



SCHOOL BOARD OF THE CITY OF RICHMOND
SCHOOL BOARD ROOM - 17TH FLOOR, CITY HALL
301 NORTH NINTH STREET RICHMOND, VA 23219-1927 - (804) 780-7716

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AGENT

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DEPUTY AGENT

**SCHOOL BOARD WORK SESSION
AGENDA**

Monday, October 17, 2011

4:00 p.m. - 6:30 p.m.

Conference Room, 17th floor City Hall

1. Call to order.
2. Roll call.
3. Receive the Human Resources Actions. (BSC #3) (4:05 – 4:1)
4. Receive the financial statement for the period ended September 31, 2011. (BSC #3) (4:010 – 4:25)
5. Receive the quarterly financial report of the Patrick Henry School of Science and Arts. (BSC #3) (4:25 – 4:55)
 - Per Pupil Funding
 - Construction Funding
 - 501(3)(C) Funds
6. Receive the Student Activity Audit for Patrick Henry School of Science and Arts. (BSC #3) (4:55 – 5:25)
7. Discuss the response to the Patrick Henry School of Science and Arts compliance review. (BSC #3) (5:25 – 5:45)
8. Discuss Disciplinary Committee Schedule. (BSC #s 1 & 2) (5:45 – 6:00)
9. Closed Session. Convene a closed session [pursuant to §2.2-3711(A) (1) and (7) of the Code of Virginia] to consider the assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of the School Board, or for discussion, consideration, or interview of prospective candidates for employment and for consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the School Board; and/or consultation with legal counsel employed or retained by the School Board regarding specific legal matters requiring the provision of legal advice by such counsel. (BSC #3) (6:00)
10. Recess.

Pursuant to the Americans with Disabilities Act, any person requiring special accommodations to participate in this proceeding should contact the Clerk of the School Board no later than three (3) business days prior to the meeting at (804) 780-7716. If you are hearing or speech impaired, please contact the agency by calling the Americans with Disabilities Act Office TTY line at 711 the Relay Center.

**Angela C. Lewis
Clerk**

To view available School Board supporting agenda documents, please visit the School Board Office [calendar](#). Select the date and time of the meeting that you wish to view.

**UNAUDITED
INTERIM FINANCIAL REPORT
FOR THE THREE MONTHS ENDING
SEPTEMBER 30, 2011**



**PRESENTED TO THE SCHOOL BOARD OF THE
CITY OF RICHMOND, VIRGINIA**

Richmond Public Schools
Consolidated Financial Report –For the Three Months Ending
September 30, 2011
Unaudited

INDEX

<u>Description</u>	<u>Page Number</u>
Financial Report Summary	2
Summary of General Fund Revenue	2
Summary of General Fund Expenditures	3
General Operating Budget Statement of Activity- September 30, 2011	4
Detail of General Fund Expenditures –September 30, 2011	6
Fund Transfers & Other Uses	7
Nutrition Services – Statement of Activity – September 30, 2011.....	8

**Richmond Public Schools
General Operating Budget
Financial Report Summary
September 30, 2011**

The Department of Budget and Financial Reporting respectfully presents this report of the financial performance of the Fiscal 2012 general operating fund budget of Richmond Public Schools. This summary presents an analysis of the overall financial performance of the general operating budget for the month ending September 30, 2011. The YTD financial results presented are unaudited.

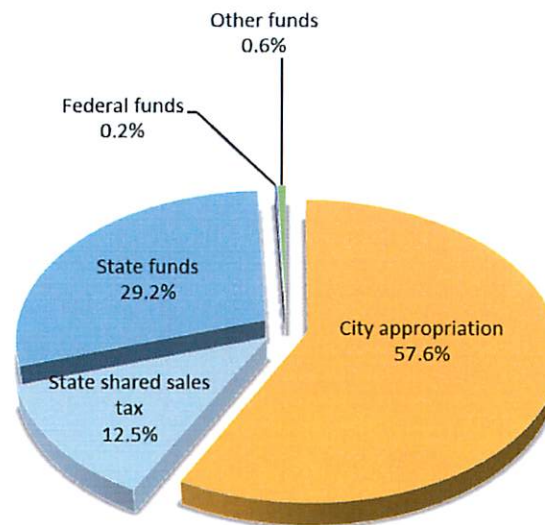
GENERAL FUND FINANCIAL HIGHLIGHTS

Year to date results on a budget basis for the three months ending September 30, 2011 (25% of the fiscal year) report general fund revenues (not including encumbrances carried forward) of \$53.7 million, representing 22.6% of budgeted revenues realized. Total general fund expenditures of \$36.8 million, represents 14.4% of the budget spent, and do not include amounts for summer pay (approximately \$22 million) which will be accrued to the fund at year end.

