

EDSYS, INC.

EDUCATION DELIVERY SYSTEMS

BOARD OF TRUSTEES MEETING

WEDNESDAY, March 17, 2021

- I. Consent Agenda
 - 1. Approve February 17, 2021 Minutes and March 3rd Special Meeting Minutes
 - 2. Enrollment
 - 3. Metrics
 - 4. February 2021 Financials
- II. Reports
 - 1. CEO's/Principal's Report
 - a. Update on Hybrid Instructional Model
 - b. Student Needs and Behaviors
 - c. Student Recruitment
 - 2. Board Committee Updates
 - a. Racial Equity & Social Justice
 - b. Student Recruitment & Retention
 - c. Governance
 - i. Nominating
- III. Old/New Business
 - 1. Ethics Act Financial Disclosure Forms (reminder)
 - 2. 2025 Laptop Procurement (vote required)
- IV. Executive Session
 - 1. Adjudications
- V. Next Board Meeting- May 19, 2021
 - 1. Last Day of the Trimester~ March 26th
 - 2. Last Day for Administration~ April 2nd

Minutes of a Regular Meeting of
THE BOARD OF TRUSTEES OF
EDSYS, INC

Time and Place

A meeting of the Board of Trustees of EDSYS, Inc., a Pennsylvania nonprofit corporation, was held remotely via Zoom on Wednesday, February 17, 2021 at 5:30 p.m. due to operating a virtual educational model resulting from the COVID-19 pandemic.

The following Board of Trustees members were present and a quorum was established:

Doug Anderson
Tracey Armant Reed
Gerry Dudley
Larry Hailsham
David Lehman
Valerie Njie
Cindy Tananis

Also present were:

Alan Shuckrow, Esq.

David Lehman chaired the meeting.

The Consent Agenda for the February 17, 2021 Board of Trustees Meeting included the following items:

- Approve January 20, 2021 Board Meeting Minutes.
- Metrics
- Enrollment
- Financials

Larry Hailsham moved to approve the minutes. Doug Anderson seconded the motion. The motion to approve the minutes was unanimously approved. A discussion took place regarding the financials and projections for the end of the year.

CEO/Principal Report

Dara Ware Allen presented the CEO's/Principal's Report highlighting the following topics:

- **Trimester II Instructional Model Update**
 - We are currently operating virtually, our Plan B model for the second trimester. We are hopeful to start hybrid in March.
 - Teachers and staff returned to the building On February 17, 2021. This enables us to position ourselves to have students return to the building once the COVID transmission rate returns to moderate.
- **Augmented Supports for Extended Virtual Model**
 - **Short Term** targeted in-person support has continued since the end of January for approximately 60 students school-wide that are struggling or need additional support beyond our virtual model. The following is an overview of our extended longer term plan for targeted in person support:

- **Who:** Students who have an exceptionalities (special education) or who are English Language Learners, failing various courses and have wellness as other needs identified.
- **15** targeted students per grade level
- **What:** Teachers are teaching from their respective classrooms and student rotate through their live streamed classes
- **When:** Tuesday through Friday (4 day school week)
- **With:** All City High faculty and staff
- **Internship Adjustments**
 - Due to operating virtually for close to a year, we have had to make scheduling adjustments and deferments. We are hoping to offer our traditional internship experience to our class of 2021 seniors.
 - Internships for Team A students which typically occur in the third trimester of their junior year, were deferred to the beginning of the 2020/2021 school year.
 - Trimester I internships for Team A and B students were deferred to Trimester II and III this year. Please note that internships have not occurred during the third trimester in the past.
 - Students (A and ½ of B) scheduled for internships this trimester are participating in a mix of internships that are traditional, virtual or hybrid depending on the parameter of the site. Parent consent was obtained for traditional in person experiences.
 - **Current Challenge**
 - Delays and the number of sites who have changed their policies. This is combined with the lift of also needing to place Team a juniors concurrently during Trimester 3.
 - As a result, we have sought alternative options for our seniors that include internship, electives, work release, teaching assistant and/or volunteer opportunities.

Enrollment Office Updates

- Dara Ware Allen provided an overview of enrollment numbers as well as marketing and promotion efforts.

Key Internal Relations and Activities

Dara Ware Allen reported on the following regarding overarching internal relations:

- Marketing and recruitment activities including strategy development, review of ideas, and weekly consultant/vendor meetings.
- Finalization and launch of new website.
 - Giving page developed
- Trimester II planning and monitoring.
- Completion of grant application completion and reports.
- Personnel management and hiring.
- Convening ED Leader meetings.

External Relations

Dara Ware Allen reported on various external relation activities including but not limited to:

- Josh Hanna, our Director of Special Education/Learning Support was a panelist for a webinar hosted by A+ Schools on February 13, 2021 that was very well received.
- Dr. Allen was recommended and approved to serve on Penn Hills Education Advisory Committee for the Penn Hills School District as its charter school committee member.
- City High may have the opportunity to participate in training supported by the Heinz Endowments on marketing and the art of storytelling.
- City High was invited to participate in Highmark's new Straight to Business Program.

- Through Schools that Can, Dr. Preetam Dutta, is partnering with City High to add a speaker series and group mentoring component to our cybersecurity elective.
- Dr. Allen was highlighted in the New Pittsburgh Courier regarding the launch of the Advanced Leadership Initiative (TALI).
- Continued participation in weekly meeting hosted by the Allegheny Intermediate Unit for charter leaders.

Laptop Procurement

- Recommendation will come presented to the Board in March as opposed to May due to anticipated supply chain issues that are lingering from the pandemic to assure that our laptops are delivered on time for the start of the 2021/2022 school year.

Board Training

- Cindy Tananis attended a zoom training on February 11, 2021 provided by the PCPCS for Act 55 training. The training was Effective Leadership, the focus was on CEO/Board communication and joint leadership. The two presenters were Bonnie Shaffer and John Chandler.

Adjournment

Valerie Njie made a motion to adjourn, it was seconded by Cindy Tananis and carried unanimously.

The next regular Board of Trustees meeting is scheduled for Wednesday, March 17, 2021.

Submitted by,

Theresa Dillon – Secretary

Minutes of a Regular Meeting of
THE BOARD OF TRUSTEES OF
EDSYS, INC

Time and Place

A special meeting of the Board of Trustees of EDSYS, Inc., a Pennsylvania nonprofit corporation, was held remotely via Zoom on Wednesday, March 3, 2021 at 4:30 p.m. due to operating a virtual educational model resulting from the COVID-19 pandemic.

The following Board of Trustees members were present and a quorum was established:

Tracey Reed Armant
Gerry Dudley
David Lehman
Valerie Njie
Cindy Tananis

Also present were:

Kathy Clark, Esq., Solicitor

David Lehman chaired the meeting.

Dara Ware Allen reviewed a grant opportunity through the PA Coalition of Public Charter Schools (PCPCS) that is of interest to City High. The grant is the PA Expanding Opportunities Through Quality Charter Schools Program (PACSP). PCPCS is planning to make 18 awards of approximately \$1.6 M over 3 years to support the development, expansion and replication of high-quality public brick-and-mortar charter schools in Pennsylvania. All applicants must submit a Board-approved Letter of Intent by March 4, 2021. The final deadline for applications is March 19th.

Dara Ware Allen shared a brief overview of the grant, preliminary ideas, and a proposed draft budget. A discussion took place regarding details of the grant as well as suggestions made for City High to consider in finalizing its application.

A motion was made by Valerie Njie and seconded by Cindy Tananis to approve City High's Letter of Intent to apply for funding. The motion unanimously passed.

Adjournment

The meeting was adjourned at 5:17 p.m.

