

ISAAC – CSP Expansion Budget Narrative

Part I:

	Activity/ Performance Measure	Budget Item	Amount of Funds	Timeline (Planning, IMP, Both)	Justification
	Program Goal: Goal #2: Operating: ISAAC will maintain a balanced school budget that is fiscally responsive to the needs of the organization <i>(Planning and Preparation for expansion grades)</i>	Salaries (Stipends)	\$27,000	Planning	Elementary school administrator and certified 4 th /5 th grade teachers will develop program framework & curricula and spearhead activities in advance of student arrival (4 th grade in summer 2024, 5 th grade in summer 2025). Time and effort are allocable to the expansion of grades as this work occurs outside of the usual school year, is neither customary nor expected to continue after both grades are in place, and there is no overlap with existing grades.
		Benefits	\$4,725	Planning	Assumed at 17.5% of salary
		Services/ Activities	n/a		
		Physical Plant	n/a		
		Marketing and Development	n/a		
		Supplies and Equipment	n/a		
	Program Goal: Goal #1: Academic: The 4th and 5th grade will outperform the host district, New London, on state-wide assessments in ELA and mathematics and Goal #3: Collaboration: Students in 4th and 5th grade	Salaries	n/a		
		Benefits	n/a		
		Services/ Activities	\$11,769	Implementati on	Development of high-quality instructional model through attendance at educators' conference for 4 th /5 th grade certified staff (Professional Learning Communities (PLC) for Elementary School Educators or similar). Intended to develop instructional practices, close learning gaps, and create collaborative model for new Elementary Education team.
		Physical Plant	n/a		
		Marketing and Development	n/a		

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will make improvements in collaboration skills by the end of the academic year. <i>(High-Quality Teaching and Learning)</i>	Supplies and Equipment	\$447,720	Implementation	Classroom furniture, instructional materials, interactive and student technology, and other equipment (lunchroom, nurse) to create high-quality learning environment for traditionally under-served student population. Classrooms will be outfitted specifically for interactive and collaborative learning, consistent with the "flexible seating" used in ISAAC's existing classroom model, as discussed in the grant narrative.
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Program Goal: Goal #4: Admissions: ISAAC will increase their applications of out of district students in 4th and 5th grade. <i>(Enrollment and Outreach)</i>	Salaries	n/a		
	Benefits	n/a		
	Services/ Activities	n/a		
	Physical Plant	n/a		
	Marketing and Development	\$45,000	Implementation	Engage professional consultants for outreach and community awareness through marketing, recruitment and advertising. Includes developing videos and radio spots specific to the new 4 th /5 th grade which will gain the attention of prospective families and staff members in the surrounding region. Will include outreach in multi-lingual communities.
	Supplies and Equipment	\$200,000	Implementation	Each year, interested families from outlying and rural districts indicate that they cannot even consider enrolling at ISAAC due to lack of transportation. Purchase of two 15-passenger vans (max student capacity = 13) will provide a solution and enable ISAAC to attract and serve this underserved population. Will be used exclusively for 4th & 5th graders.

Part II:

Describe how the applicant intends to **maintain financial sustainability** after the end of the subgrant period ends and how the **program fund will not supplant funding** in your operating budget.

- ☐ ISAAC's expansion will add 52 seats in 4th and 5th grade to our existing 6th through 8th grades. As outlined in the uploaded budget templates, we have included only those costs which arise

specifically due to the addition of grades and seats. We have carefully reviewed the guidelines and believe these costs to be “necessary, allowable, and allocable.” Staff “time and effort” are allocable to the expansion of grades as this work occurs outside of the usual school year, is neither customary nor expected to continue after both grades are in place, and there is no overlap with existing grades. Staff costs are paid through contracted stipends and in accordance with the existing teacher contract (in the case of teacher time). Requested professional development is intended to create a deep educator team with skills specifically oriented to 4th and 5th grades. Classroom furniture, instructional materials, and student technology included in the CSP budget request are in keeping with existing practices and will outfit new classrooms and curricula for 4th and 5th grade English Language Acquisition, Math, Humanities and Science, plus a Special Education Resource room. ISAAC has also included budget requests for marketing development, recruitment support, and advertising in order to engage in outreach and community awareness (as outlined on page 15 of the GSCT Allowable Cost guide). Marketing and recruiting support are often out of reach for the average charter school. With the help of high-quality industry partners, ISAAC seeks to develop videos and radio spots specific to the new 4th/5th grade which will gain the attention of prospective families and staff members in the surrounding region. It is important for us to create a real buzz around 4th/5th grades because those students also become our 6th, 7th and 8th graders. Finally, we have included a request for two vans for transportation of 4th/5th grade students. We recognize that this request is out of the ordinary, and we know that we will encounter situations such as higher-grade siblings who want to also “catch a ride.” We intend to use these vans exclusively for 4th/5th grades, no exceptions. Because each van technically holds only 13 students, we expect space to be at a premium. Our current status is that we have limited transportation for those coming from out of district. To be able to provide transportation to even two dozen students from outlying areas would be huge. We purchased vans for after-school programming through a federal grant and have made it work within the rules of the grant, we can do the same for the CSP grant.