Summary of General Fund Revenue as of September 30, 2011

General Fund Revenue of \$53,733,031 received/earned by source:

- City appropriation - \$30,939,198
- State shared sales tax appropriation - \$6,706,033
- State revenue - \$15,671,503
- Federal revenue - \$87,711
- Other revenue - \$328,586



**General Fund Revenue
as of September 30, 2011**

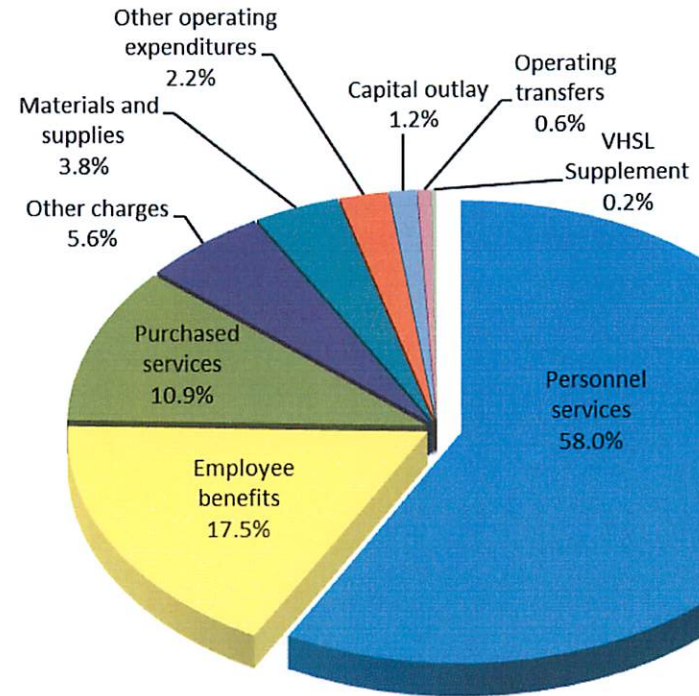
Summary of General Fund Expenditures by Function as of September 30, 2011

General Fund Expenditures of \$36,815,580 by function:

- Instruction - \$25,532,263
- Administration, Attendance & Health - \$2,491,025
- Pupil Transportation - \$2,040,251
- Operations and Maintenance- \$6,503,819
- Facilities - \$20,998
- Fund transfers & other uses - \$227,224

General Fund Expenditures of \$36,815,580 by object category:

- Personnel services - \$21,345,577
- Employee benefits - \$6,424,323
- Purchased services - \$4,010,568
- Other charges - \$2,048,837
- Materials and supplies - \$1,406,396
- Other operating expenditures - \$814,443
- Capital outlay - \$457,335
- Operating transfers and other uses - \$227,224
- VHSL supplement - \$80,877



**General Fund Expenditures by Type
as of September 30, 2011**

Richmond Public Schools
Statement of Activity
FY 2011-2012 Fund 100- General Operating Budget
For the Three Months Ending September 30, 2011
Unaudited