Submitted by,

Dara Ware Allen~ CEO/Principal on behalf of Theresa Dillon~Secretary

CITY CHARTER HIGH SCHOOL

STUDENT ENROLLMENT REPORT

February 2021

ENROLLMENT TO DATE	514
Regular Education	397 77.24%
Special Education	117 22.76%

CATEGORY (Race by Gender)	2020/2021	2019/2020
White Male	17.12%	18.15%
White Female	15.18%	15.37%
Black Male	22.76%	21.30%
Black Female	30.35%	32.04%
Hispanic Male	0.78%	0.56%
Hispanic Female	0.58%	0.37%
Multi-Racial Male	5.64%	5.93%
Multi-Racial Female	6.03%	5.56%
Asian Male	0.78%	0.56%
Asian Female	0.39%	0.19%
American Indian	0.39%	0.00%
Other	0.00%	0.00%
	514	540

CATEGORY (Race by Grade)	9th	10th	11th	12th	Total
Black	13.04%	16.54%	15.76%	7.78%	53.11%
White	6.61%	9.34%	8.95%	7.39%	32.30%
Multi-Racial	2.33%	3.50%	3.70%	2.14%	11.67%
Hispanic	0.78%	0.58%	0.00%	0.00%	1.36%
Asian	0.19%	0.39%	0.39%	0.19%	1.17%
American Indian	0.39%	0.00%	0.00%	0.00%	0.39%

CATEGORY (Social Economic Status)	9th	10th	11th	12th	Total
Free	15.37%	19.46%	18.29%	8.56%	61.67%
Reduced	0.39%	1.17%	0.78%	0.19%	2.53%
Paid	7.59%	9.73%	9.73%	8.75%	35.80%

Grade	Enrollment Comparison		
	2020/2021	2019/2020	%Difference
12th Male	40	51	-21.6%
12th Female	50	68	-26.5%
Total	90	119	-24.4%
11th Male	72	44	63.6%
11th Female	76	52	46.2%
Total	148	96	54.2%
10th Male	78	77	1.3%
10th Female	78	84	-7.1%
Total	156	161	-3.1%
9th Male	65	79	-17.7%
9th Female	55	85	-35.3%
	120	164	-26.8%
Total	514	540	-4.8%

School Districts		
Aliquippa SD	1	0.19%
Ambridge	1	0.19%
Baldwin	2	0.39%
Bethel Park	1	0.19%
Brentwood	2	0.39%
Carlynton	3	0.58%
Chartiers Valley	1	0.19%
Clairton City	0	0.00%
Duquesne City	1	0.19%
Gateway	3	0.58%
Fox Chapel	0	0.00%
Keystone Oaks	2	0.39%
McKeesport	6	1.17%
Montour SD	1	0.19%
New Castle SD	0	0.00%
New Kensington	1	0.19%
Northgate	2	0.39%
Penn Hills	13	2.53%
PPS	398	77.43%
Quaker Valley	1	0.19%
Shaler	1	0.19%
South Park	1	0.19%
Steel Valley	11	2.14%
Sto-Rox	17	3.31%
Washington	1	0.19%
West Mifflin	1	0.19%
Wilkinsburg	20	3.89%
Woodland Hills	23	4.47%
Total	514	100.00%



Student Enrollment

Grade Level	Current Year/Prior Year	Notes
9 th	122/164	Current Enrollment Significantly Lower than Prior Year; Net gain of 4 students mid-year
10 th	154/164	Current Enrollment Comparable to Prior Year
11 th	148/96	Current Enrollment Significantly Higher than Prior Year
12 th	90/119	Current Enrollment Notably Lower than Prior Year School-Wide Total: 514 current students/540 prior year

Personnel Management

Measure	Current Year/Prior Year	Notes
Administrative Turnover	0/0	
Faculty Turnover	0/1	
Staff Turnover	0/0	
Open Positions	1/2	School Safety Officer
Promotions	0/0	We continue to have a number of promotions that are in the pipeline that will be forthcoming over the next few months.
Leaves	4/0	1 maternity and 3 due to return to the building

School Management and Leadership

Measure	Current Year*/Prior Year	Notes
Average Daily Membership	511.33/540.94	
Applications: New 9 th grade (2025)	106/135 / 118/143	New 9 th grade enrollment continues to class lags, but has been steady vs. in spurts.
Suspensions > 1 day	4/19	
Expulsions	0/0	We had one expulsion hearing that resulted in clemency.
Faculty Observations	26/59	
Student Attendance %	93.14%	
Faculty/Staff Attendance %	99.08%	

Note: We are operating within the midst of a hybrid learning model due to the COVID-19 pandemic.

Fiscal Health (As of February 28, 2021)

Measure	Description
Bank Balance	\$5.043 million
P/L Comparison: 20-21 to 19-20 YTD	Income: \$7.631 to \$8.002 million Expense: \$7.373 to \$7.668 million

Compliance and Reporting

Measure	Description	Notes
N/A	N/A	No reports were due for February.

Initiatives/Grants

Initiative	Purpose	Fiscal Impact	Notes
Grant (Division of Federal Programs)	ESSER I (Elementary & Secondary School Emergency Relief) COVID-19 Grant	\$217,488	Awarded! Grant period extends until 9/30/21
Grant (Division of Federal Programs)	ESSER II (Elementary & Secondary School Emergency Relief) COVID-19 Grant	\$966,036	Developing our application; the grant period extends until 2023.



PACSP (Federal Grant through PCPCS)	Expanding Opportunities Through Quality Charter Schools Program (CSP)	\$1.2M multi-year grant opportunity	We have submitted a Letter of Intent; deadline is 3-19-21.
Elevator Pitch Training	Training and coaching on developing our case for support	\$800	Opportunity provided by The Heinz Endowments.
Moonshot Grant	Solicitation of bold ideas on reimagining the future of learning.	\$30,000 - \$70,000	Collaborating with 3-4 other school/district leaders on opportunity to support joint equity work that would be mutually beneficial. There are two opportunities to submit grant applications: one in April and one in August.

Strategic Planning

Program	Date	Program	Date
Revamped marketing approaches for increasing student recruitment: -new website w/search engine optimization -digital online ads -new director of enrollment position (hired in August) -Re-envisioned spring campaign including a series of commitment/orientation events: Virtual Open House on 3-13-21; In-Person Open House on 3-20-21	Initial acceleration phase: April-June 2020 Fall phase: 20-21 Campaign underway Current phase: 20-21 spring Campaign underway	Trimester 2 Plan Monitoring and Adjustments	Hybrid model began on 3-2-21; Staff returned to the building on 2/16/21.
		Middle States Accreditation	Requested an additional extension through 2022; our accreditation status will not lapse in the interim.
		PPS Annual Monitoring Visit	In lieu of a visit, all requested checklist materials must be uploaded by 4/9/21
		PPS Charter Renewal	Process kicks off this summer and is scheduled to conclude in the spring of 2022

Edsys, Inc.

Education Delivery Systems

City High
A NEW Pittsburgh charter
high school



CITY CHARTER HIGH SCHOOL

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Financial Report as of February 28, 2021

Presented on March 17, 2021
By the Finance Committee

Education Delivery Systems Financial Report
as of February 28, 2021

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Comments on Financial Statements

General Note: Due to City High transitioning to virtual learning during COVID-19, for the first and second trimester of the 20/21 school year, certain revenues and expenses will be impacted. All revenues and expenses related to the Lunch Program will be reduced, as well as some maintenance costs, transportation costs, wellness costs, and Student Activities costs.

Note #

1. **Page five and seven - Foundation Grants**

In July 2019, City Charter High received a \$50,000 grant from Philadelphia Management Company. The grant is unclear as to restrictions and intended use. Consistent with prior years, City High intends to use these funds for scholarships awarded to Class of 2020 graduates.

\$37,000 in scholarships were paid through February 2021 for the 16 graduates who have verified their college enrollment. Two awardees have not yet verified college enrollment.

Note: The grant funds not used for scholarships for Class of 2020 graduates remain in Restricted Cash on the Balance Sheet.

City High received final approval for a \$64,000 grant from Partner4Work for fiscal 19/20. The funds were to be reimbursed to City High as costs are incurred toward training for undergraduate students in accordance with the grant. ~\$42,000 in costs have been incurred and \$34,000 has been reimbursed through February 2021. Certain costs budgeted under the grant were not incurred. There is no carryover provision for the grant, therefore City High will not receive the full \$64,000.

In addition, in December 2019 City High received a \$10,000 grant from Claude Worthington Benedum Foundation. The grant is restricted to fund a teacher training and symposium, which has been postponed and will take place in fiscal 20/21.

Pennsylvania Charter Schools Program Grant - On September 30, 2020, the Pennsylvania Coalition of Public Charter Schools (PCPCS) was awarded an Expanding Opportunities Through Quality Charter School Programs Grant from the US Department of Education. The grant award will total \$30 million over a grant period of 5 years (2021-2025). The funds are to be used to help expand opportunities for students to attend excellent public charter schools and exceed state academic standards. Charter schools in Pennsylvania may apply for the funds by March 18, 2021. Each charter school may be approved for up to \$1.1 million in funding in the first year and up to \$200K in the subsequent years.

City High is currently in the process of applying to the PCPCS for this grant funding.