- To add two lower grades to our school, we must create entirely new curricula, new classrooms, and new school processes to accommodate this younger cohort. This work will occur now, in the summer of 2024, for 4th grade and next summer, summer 2025, for 5th grade. We consider this a “planning” period because it must occur before we can “implement” on Day One. The only costs

specifically related to “planning” are staff costs related to a stipend for a certified 092 administrator/ teacher to act as Director of Elementary Education to spearhead and develop the mentioned details and related to bringing relevant 4th/5th grade staff together for a brief period before school starts in order to be ready for the new students when they arrive. All other items requested are more correctly considered “implementation” as they are meant to have students in their seats, with appropriate materials, and ready to learn when school starts.

- Our detailed CSP budget encompasses the fiscal year 10/1/2024 through 9/30/2025, plus an allowed 90-day lookback period to cover the “planning” period discussed above. We have not included CSP budget items for years two and three, as is appropriate for an “Expansion” school.
- ISAAC’s 5-year budget includes the addition of 52 seats in 4th/5th grades through fiscal year 2028-2029. As a courtesy to the reader, we have included a column specifically outlining the CSP Budget request, which is not included in the FY24-25 (Year 1) budget, clearly demonstrating that the CSP grant items are not included in ongoing operational costs.
- We foresee no concerns regarding sustainability. ISAAC has been in existence since 1997 and has strong policies and procedures in place to manage and monitor financial performance and sustainability (as outlined in ISAAC’s Business Manual included in Appendix 4 of this grant application). We have reported consistently positive “changes in net assets” (i.e., year-end surpluses) for the preceding four audited years (see Appendix 17). In addition, ISAAC has significant experience with managing grants at all levels, including federal grants. Grant funds are separately tracked and regularly monitored, and reports provided in a timely manner.

Expenditures comply with our existing procurement policy, which itself is written to comply with the federal procurement requirements at 2 CFR 200. We have structured our chart of accounts and program classes in our accounting system to streamline grant oversight, which allows us to provide timely and consistent reports. All reports have been timely filed with the CSDE. Our annual audit is filed with the CSDE and the Federal Audit Clearinghouse before 12/31 as required.

- Our five-year budget assumes reasonable increases in per-pupil revenues, based on experience and close review of recent legislative actions, to reflect the CTCSA’s and others’ expectation that per-pupil rates will reach 100% funding in the next three years. Our enrollment assumptions include the addition of 52 students in Year 1, and no further increase in enrollment. We have been

conservative in Title grant assumptions, increasing a reasonable 2% each year. The full 5-year budget also includes Special Education (discussed further below); Food Service; and certain Competitive Grants (School Mental Health Specialist, which ends 25-26, and 21st Century Community Learning Center grants, which we assume will continue in 26-27).

