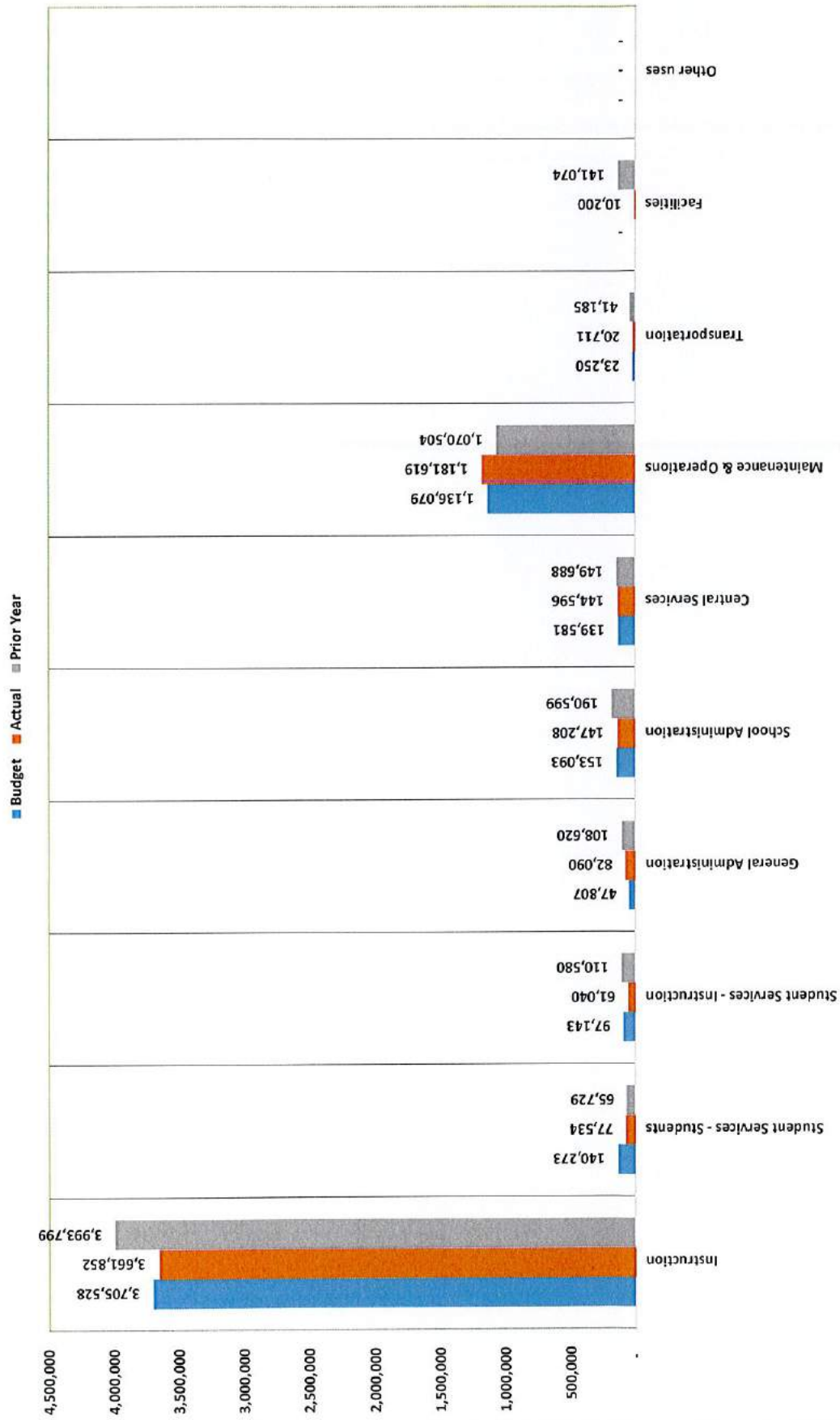
Arkansas Arts Academy

Operating Expenses (Does not include Building/Federal or Food Service)