2. **Page five and seven - Tuition - Regular and Special Education**

Overall, monthly tuition payments received from Pittsburgh Public Schools (PPS) had been trending higher each year since 07/08. This was due primarily to increased and more stable student enrollment each year from the PPS and, more recently, increased tuition rates to help offset the lack of retirement reimbursements from the PDE. Tuition rates were projected to remain consistent with the final 19/20 rates in the 20/21 Budget.

Note 1: Student enrollment rebounded in fiscal 18/19, and was almost back to historical trends prior to the Covid-19 pandemic. The pandemic has caused another dip in enrollment, particularly in the incoming Freshman Class.

Student enrollment assumptions in the 20/21 budget are based on 19/20 actual enrollment.

Note 2: At the present time in 20/21, student enrollment is anticipated to be slightly below the 19/20 enrollment trends. The new 9th grade class did not reach anticipated levels as the average 9th grade membership is 122 as compared to the expected ~135.

As of February 2021, average student enrollment is down 36 students as compared to February 2020 (511 vs 547 students) - primarily due to Freshman Class (See above).

We will monitor enrollment numbers closely during the 20/21 year to determine their effect on expected tuition revenue. It should be noted that after late January of each school year, enrollment numbers will only decline, as no new students are added after that time.

Also of note is that special education enrollment (and incremental special education tuition rates) is higher than historically projected in the past budgets. The budgets anticipated that 15% of total student enrollment would be special education students, while the actual special education enrollment was approximately 22% in fiscal 18/19. This created a large positive

variance in actual Tuition - Special Education Revenue as compared to the budgets. Beginning in fiscal 19/20, and continuing in fiscal 20/21, budget has anticipated a 21% special education enrollment rate.

Note 3: Pittsburgh Public pays tuition for the first 4 months of the school year based on estimated enrollment from the previous year. In November of each year, PPS reconciles to the actual enrollment and adjusts their payments accordingly. Therefore, the effects of the lower enrollment on fiscal 20/21 tuition revenue began to show in the November and December financial statements. However, PPS underpaid for special education students in November and December 2020. This, coupled with an increase in the PPS tuition rate for special education students of ~\$3,000 (retroactive to the beginning of the school year) resulted in a large payment from PPS for tuition in January 2021 of ~\$1.5 million. See Cash Flows on Page 9. This is reflected in the January 2021 financial statements, resulting in an increase in Tuition Revenue, which ultimately creates an increase in Net Income YTD.

3. **Page five and seven- Revenue from State Sources**

Amounts represent reimbursements received each year from the state for a portion of City Charter High's costs related to that fiscal year, in accordance with state regulations. Costs eligible for partial reimbursement currently include special education, facility rent, and school nurse expenses.

Note from Fiscal 13/14: The 11/12 Pennsylvania State budget eliminated the reimbursement for Social Security/Medicare expenses incurred by Pennsylvania public schools. No reimbursement has been included in subsequent budgets.

Note from Fiscal 14/15: The 14/15 Pennsylvania State Budget eliminated the reimbursement for the 50% of PSERS Retirement expenses incurred by charter schools.

No reimbursement has been budgeted in subsequent fiscal years.

The Lease Reimbursement from PDE is currently in arrears for two years (14/15 and 16/17). City High received the 17/18 Lease Reimbursement of ~\$46K in February 2019 (~\$20K short of the 18/19 budget). It is not clear as to whether the school will ever receive the 14/15 and 16/17 reimbursements (~\$60K each). Also, Lease Reimbursement for 19/20 was budgeted, applied for, and approved by the PDE. ~\$38K was received in December 2020.

The Ready to Learn Grant for 19/20 was applied for in November 2019 (\$28,823). It was approved and funded in December 2019, and was fully spent in the 19/20 year.

The Ready to Learn Grant for 20/21 was applied for in October 2020 (\$28,823). It was approved and funded in October 2020.

The PASmart Grant was new for fiscal 19/20 and was targeted for K-12 Computer Science and STEM Education in Pennsylvania schools. City High applied for, and was approved for \$35,000 in funding. All funds were received and expended in accordance with the grant stipulations in fiscal 19/20. A final report has been filed and the grant has been closed.

City High applied and was awarded a Covid-19 Health and Safety Grant for Reopening Schools from the Pennsylvania Commission on Crime and Delinquency (PCCD). The grant award is for \$89,873.00. The funds were to be spent or committed between 7/3/2020 and 10/30/2020. City High has spent the entire amount under the grant, and a final fiscal report has been filed and accepted. The grant funds were received in November 2020. The grant is closed.

In December, 2020 City High applied for the Elementary and Secondary School Emergency Relief Fund (ESSER) in the amount of \$217,488. These funds can be spent anytime between March 2020 and September 2021, regardless of when the grant is applied for and approved. The application was approved by the PDE in February 2021.

In January 2021, City High was notified that it has been awarded a second Elementary and Secondary School Emergency Relief Fund Grant (ESSER II) in the amount of \$966,036. This grant begins in the 20-21 school year and extends into 21-22 and 22-23.

City High has also been awarded a Safe Schools Grant in 20-21 for \$24,815.10. The grant is awaiting final approval and will ultimately be funded upon City High's completion of expenditures in accordance with the grant budget, and submission of the expenditures to the Safe Schools Department.

Finally, in February 2021, City High's application was approved for a \$5,000 Special Education Covid Mitigation Impact Grant. Funds can be expended thru September 2021.

4. **Page five and seven - Title I, II, and V, Lunch/Milk Subsidies, and ERATE**

Amounts represent federal funds received or accrued and applied toward the specific programs in the applicable fiscal years.

NOTE 1: Title V funding has been suspended for the last five fiscal years.

NOTE 2:

The application for Title I, II, and IV (new in 17/18) funding of approximately \$320K for fiscal 20/21 was filed in September 2020, has been approved, and funding will begin in November 2020.

YTD in fiscal 20/21, City High has received remaining payments from the 19/20 Title I grant in the amount of ~\$77K. All grant funds have been received and spent. The final report was submitted to the PDE in August 2020. The grant has been closed.

Funding of the 20/21 grant began in November 2020.

5. **Page five and seven - Other Financing Sources**

Amount represents monthly interest earned on MMAX account with Huntington Bank and, beginning in March 2013, certificates of deposit placed with Huntington Bank and, later, PNC Bank (See Note below).

Interest earned on the MMAX accounts at Huntington was approximately .08% in February '21, as interest rates have dropped severely in reaction to COVID-19.

NOTE from Fiscal 14/15: In fiscal 12/13, City High transferred the majority of its cash to Huntington Bank, leaving a small balance under the FDIC Insured limit of \$250K, in the PNC Account. During fiscal 13/14, the PNC account was utilized as a segregated account to pay the premiums, administrative costs, and monthly claims of City High's self-funded medical benefit plan placed with Highmark. Since fiscal 14/15, the PNC account was with a balance of ~\$49,000. The account was closed in November 2017 with the funds transferred to the Huntington Bank Operating Account. All other PNC accounts were closed as of June 30, 2013.

In addition, City High invested \$1,000,000 into one year Certificates of Deposit placed first with Huntington Bank, and later with PNC Bank in \$250,000 increments. The CD's were first opened in March 2013, and have matured and been reinvested for various terms over the years.

In May 2020, the funds were reinvested through PNC Bank in four 3 month \$250,000 FDIC insured CD's, earning interest at rates ranging from .15% to .2% (See COVID-19 effect on interest rates above). These CD's matured in August 2020, and were reinvested into 4 new 3 month \$250,000 CD's in January 2021, earning interest between .05% and .02%.

The interest of ~\$25,000 on the matured one year CD's was paid to City High in May 2020.

6. **Page five and seven - Miscellaneous Receipts**

Amount represents all miscellaneous monies received by City Charter High, such as donations for the Robotics, Drama, Mentoring/Career Readiness Programs, School Recycling Program, etc...Other receipts are primarily from students to cover their portion of costs for participation in various school sponsored educational and recreational activities, as well as student payments for MOS certifications, and loss or damage to school property. The SAGE and Robotics Programs actively fundraise and solicit donations/grants to help defray the costs of various local and national competitions. Amounts received are included in Misc. Receipts.

The Robotics Program received \$10,500 in unrestricted grants in 19/20.

The transportation costs for fiscal 18/19 of ~\$39K were billed to the four school districts in January 2020. The unpaid balance is a portion of the A/R - Other on the Balance Sheet and is included in miscellaneous receipts on the Profit/Loss Statement in 19/20.

In fiscal 19/20, miscellaneous receipts also includes ~\$10K of forfeitures from the 401(k) Plan that have been used to fund current employer match and nonelective contributions.