- ISAAC's five-year budget reflects a modest surplus in each year. This "planned" surplus is customarily shown as a separate "contingency" line in our internal budgets and allows us to be responsive to unanticipated needs should they arise. We believe that the five years shown are indicative of what we will see in the years beyond, which leads to confidence in our financial stability and sustainability. The addition of 52 seats and two new grades (4th and 5th) will be funded in future through increased per-pupil revenues from the CT State Department of Education. Our long-term budget indicates that these revenues will be sufficient to support the 4th and 5th grades well into the future.
- For the 2024-2025 school year, ISAAC anticipates 32 accepted 4th grade students coming to ISAAC. We are currently mid-way in our internal construction projects that allow for two additional 4th grade classrooms. This includes the creation of multiple offices and learning areas that were built along with several moves within the building to accommodate the new 4th grade classrooms. In addition, a new master schedule was built and adjusted to allow the 4th graders to have specials in Physical Education twice a week along with art, dance/theater, and music once a week. In addition, areas for lunch and recess were rearranged to allow for designated eating areas along with an unoccupied gymnasium space during the day for supervised recess.
- As further discussed in the Project Narrative, ISAAC has an existing physical site for students grades six through eight, having recently completed an addition which added three learning spaces. One of these rooms will be reconfigured for 4th and 5th grades, and a new addition will provide three more classrooms. Prior to the announcement of the additional seats, ISAAC had engaged in preliminary discussions with an architectural firm and the previous construction group regarding the possibility of another expansion tower next to the one just built. The plan is to construct another three-classroom building that will house the remaining three classrooms needed for the expansion. Along with the former computer lab that will permanently house one of the 4th grade classrooms, the other 4th grade classroom and the two additional 5th grade classrooms that will enter ISAAC in 2025-2026, will be housed in these new spaces. The project for the new

construction project will be financed by the school and through borrowed funds from the same bank that was the lender in the last project. The anticipated cost of the project is \$1.5 million with the school borrowing 80% of the project. The additional 52 seats that ISAAC obtained from the legislature will provide the school with enough finances to pay for the mortgage of this project. This project will be funded by securing a 3rd mortgage loan from the same bank we used for the most recent addition. ISAAC will budget the use of the additional funds from the approved 52 seats to pay for the additional mortgage costs for several years to come. The current anticipated date for completion of these additional classrooms for the 5th grade is the summer of 2025. We are confident that the established spaces for the current students and the requested 4th grade students are optimal for teaching and learning and appropriate for 4th graders and staff for the 2024-2025 school year. Furthermore, the 4th grade classroom used for the 2024-2025 school year will become a special education resource room; the 5th room for the 4th and 5th grade program. Appendix 18 shows the architectural drawings of the proposed building expansion.

- ISAAC currently supports at-risk youth through a combination of Title grants, Special Education reimbursements, and careful management of per-pupil funds. We are a “school-wide” Title I school, which means that we provide specialized support across all student populations. Our existing SRBI framework, which will also be applied to 4th/5th grades, is specifically geared to identifying students who may be at-risk and provides supports to all teachers, so no student is overlooked. In addition, student with an IEP is supported through a robust Special Education effort which is fully reimbursed by our sending districts and therefore self-sustaining.
- ISAAC’s CSP budget is written to support exclusively those items related to the initial start-up for the new expanded grades. The requested CSP funds are not embedded in normal operating costs and will not supplant any existing funding streams. ISAAC has demonstrated a strong interest from families within the community. With a waiting list of over 200 applicants, we anticipate that this number will continue to grow as the school communicates its successes and unique offerings. While we remain confident with the rationale of our belief regarding the low risk associated with projected enrollment for grades 4 and 5, we still intend to utilize strong marketing strategies to promote the 4th grade lottery for ISAAC for the 2024-2025 school year. The use of a marketing campaign that includes professional videos, commercials, mailings, and targeted social media ads will promote the new entry grade into ISAAC that begins the 5-year

journey at ISAAC. With a unique model design for learning, targeted advertising will generate an interest that has not been marketed before. As a Connecticut charter school, ISAAC has the unique financial opportunity to receive 100% funding for the costs associated with educating special education students. This means that ISAAC will not have to adjust its budget like other school districts who may receive an unexpected “heavy hitter” - a special education family with expensive needs. Moreover, ISAAC receives Education Cost Sharing funds that adjust based on special populations along with Title I, II, III, and IV funds that are often adjusted based on student population data. These funds help provide the necessary funds to support all students who enter ISAAC. Furthermore, ISAAC’s afterschool programming funding comes from the 21st Century Community Learning Center federal grant that provides opportunities for students to engage in afterschool programs and athletics.

- ISAAC has well-developed financial resources. The balance sheet reflects strong cash reserves, clear investment in physical assets, and judicious use of debt. Our financial ratios demonstrate capable asset management and expense control: expenses do not exceed our revenues (for 22-23, total margin of 0.1, appropriate for a non-profit); we carry limited debt and are easily able to cover debt-service payments (0.3 debt-to-asset ratio; 2x debt coverage); current liabilities are well within our means (1.78 current asset ratio); and, at year end, we have sufficient cash to pay expenses for almost a third of a year (96 days of cash available at year end).