Twelve Months Ended June 30, 2016

	Annual Budget	Year To Date June 30, 2016	Percentage Of Actual to Budget	Notes	Year To Date June 30, 2015
61110 Certified Salaries	\$ 2,395,807	\$ 2,662,135	111.12%		\$ 2,571,861
61120 Classified Salaries	\$ 351,077	\$ 236,277	67.30%		\$ 361,500
61500 Bonus	\$ -	\$ 83,000			\$ 14,661
61700 Substitutes	\$ 41,920	\$ 60	0.14%		\$ 1,224
62XX0 Crt & Cls Benefits	\$ 1,105,663	\$ 790,809	71.52%		\$ 721,399
63200 Instructional Services/Substitutes	\$ 153,934	\$ 88,348	57.39%		\$ 115,024
63310 Professional Development	\$ 14,000	\$ 89	0.64%		\$ 14,822
63430 Accounting	\$ 20,000	\$ 26,267	131.34%		\$ 18,568
63440 Legal	\$ 4,000	\$ 519	12.98%		\$ 2,119
63490 Other Professional Services	\$ 6,956	\$ 14,183	203.90%		\$ 45,516
63900 Other Purchase Service	\$ 4,750	\$ 4,862	102.36%		\$ 3,630
64100 Water & Sewer	\$ 7,000	\$ 11,973	171.04%		\$ 6,306
64210 Sanitation	\$ 14,300	\$ 7,979	55.80%		\$ 13,015
64230 Cleaning Services	\$ 200,000	\$ 210,950	105.48%		\$ 92,347
64240 Lawn Care	\$ 10,500	\$ 9,793	93.27%		\$ 10,351
64300 Repairs & Maintenance	\$ 8,700	\$ 72,645	835.00%		\$ 8,602
64400 Rental	\$ 550,701	\$ 597,430	108.49%		\$ 555,109
65210 Property & Liability Insurance	\$ 69,000	\$ 58,443	84.70%		\$ 69,306
65310 Telephone	\$ 50,600	\$ 59,626	117.84%		\$ 46,014
65320 Postage	\$ 3,000	\$ 4,252	141.73%		\$ 2,784
65400 Advertising	\$ 3,000	\$ 3,752	125.07%		\$ 2,577
65500 Printing & Binding	\$ 37,200	\$ 34,442	92.59%		\$ 28,260
65800 Travel/Meals/Lodging	\$ 28,882	\$ 31,969	110.69%		\$ 43,967
66100 General Supplies & Materials	\$ 165,512	\$ 173,154	104.62%		\$ 326,495
66210 Natural Gas	\$ 37,000	\$ 19,552	52.84%		\$ 32,859
66220 Electricity	\$ 84,000	\$ 76,387	90.94%		\$ 77,606
66410 Textbooks	\$ 35,000	\$ 22,974	65.64%		\$ 44,739
66420 Library Books & Periodicals	\$ 11,000	\$ 9,370	85.18%		\$ 7,976
66500 Technology Supplies	\$ -	\$ 1,392			\$ 9,455
66510 Software	\$ -	\$ 31,135			\$ 90,571
66900 Other Supplies-Tech	\$ -	\$ -			\$ -
67000 Bldg & Land Improvement	\$ -	\$ 9,740			\$ 137,089
67320 Vehicles	\$ 8,250	\$ 10,215	123.82%		\$ 36,759
67330 Furniture	\$ 10,000	\$ -	0.00%		\$ -
673XX Technology Hardware/Software	\$ 5,000	\$ 3,147	62.94%		\$ 354,471
68100 Dues & Fees	\$ 6,000	\$ 19,610	326.83%		\$ 4,796
68900 Misc Expenditures	\$ -	\$ 371			\$ -
69000 Other Uses of Funds	\$ -	\$ -			\$ -
	<u>\$ 5,442,752</u>	<u>\$ 5,386,850</u>	99.0%		<u>\$ 5,871,778</u>

Budget to Actual - Operating Funds 1, 2 and 4 Expenditures Thru June 30, 2016



Budget to Actual - Operating Funds 1, 2 and 4 Revenues thru June 30, 2016