In early fiscal 20/21, the miscellaneous receipts represent refunds of ~\$10K in deposits for field trips and activities that were cancelled due to Covid-19, an insurance renewal credit from UPMC of ~\$21K, and a refund of unused monies remaining in an educational trust of ~\$18K. The insurance credit and the educational trust refund were not budgeted in fiscal 20/21.

7. **Page five and seven - Personnel Services**

Salaries for existing positions are budgeted to remain flat for fiscal 20/21 as there were no raises for the fiscal 20/21 year. An across the board salary increase of 3% was given in fiscal 19/20. The 20/21 budget does include the addition of a newly established position - Director of Enrollment. However, the Director of Enrollment was hired from the existing Ed Leader staff, with no replacement

at the Ed Leader position, resulting in a savings of ~\$70,000 in salary and benefits.

Benefits are budgeted at 49.1% of salaries for fiscal 20/21 based on the prior year's actual experience and projected benefit costs in fiscal 20/21, primarily City High's required increase in its annual PSERS contribution for employees, currently at 34.51% of salary.

NOTE: In an attempt to offset rising benefit costs, in fiscal 15/16 City High converted to a high deductible medical benefit plan, and an associated HRA. The premium payments are ~\$40K/mo. compared to ~\$55K/mo. in prior years under the traditional plan. Under the high deductible plan, City High pays 85% of the employee deductible costs incurred. City High has continued to offer the high deductible plan thru fiscal 20/21. There was no increase in premiums from fiscal 19/20.

The total benefit expense in 20/21 should be higher than prior year due to the increased salary percentage as mandated by the PDE for PSERS contributions (34.51% in 20/21 vs. 34.29% in 19/20). **However, beginning in 17/18, City High has implemented an alternative retirement plan (ARP) open to newly hired employees only.** Under the ARP, City High will match the employee's pre-tax contribution, up to 7%, as well as provide a non-elective contribution to each employee of 5%, for a maximum annual contribution of 12% per employee (as compared to 34.51% under PSERS). Currently there are 33 employees participating in the ARP rather than PSERS (representing over one-third of the workforce). City High has been tracking the savings on an annual basis.

****In fiscal 17/18, 18/19, and 19/20, the ARP generated ~\$85,000, \$165,000, and \$300,000 in savings, respectively, for a three-year total savings to City High of ~\$550,000.****
Please Note** YTD Benefit Expense is lower in fiscal 20/21 than 19/20 due to the **savings of the 401(k) Plan vs the PSERS Plan.**

In addition, the estimated accrual for Attendance and Benefit Bonuses are carried as a liability on City High's balance sheet for the entire fiscal year. The liabilities for these bonuses are estimated based on prior year payouts. The 19/20 bonuses were paid in the August 15, 2020 payroll. The accrual for 20/21 is based on the actual bonuses paid for 19/20 and will continue to be carried on the balance sheet in fiscal 20/21, revalued for the June 30, 2021 audit, and paid out in August 2021.

Note that upon return to in person instruction in February, several staff members elected to take an advance on their attendance bonus to help pay for commuting expense. The total amount of advance is immaterial and has been deducted from the Attendance Incentive Accrual as of 2/28/21.

8. **Page five and seven - Other Professional Services and Other Purchased Services**

Costs for Other Professional Services will continue to trend higher for 20/21, as expenses are incurred.

Projection due to tuition payments to approved private schools for certain special education students related to 20/21, as well as other special education costs, and higher anticipated ESL costs. In addition, City High is paying for contracted services for adjunct teachers, cyber school and alternative school for certain students, and Point Park tuition fees for students that were previously offered free of charge. In fiscal 16/17, City High also began offering a "College in High School" class through CCAC.

In addition, City High has begun new targeted advertising and marketing campaigns in order to continue to attract new students, as enrollment decreased in 17/18 for the first time in school history. As a result, advertising costs will trend higher in fiscal 20/21 than previous years. In addition, there will be costs associated with operating during the Covid-19 pandemic that are just now being identified and realized. These will be tracked and disclosed as incurred. Finally, attorney fees are higher in 20/21 than 19/20 due to the retirement of the school's previous solicitor and the subsequent hiring of a new firm with higher billing rates.

Special education expenses were expected to be higher in 20/21 than 19/20 due to higher private school tuition and other specialized services, primarily because of an increase in students requiring these services. **Special education enrollment, as a percentage of total student enrollment, has risen from ~15% to ~22% over the last several fiscal years.**

Note that Special Education expenses @ June 30, 2020 reflect an accrual of ~\$106K for costs related to 18/19 and prior for 4010 students that were yet been billed by the PDE, as well as ~\$65K for 4010 students for 19/20, also not yet billed by the PDE. This also represents the \$171K and \$65K in Accrued Liabilities on the 6/30/20 and 1/31/21 Balance Sheets, respectively. The 18/19 and prior costs were subsequently billed and paid in July 2020.

9. **Page six and eight - Rental - Land & Buildings**

In addition to the increased rent for the new leased facility, City High began paying for certain utilities that were included in the lease payment in the old facility, including steam heat, water and sewage, and electricity. Utilities costs are budgeted based on actual costs in 18/19. Utilities are actually trending lower than prior years due to efforts by the Maintenance team to reduce steam usage (cutting cost of steam by ~1/3 in 17/18). The Utilities budget was decreased

for fiscal 19/20 to reflect this, and decreased again for 20/21 based on actual 19/20 costs.

In November 2019, the lease payment increased by \$ ~2,083 per month (to \$117,267), in accordance with the lease agreement. This increase is included in the 20/21 budget.

In June 2017, City High signed an Amendment to the existing lease in order to lease additional space for the build-out of a new Fitness Center for students. Annual rent increased by \$50,000 (\$4,167/month) beginning in September 2017. This increase was included in the 20/21 budget. In addition, the lease term was extended by five years, to August 2027.

No lease escalation was billed or paid in fiscal 19/20. Lease escalation related to fiscal 19/20 of ~\$35K was billed and paid in August 2020.

July rent was prepaid in both June 2020 and June 2019.

10. **Page six and eight - Depreciation Expense**

Change in depreciation expense from 18/19 is due to additional depreciation for the leasehold improvements and equipment for the Fitness Center, new laptops purchased for incoming 9th grade class, new classroom furniture, and an upgraded firewall system in 18/19, offset by newly retired assets (primarily computer equipment) for which depreciation is no longer applicable.

11. **Page two - Accounts Receivable and Grants Receivable**

See comments under Note #1 above regarding Grants Receivable. The amount at June 30, 2020 and February 28, 2021 represents amount due under the Partner4Work Grant.

City High traditionally began invoicing for tuition for each new school year in October.

This allowed a few months for enrollment to stabilize and eliminated the need for numerous billing adjustments. The suburban school districts were invoiced for August thru October 20XX at that time. However, in 16/17, City High began billing in accordance with new State regulations. According to these regulations, City High must first bill each school district by the 5th of each month, allowing 30 days for the school district to make payment. If payment is not received in 30 days, City High may then apply to the PDE for tuition redirection for nonpaying school districts. In fiscal 18/19 City High began billing the school districts in October and applied for the first tuition redirection in early November. This application was returned for corrections. The PDE website was then closed for applications in December. The January 2019 application was also returned for corrections. The next application was submitted and returned in May 2019. Funding of ~\$278K was ultimately received in October 2019.

This effectively means that tuition redirection was not received from the PDE for nonpaying school districts for all of fiscal 18/19, resulting in extremely high A/R @ 6/30/19. July tuition was billed with the final reconciliations for the various school districts in September 2019, with payment of tuition redirection of ~\$278K finally paid in October 2019.

A similar scenario occurred in fiscal 19/20 and 20/21, primarily due to the Covid-19 pandemic. City High has not received any tuition redirection from the PDE since March 2020, which represented billings through January 2020. This results in an extremely high A/R again @ 6/30/20. Over one year of tuition redirection is outstanding from the PDE as of 2/28/21. City High has completed the reconciliations for fiscal 19/20. They were submitted to the PDE in late January 2021, with payment expected in February 2021. However, as of mid-March, payment still has not been received. It should be noted that some of the school districts that were previously paid through tuition redirection have begun making payments on their own to City High. This has resulted in the A/R not being as high as might be expected at 2/28/21, given the lack of redirection payments from the PDE since March 2020.

12. **Page two and two(a) - Fixed Assets and Debt**

Beginning in fiscal 10/11 through fiscal 19/20, operating funds have been used to purchase computers for the new freshman class. The computers are capitalized as fixed assets (see Page 2) and are being depreciated over 4 years beginning 9/1/20.

Additionally, in 17/18, a new Fitness Center was completed, with the cost to City High capped at \$200,000. As of February 2018, the Fitness Center, including the new elevator access, has been completed and in use, the costs have been capitalized and depreciated over the new extended lease term of ten years. The equipment purchased for the Fitness Center has been capitalized as Furniture and Fixtures, and depreciated over 5 years. Note that the Fitness Center and equipment were placed in service in late October 2017. Depreciation commenced effective 11/1/2017. Depreciation related to the new elevator commenced on 2/1/2018, when it was placed in service.

All capital leases have been paid off and City High has no long-term or short-term debt outstanding.

Note the the refurbished computers originally purchased for the new 9th grade class in August 2020 were ultimately sent back to the vendor in early January 2021, and replaced with newer computers, more suitable to the virtual learning environment. The vendor has agreed to provide reimbursement of the original computers at 50% of original purchase price. The overall loss on the

transaction is estimated to be ~\$28,000, and is included in the February 2021 financial statements

13. **Page six and eight - Student Transportation**

In 07/08 through 18/19 City High helped to subsidize the student trips to Costa Rica, New York, and Niagara Falls utilizing interest earned on the CD and MMAX accounts, as well as operating funds. In fiscal 19/20, City High planned again help to subsidize these trips and the budget reflects these costs, however all Spring 2020 trips were cancelled due to Covid-19.

NOTE: The amount of student contributions and fundraising associated with the Costa Rica and Niagara Falls trips for 18/19 was repaid from the Student Activities Account to the City High Operating Account in November, after the completion of the fiscal 18/19 audit. Student payments toward the cancelled 19/20 trips (including New York City in 19/20) that had accumulated in the Student Activities Account, were either refunded to the students or rolled over (See Below).

Other student transportation costs include daily transportation of special education students to approved private schools. This cost began to trend higher in the second half of 17/18, and has continued to trend higher in 18/19 and 19/20, as City High has additional students enrolled in private schools (transporting ~10 students either to private schools or to City High prior to Covid-19).

Until in-person instruction is reinstated on a full time basis, transportation costs will be minimal.

Note that all trips in 19/20 were cancelled due to COVID-19. Students were refunded their deposits for the Costa Rica trip, net of airfare vouchers that were issued to them from American Airlines. Students were also refunded for the New York City trip and the Niagara Falls trip, except in the case where deposits were rolled over for future trips or toward Senior Fees.

14. **Page six and eight - Other Purchased Services**

Other Purchased Services (except for Advertising) should be comparable to 19/20, and include janitorial costs, extermination and pest control, cleaning of linens and uniforms for cafeteria staff, and other miscellaneous services. Amount is lower than prior year due to the timing of insurance premiums and transportation payments.

In addition, monthly cleaning costs have decreased due to the cleaning company providing twice a week cleaning services rather than daily (since staff and certain students are only in the building once a week in the virtual learning environment for Trimester 1 and early Trimester 2).

15. **Page two - Prepaid Expenses**

Prepaid expenses at 6/30/20 represent advance deposits for software support and maintenance contracts for fiscal 20/21, as well as Fall 2020 field trip deposits. In addition,

EDSYS, INC.
Comparative Balance Sheets
As of February 28, 2021 and June 30, 2020

	Internal Feb 28, 21	As Audited June 30, 20
ASSETS		
Current Assets		
Checking/Savings		
1000 - CHECKING AND SAVINGS		
1010 - PNC and Huntington Banks		
1011 - Huntington Bank - Restricted	64,338.31	79,921.58
1010 - Huntington Bank - Unrestricted	3,979,142.73	3,271,580.14
1012 - PNC Investments CD's	1,000,000.00	1,000,000.00
Total 1010 - PNC and Huntington Bank	<u>5,043,481.04</u>	<u>4,351,501.72</u>
1100 - Petty Cash Account	200.00	200.00
Total 1000 - CHECKING AND SAVINGS	<u>5,043,681.04</u>	<u>4,351,701.72</u>
Accounts Receivable		
1200 - Accounts Receivable Curr	543,085.96	803,520.57
11. 1220 - Grants Receivable	8,909.50	33,274.60
1300 - Accounts Receivable Other	39,475.36	76,545.45
Total Accounts Receivable	<u>591,470.82</u>	<u>913,340.62</u>
Other Current Assets		
15. 1400 - Prepaid Expenses	13,600.00	233,026.61
1500 - Construction-in-Progress	0.00	0.00
Total Other Current Assets	<u>13,600.00</u>	<u>233,026.61</u>
Total Current Assets	<u>5,648,751.86</u>	<u>5,498,068.95</u>
Fixed Assets		
12. 1700 - Fixed Assets	2,893,151.15	2,785,057.54
1800 - Less Accumulated Drepreciation	<u>(2,363,033.55)</u>	<u>(2,211,226.12)</u>
Net Fixed Assets	<u>530,117.60</u>	<u>573,831.42</u>
TOTAL ASSETS	<u>6,178,869.46</u>	<u>6,071,900.37</u>

EDSYS, INC.
COMPARATIVE BALANCE SHEETS
As of February 28, 2021 and June 30, 2020

	Feb 28, 21	June 30, 20
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 - ACCOUNTS PAYABLE	18,181.66	9,283.94
Total Accounts Payable	18,181.66	9,283.94
Other Current Liabilities		
2200 - Accrued Liabilities	65,486.65	235,872.66
2390 - Payroll Liabilities	41,375.10	31,273.35
8. 2450 - Attendance Incentive	133,600.00	136,400.00
2460 - Benefits Incentive	24,000.00	24,000.00
2500 - Student Card Deposits	15,308.02	13,924.01
2600 - Deferred Revenue	-	0.00
Total Other Current Liabilities	279,769.77	441,470.02
Total Current Liabilities	297,951.43	450,753.96
Equity		
3900 - Net Assets - Unrestricted	5,497,309.05	4,829,347.70
Board Designated - Lease Payments	58,333.00	58,333.00
Board Designated - Retirement Contributions	0.00	0.00
Temporarily Restricted	60,500.00	60,500.00
Opening Balance Equity	6,968.96	6,968.96
Net Income (Loss)	257,807.02	665,996.75
Total Equity	5,880,918.03	5,621,146.41
TOTAL LIABILITIES & EQUITY	6,178,869.46	6,071,900.37

EDSYS, Inc.
A/R Aging Summary
As of February 28, 2021

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
Aliquippa School District			1,768.95			1,768.95
Ambridge Area School District						0.00
Baldwin-Whitehall			4,143.78		-767.11	3,376.67
Bethel Park School District				-436.73		-436.73
Brentwood Borough			7,136.89			7,136.89
Carlynton School District			7,092.92	-3,249.61		3,843.31
Charleroi School District						0.00
Chartiers Valley School District			4,590.98		12,932.59	17,523.57
Clairton City School District					11,813.73	11,813.73
Duquesne School District			7,771.88			7,771.88
East Allegheny School District					1,936.66	1,936.66
Fox Chapel School District						0.00
Gateway School District					1,186.75	1,186.75
Hampton School District					14,868.17	14,868.17
Keystone Oaks School District			2,455.45			2,455.45
McKeesport Area School District			10,195.08		56,119.34	66,314.42
Montour						0.00
New Castle School District					24,700.68	24,700.68
New Kensington-Arnold			1,650.28			1,650.28
North Allegheny School District						0.00
Northgate School District			4,820.99		7,231.48	12,052.47
North Hills School District						0.00
Penn Hills School District			42,016.85		5,539.81	47,556.66
Pittsburgh Public Schools						0.00
Quaker Valley School District			150.24		2,911.47	3,061.71
Riverview School District						0.00
Shaler Area School District			1,891.69		16,200.78	18,092.47
South Park School District						0.00
Steel Valley			-21,484.54		-1,016.82	-22,501.36
Sto-Rox			34,287.40		274,628.25	308,915.65
Washington School District						0.00
West Allegheny School District					5,746.73	5,746.73
West Mifflin School District			1,974.55			1,974.55
Wilkinsburg Borough						0.00
Woodland Hills					2,276.40	2,276.40
	<u>0.00</u>	<u>0.00</u>	<u>110,463.39</u>	<u>-3,686.34</u>	<u>436,308.91</u>	<u>543,085.96</u>

EDSYS, Inc.
A/P Aging Summary
As of February 28, 2021

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
2ndGear		1,947.45				1,947.45
Allegheny Intermediate Unit	34.20	6,192.00				6,226.20
Certiport	3,744.00					3,744.00
Consolidated Communications	1,453.31					1,453.31
HD Supplies Facilities Maintenance	1,181.22					1,181.22
J.B. Kreider Company, Inc.	2,818.91					2,818.91
Paper Products Company, Inc.	191.02					191.02
Universal Information Systems, Inc.	234.00					234.00
US Foods, Inc.	385.55					385.55
						0.00
	<u>10,042.21</u>	<u>8,139.45</u>	<u>0.00</u>	<u>0.00 #</u>	<u>0.00</u>	<u>18,181.66</u>

EDSYS, INC.
Profit/Loss With Previous Year Comparison
July 2020 through February 2021

	<u>Jul '20-Feb '21</u>	<u>Jul '19-Feb '20</u>	<u>Difference</u>
Income			
6000 - REVENUE/LOCAL SOURCES			
1. Foundation Grants	0.00	68,288.14	(68,288.14)
2. Tuition - Regular	5,139,410.04	5,684,776.62	(545,366.58)
2. Tuition - Special Education	2,060,359.22	1,692,832.86	367,526.36
School Lunch Proceeds	1,003.50	48,112.45	(47,108.95)
School Store Proceeds	0.00	11,144.25	(11,144.25)
Dell/Lenovo Reimbursements	0.00	0.00	0.00
Total 6000 - REVENUE/LOCAL SOURCES	<u>7,200,772.76</u>	<u>7,505,154.32</u>	<u>(304,381.56)</u>
3. 7000 - REV FROM STATE SOURCES			
Special Ed Reimbursement	0.00	0.00	0.00
Lease Reimbursements	38,004.98	0.00	38,004.98
Covid-19 Health and Safety Grant	89,873.00	0.00	89,873.00
PAsmart Grant	0.00	26,764.72	(26,764.72)
Nurse Reimbursement	0.00	0.00	0.00
Ready to Learn Block Grant	28,823.00	28,823.00	0.00
Total 7000 - REV FROM STATE SOURCES	<u>156,700.98</u>	<u>55,587.72</u>	<u>101,113.26</u>
4. 8000 - REV FROM FEDERAL SOURCES			
ERATE Revenue	1,367.42	4,356.08	(2,988.66)
Title I, II, and IV Revenue	213,929.64	249,742.23	(35,812.59)
Lunch/Milk Subsidies	1,158.58	92,597.21	(91,438.63)
Total 8000 - REV FROM FEDERAL SOURCES	<u>216,455.64</u>	<u>346,695.52</u>	<u>(130,239.88)</u>
9000 - OTHER FINANCING SOURCES			
5. Other Financing Sources	2,860.28	27,778.73	(24,918.45)
6. Miscellaneous Receipts	54,959.15	67,087.31	(12,128.16)
Total 9000 - OTHER FINANCING SOURCES	<u>57,819.43</u>	<u>94,866.04</u>	<u>(37,046.61)</u>
Total Income	<u>7,631,748.81</u>	<u>8,002,303.60</u>	<u>(370,554.79)</u>
Gross Profit	<u>7,631,748.81</u>	<u>8,002,303.60</u>	<u>(370,554.79)</u>
Expense			
7. 100/200 - PERSONNEL SERVICES			
Salaries	3,572,080.89	3,581,150.07	(9,069.18)
Benefits	1,560,720.94	1,643,324.75	(82,603.81)
Total 100/200 - PERSONNEL SERVICES	<u>5,132,801.83</u>	<u>5,224,474.82</u>	<u>(91,672.99)</u>
300 - PURCHASED PROFESSIONAL SERVICES			
Technology	65,559.80	58,768.85	6,790.95
Special Education	76,998.08	177,912.20	(100,914.12)
8. Other	205,111.97	221,048.42	(15,936.45)
Total 300 - PURCHASED PROFESSIONAL	<u>347,669.85</u>	<u>457,729.47</u>	<u>(110,059.62)</u>

EDSYS, INC.
Profit/Loss With Previous Year Comparison
July 2020 through February 2021

		<u>Jul '20-Feb '21</u>	<u>Jul '19-Feb '20</u>	<u>Difference</u>
Expense				
	400 - PURCHASED PROPERTY SERVICES			
	Repair & Maint - Bldgs & Tech	1,537.03	7,761.47	(6,224.44)
9.	Utilities	72,827.16	95,929.58	(23,102.42)
9.	Rental - Land & Bldgs	1,090,346.12	929,799.96	160,546.16
	Rental - Equipment	59,687.31	57,557.37	2,129.94
	Total 400 - PURCHASED PROPERTY SERV.	1,224,397.62	1,091,048.38	133,349.24
	500 - OTHER PURCHASED SERVICES			
13.	Student Transportation	35,541.53	194,879.57	(159,338.04)
	Insurance	67,719.33	61,359.77	6,359.56
8.	Communications & Advertising	94,964.30	36,823.53	58,140.77
14.	Other Purchased Services	57,331.50	87,763.76	(30,432.26)
	Total 500 - OTHER PURCHASED SERVICES	255,556.66	380,826.63	(125,269.97)
	600 - SUPPLIES			
17.	General Supplies	99,986.69	143,675.36	(43,688.67)
	Lunches, School Store, Refreshments	4,459.24	106,289.76	(101,830.52)
	Books, Periodicals, Software	64,200.34	52,202.40	11,997.94
	Total 600 - SUPPLIES	168,646.27	302,167.52	(133,521.25)
	700 - PROPERTY			
16.	Technical Equipment	22,382.43	41,251.40	(18,868.97)
10.	Depreciation Expense	156,550.72	166,168.30	(9,617.58)
	Loss on Disposal of Assets	27,886.41	0.00	27,886.41
	Total 700 - PROPERTY	206,819.56	207,419.70	(600.14)
	800 - OTHER			
	Dues and Fees	50.00	4,628.60	(4,578.60)
	Student Awards	38,000.00	0.00	38,000.00
	Total 800 - OTHER	38,050.00	4,628.60	33,421.40
	Total Expense	7,373,941.79	7,668,295.12	(294,353.33)
	Net Income (Loss)	257,807.02	334,008.48	(76,201.46)

EDSYS, INC.
Profit/Loss With Budget Comparison
July 2020 through February 2021

		Fiscal 20/21	YTD
	Jul '20-Feb '21	Budget	Remaining
Income			
	6000 - REVENUE/LOCAL SOURCES		
1.	Foundation Grants	0.00	64,000.00
2.	Tuition - Regular	5,139,410.04	9,003,420.00
2.	Tuition - Special Education	2,060,359.22	2,459,306.00
	School Lunch Proceeds	1,003.50	75,000.00
	School Store Proceeds	0.00	15,000.00
	Dell/Lenovo Reimbursements	0.00	0.00
	Total 6000 - REVENUE/LOCAL SOURCES	7,200,772.76	11,616,726.00
3.	7000 - REV FROM STATE SOURCES		
	Special Ed Reimbursement	0.00	100,000.00
	Lease Reimbursements	38,004.98	45,000.00
	Covid-19 Health and Safety Grant	89,873.00	0.00
	PASmart Grant	0.00	0.00
	Nurse Reimbursement	0.00	10,000.00
	Ready to Learn Block Grant	28,823.00	30,000.00
	Total 7000 - REV FROM STATE SOURCES	156,700.98	185,000.00
4.	8000 - REV FROM FEDERAL SOURCES		
	ERATE Revenue	1,367.42	10,000.00
	Title I, II, and IV Revenue	213,929.64	300,000.00
	Lunch/Milk Subsidies	1,158.58	170,000.00
	Total 8000 - REV FROM FEDERAL SOURCES	216,455.64	480,000.00
	9000 - OTHER FINANCING SOURCES		
5.	Other Financing Sources	2,860.28	20,000.00
6.	Miscellaneous Receipts	54,959.15	50,000.00
	Total 9000 - OTHER FINANCING SOURCES	57,819.43	70,000.00
	Total Income	7,631,748.81	12,351,726.00
	Gross Profit	7,631,748.81	4,719,977.19
Expense			
7.	100/200 - PERSONNEL SERVICES		
	Salaries	3,572,080.89	5,675,700.00
	Benefits	1,560,720.94	2,713,368.00
	Total 100/200 - PERSONNEL SERVICES	5,132,801.83	8,389,068.00
	300 - PURCHASED PROFESSIONAL SERVICES		
	Technology	65,559.80	60,000.00
	Special Education	76,998.08	310,000.00
8.	Other	205,111.97	280,000.00
	Total 300 - PURCHASED PROFESSIONAL	347,669.85	650,000.00

EDSYS, INC.
Profit/Loss With Budget Comparison
July 2020 through February 2021

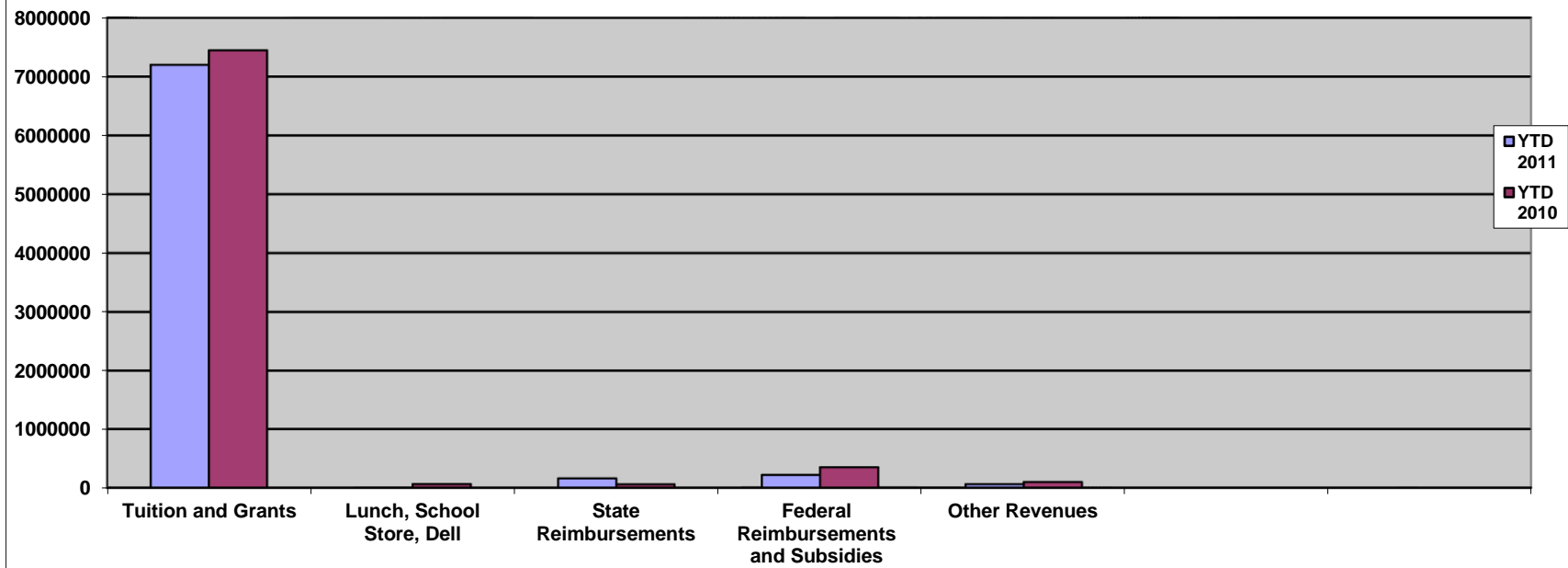
		Fiscal 20/21	YTD
	Jul '20-Feb '21	Budget	Remaining
Expense			
400 - PURCHASED PROPERTY SERVICES			
Repair & Maint - Bldgs & Tech	1,537.03	4,500.00	2,962.97
9. Utilities	72,827.16	200,000.00	127,172.84
9. Rental - Land & Bldgs	1,090,346.12	1,437,192.00	346,845.88
Rental - Equipment	59,687.31	85,000.00	25,312.69
Total 400 - PURCHASED PROPERTY SERV.	1,224,397.62	1,726,692.00	502,294.38
500 - OTHER PURCHASED SERVICES			
13. Student Transportation	35,541.53	290,000.00	254,458.47
Insurance	67,719.33	65,000.00	(2,719.33)
Communications & Advertising	94,964.30	155,000.00	60,035.70
14. Other Purchased Services	57,331.50	140,000.00	82,668.50
Total 500 - OTHER PURCHASED SERVICES	255,556.66	650,000.00	394,443.34
600 - SUPPLIES			
17. General Supplies	99,986.69	176,000.00	76,013.31
Lunches, School Store, Refreshments	4,459.24	170,000.00	165,540.76
Books, Periodicals, Software	64,200.34	65,000.00	799.66
Total 600 - SUPPLIES	168,646.27	411,000.00	242,353.73
700 - PROPERTY			
16. Technical Equipment	22,382.43	40,000.00	17,617.57
10. Depreciation Expense	156,550.72	242,200.00	85,649.28
Loss on Disposal of Assets	27,886.41	0.00	(27,886.41)
Total 700 - PROPERTY	206,819.56	282,200.00	75,380.44
800 - OTHER			
Dues and Fees	50.00	2,500.00	2,450.00
Student Awards	38,000.00	50,000.00	12,000.00
Total 800 - OTHER	38,050.00	52,500.00	14,450.00
Total Expense	7,373,941.79	12,161,460.00	4,787,518.21
Net Income (Loss)	257,807.02	190,266.00	22,331.98
Carryforward from 19/20		4,300,000.00	
Carryforward to 21/22		4,490,266.00	

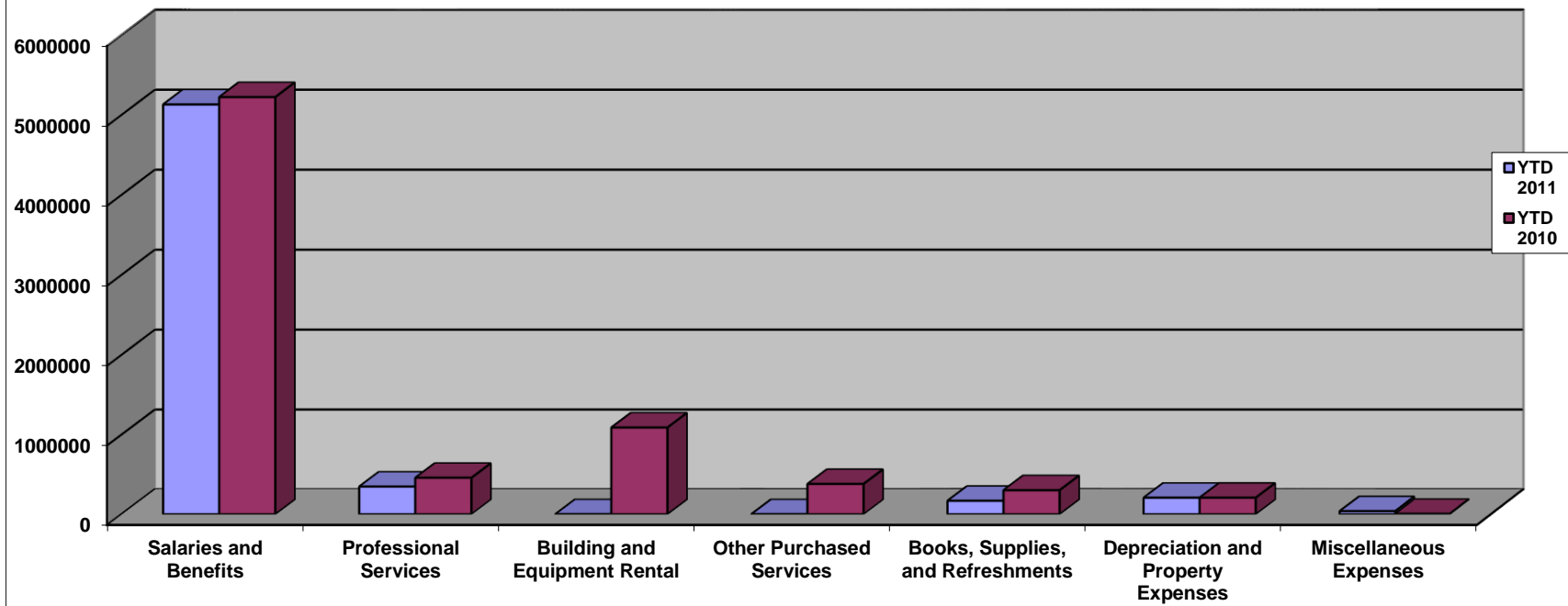
EDSYS, INC.
Cash Flow Forecast
July 2020 through June 2021

	<u>Cash In</u>	<u>Cash Out</u>	<u>Net In/(Out)</u>	<u>Balance</u>
Beginning Balance 07-01-20	4,351,701.72 A	0.00 A	4,351,701.72 A	4,351,701.72
July 2020	996,498.64 A	993,844.61 A	2,654.03 A	4,354,355.75
August 2020	854,764.40 A	838,215.89 A	16,548.51 A	4,370,904.26
September 2020	904,895.17 A	804,859.06 A	100,036.11 A	4,470,940.37
October 2020	1,115,078.68 A	1,416,975.12 A	(301,896.44) A	4,169,043.93
November 2020	888,132.26 A	851,364.41 A	36,767.85 A	4,205,811.78
December 2020	593,198.02 A	729,477.38 A	(136,279.36) A	4,069,532.42
January 2021	1,715,265.62 A	965,007.81 A	750,257.81 A	4,819,790.23
February 2021	970,328.96 A	746,438.15 A	223,890.81 A	5,043,681.04
March 2021	850,000.00 E	800,000.00 E	50,000.00 E	5,093,681.04
April 2021	0.00 E	0.00 E	0.00 E	5,093,681.04
May 2021	0.00 E	0.00 E	0.00 E	5,093,681.04
June 2021	0.00 E	0.00 E	0.00 E	5,093,681.04
Ending Balance	<u><u>8,888,161.75</u></u> *	<u><u>8,146,182.43</u></u>	<u><u>741,979.32</u></u>	<u><u>5,093,681.04</u></u>
Budget 20-21	12,351,726.00 *	12,161,460.00	190,266.00	4,490,266.00 **

A = Actual
E = Estimate

* Excludes Beg. Cash Balance
** Represents Ending Cash Balance as Budgeted





As of:	Balance Sheet		Tuition Receivable	Accounts Payable
	Cash Balance	Current Ratio*		
February 28, 2021	\$5,043,681	\$19 to \$1	\$543,086	\$18,182
June 30, 2020	\$4,351,702	\$12 to \$1	\$803,521	\$9,284

*Current Ratio = Current Assets/Current Liabilities

	Tuition Receivable Aging Schedule				
	Total	Current	>30	>60	>90
February 28, 2021	\$543,086	\$0	\$110,463	(\$3,686)	\$436,309
June 30, 2020	\$803,521	\$213,875	\$449,389	\$0	\$140,257

For the 8 Mos. Ended February:	Income Statement			
	Total Revenue	Total Expense	Revenue Per Student*	Expense Per Student*
2021	\$7,631,749	\$7,373,942	\$14,934.93	\$14,430.41
20/21 Budget	\$12,351,726	\$12,161,460	\$22,873.57	\$22,521.22
% of Budget	61.79%	60.63%	65.29%	64.07%
2020	\$8,002,304	\$7,668,295	\$14,629.44	\$14,018.82

Comments:

Revenue is much lower in 20/21 than 19/20 due to lower enrollment numbers (especially new Freshmen) and lower food service revenue due to the virtual learning environment. Other factors affecting the comparison of YTD revenue through February 2021 are the PMC grant in 19/20 of \$50,000 and the PASmart Grant of ~\$27,000, neither of which are received in fiscal 20/21, as well as lower interest income. Offsetting this are receipt of the PCCD Covid-19 grant of ~\$90K in 20/21, and receipt of the lease reimbursement of \$38K from PDE.

YTD Expenses in 20/21 are much lower than 19/20 due to lower transportation, food service, supplies, utilities, PSERS costs, and special education costs. Offsetting this is rent escalation of ~\$35K paid in August 2020, higher advertising and student awards costs, and loss on disposal of assets.

See below for benefit expense discussion.

***Average Student Enrollment** assumed as follows:

20/21 Budget:	540 students	
February 2021	511 students	(YTD Average)

February 2020 547 students **(YTD Average)**

Concerns:

Total Revenue is lower YTD in fiscal 20/21 than 19/20 due to the lower tuition revenue as a result of lower enrollment to begin the 20/21 school year. Average enrollment is down 36 students at this point in the 20/21 school year as compared to the same time in the 19/20 school year. (511 vs 547). This is primarily due to the new Freshman Class. The fiscal 20/21 budget was built based on average enrollment of 540 students. The effect of lower enrollment is partially offset by higher annual tuition rates than budgeted, especially the PPS Special Education Tuition rate (\$3,000 higher than budgeted). In addition, there continues to be a loss of interest earnings due to decrease in interest rates (Covid-19 related).

Note that City High realized a total savings of ~\$550,000 in fiscal 17/18 thru 19/20, by implementing the new 401K plan for new hires effective 7/1/17.

As of 2/28/21, 33 employees are participating in the 401K plan rather than PSERS. This represents over 30% of the workforce. Savings will continue to grow each fiscal year as employee turnover occurs and new hires join the 401K plan rather than PSERS.

City Charter High School
List of Depository Institutions
As of February 28, 2021

MMAX Account: (Placed Through Huntington Bank)

Issuer Name	FDIC #	City, State	Amount
BankUnited National Association	58979	Miami Lakes, FL	\$247,000.00
City National Bank of Florida	20234	Miami, FL	\$247,000.00
CrossFit First Bank	58648	Leawood, KS	\$247,000.00
Customers Bank	34444	Phoenixville, PA	\$247,000.00
Hanmi Bank	24170	Los Angeles, CA	\$247,000.00
JPMorgan Chase Bank N.A.	628	Columbus, OH	\$247,000.00
Origin Bank	12614	Choudrant, LA	\$247,000.00
Republic Bank	27332	Philadelphia, PA	\$247,000.00
Seacoast National Bank	131	Stuart, FL	\$152,104.68
Signature Bank	57053	New York, NY	\$247,000.00
SpiritBank	4048	Tulsa, OK	\$247,000.00
The First National Bank of Long Island	7072	New York, NY	\$247,000.00
The First National Bank of South Miami	17093	South Miami, FL	\$247,000.00
Third Coast Bank SSB	58716	Humble, TX	\$247,000.00
Total Portfolio (Interest - .08%)			<u>\$3,363,104.68</u>

Certificates of Deposit: (Placed Through PNC Investments, Inc.)

Issuer Name/Cusip No.	Effective Date	Maturity Date	Interest Rate	Amount
Fortunebank, Arnold, MO/34969RCY2	1/25/2021	3/29/2021	0.05%	\$250,000.00
Midfirst Bank/Oklahoma City, OK/59740JZM4	1/25/2021	5/3/2021	0.02%	\$250,000.00
Pathfinder Bank, Oswego, NY/70320KAW1	1/25/2021	5/12/2021	0.05%	\$250,000.00
Truxton Trust, Nashville, TN/89846HAG8	1/25/2021	5/17/2021	0.02%	\$250,000.00
Total Portfolio				<u>\$1,000,000.00</u>

NOTE: Each Certificate of Deposit issued under a specific Cusip Number is a separate and distinct entity

with respect to FDIC insurance coverage, regardless of issuing bank.

VENDOR	MODEL	NEW vs REFURB	BATTERY PRICE (per unit)	WARRANTY	IMAGING (per unit)	PRICE (per unit)	TOTAL (per unit)	SHIPPING	215 UNITS	COMMENTS
STS-EDUCATION	Dell Latitude 7390	REFURB (2019)	\$59.50	\$119.95	0	\$607.00	\$786.45	\$1,811.00	\$170,897.75	Meets or exceeds all specifications. Available now within the US. BEST PRICE
2nd GEAR	Dell Latitude 7390	REFUB (2019)	\$73.34	\$115.50	\$15.00	\$662.23	\$866.07	0	\$186,205.05	Meets or exceeds all specifications. Available now within the US. NOT CONSIDERED DUE TO PRICE
DELL	Dell 3310	NEW	0	0	0	\$773.41	\$773.41	0	\$166,283.15	Does not meet necessary minimum specifications for Adobe software used in classes. NOT CONSIDERED
DELL	Dell 5420	NEW	\$0.00	\$0.00	\$0.00	\$993.89	\$993.89	0	\$213,686.35	Does not meet necessary minimum specifications for Adobe software used in classes. NOT CONSIDERED
SYSTEM LIQUIDATORS	Dell Latitude 5470	REFURB (2015)	\$0.00	\$0.00	0	\$465.00	\$465.00	\$0.00	\$99,975.00	Does not meet necessary minimum specifications for Adobe software used in classes. Also, too old of a model. NOT CONSIDERED

****WINNING BID**