	FY2012 Original Budget	FY2012 Current Budget	September Actual Revenue/ Expenditures	August Actual Revenue/ Expenditures	July Actual Revenue/ Expenditures	FY2012 YTD Revenue/ Expenditures	Budget Variance Favorable (Unfavorable)	% of Budget Received /Expended	FY2011 YTD Revenue/ Expenditures	Current YTD vs. Last YTD	Year to Year Actual % Increase/ (decrease)
Beginning Balance											
Prior year fund balance re-appropriation	\$ 6,000,000	6,000,000	-	-	-	-	(6,000,000)	0.0%	-	-	0.0%
Prior year committed fund balance - encumbrances	-	6,050,872	-	-	6,050,872	6,050,872	-	100.0%	6,996,795	(945,923)	-13.5%
Health care reserve	4,900,000	4,900,000	-	-	-	-	(4,900,000)	0.0%	-	-	0.0%
Total beginning balance	10,900,000	16,950,872	-	-	6,050,872	6,050,872	(10,900,000)	35.7%	6,996,795	(945,923)	
Revenue											
City appropriation	123,756,791	123,756,791	30,939,198	-	-	30,939,198	(92,817,593)	25.0%	31,058,567	(119,369)	-0.4%
State shared sales tax	26,824,133	26,824,133	6,706,033	-	-	6,706,033	(20,118,100)	25.0%	6,224,270	481,763	7.7%
State funds	80,629,392	80,629,392	5,223,663	5,224,176	5,223,664	15,671,503	(64,957,889)	19.4%	16,969,905	(1,298,402)	-7.7%
Federal funds	6,154,500	6,154,500	39,887	2,185	45,639	87,711	(6,066,789)	1.4%	2,464,406	(2,376,695)	-96.4%
Tuition, fees, and other sources	792,500	815,500	88,195	63,379	177,012	328,586	(486,914)	40.3%	239,735	88,852	37.1%
Total revenue	238,157,316	238,180,316	42,996,976	5,289,740	5,446,315	53,733,031	(184,447,285)	22.6%	56,956,883	(3,223,852)	-5.7%
Total available for expenditures	249,057,316	255,131,188	42,996,976	5,289,740	11,497,187	59,783,903	(195,347,285)		63,953,678	(4,169,775)	
Total expenditures	249,057,316	255,131,188	19,276,618	20,254,785	(2,715,823)	36,815,580	218,315,608	14.4%	32,519,745	4,295,835	13.2%
Revenues Over / (Under) Expenditures	\$ -	-	23,720,358	(14,965,045)	14,213,010	22,968,323			31,433,933	(8,465,610)	
Expenditures - by Function											
Instruction ¹	\$ 189,486,088	192,733,618	14,641,578	14,956,756	(4,066,071)	25,532,263	167,201,355	13.2%	21,769,208	3,763,055	17.3%
Admin and Attendance and Health	13,171,443	13,247,166	1,119,985	1,119,577	251,463	2,491,025	10,756,141	18.8%	2,452,752	38,273	1.6%
Pupil Transportation ¹	10,062,632	12,032,459	946,529	1,059,309	34,413	2,040,251	9,992,208	17.0%	1,360,540	679,711	50.0%
Operations & Maintenance	28,026,934	28,807,725	2,375,808	3,111,469	1,016,542	6,503,819	22,303,906	22.6%	6,903,421	(399,602)	-5.8%
Facilities	78,095	78,095	6,805	7,674	6,519	20,998	57,097	26.9%	18,715	2,283	12.2%
Fund Transfers & Other Uses	8,232,124	8,232,124	185,913	-	41,311	227,224	8,004,900	2.8%	15,109	212,115	1403.9%
Total expenditures by function	249,057,316	255,131,188	19,276,618	20,254,785	(2,715,823)	36,815,580	218,315,608	14.4%	32,519,745	4,295,835	13.2%
Expenditures - by Type											
Personnel services ¹	147,927,999	147,932,999	12,225,870	13,147,993	(4,028,286)	21,345,577	126,587,422	14.4%	19,742,278	1,603,299	8.1%
Employee benefits ¹	57,541,966	57,541,966	4,177,867	3,028,543	(782,087)	6,424,323	51,117,643	11.2%	5,539,446	884,877	16.0%
Purchased services	15,650,129	18,144,144	777,215	2,937,935	295,418	4,010,568	14,133,576	22.1%	3,288,761	721,807	21.9%
Other charges	7,523,361	7,774,772	653,340	303,609	1,091,888	2,048,837	5,725,935	26.4%	1,695,335	353,502	20.9%
Materials and supplies	5,712,382	6,216,223	594,742	600,474	211,180	1,406,396	4,809,827	22.6%	1,356,024	50,372	3.7%
Other operating expenditures	4,752,021	6,320,544	295,089	211,232	308,122	814,443	5,506,101	12.9%	583,484	230,959	39.6%
Capital outlay	1,461,413	2,709,788	360,782	(10,001)	106,554	457,335	2,252,453	16.9%	172,812	284,523	164.6%
Operating transfers & Other uses	8,232,124	8,232,124	185,913	-	41,311	227,224	8,004,900	2.8%	15,109	212,115	1403.9%
VHSL Supplement	255,921	258,628	5,800	35,000	40,077	80,877	177,751	31.3%	126,496	(45,619)	-36.1%
Total expenditures by type	\$ 249,057,316	255,131,188	19,276,618	20,254,785	(2,715,823)	36,815,580	218,315,608	14.4%	32,519,745	4,295,835	13.2%

Year to Year actual variances >= 5% are explained on the following page

Year to Year actual variances >= 5%

Variances by Function

Instruction - up 17.3% - primarily related to 39 instructional positions moved the general fund in FY12 that were ARRA funded in FY11. Also related to instructional technology purchases.

Pupil Transportation - up 50% - purchase of 8 - 77 passenger buses and fuel expenditures related to June 2011 which were invoiced and paid in FY 12.

Operations & Maintenance - down -5.8% - primarily due to difference in timing of property coverage insurance payment of \$374,136 this fiscal year compared to when the payment was made last fiscal year.

Facilities - up 12.2% - personnel increase related to the additional duty supplement for the construction inspector.

Fund Transfers & Other Uses - up 1403.9% - difference in timing of general fund transfer to St. Joseph's Villa of \$103,290 which was made earlier in fiscal year 12 than in fiscal year 11. And the October payment was made early of \$41,311 for the energy efficiency lease.

Variances by Type

Personnel services - up by 8.1% - the increase in personnel costs related to instruction and facilities netted against decreases in personnel costs related to strategic hiring and budgeted reduction of 10 non classroom positions.

Employee benefits - up by 16.0 % - benefits associated with increase personnel costs.

Purchased services - up by 21.9% - FY12 tuition for regional programs which was paid in FY12.

Other charges - up by 20.9% - includes the property coverage insurance payment as discussed above in the operations function.

Other operating expenditures - up by 39.6% - includes transportation garage service expenditures (fuel) as discussed above in the transportation function.

Capital outlay - includes purchase of school buses as discussed above in transportation function and includes continuation of technology equipment upgrades which began in FY11 (\$153 for additional instructional computer) equipment and division-wide software upgrades.

Operating transfers & other uses - as discussed above.

VHSL supplement - related to timing of program activity (needs, ordering, expenditures, etc.) at high schools.

Richmond Public Schools
Statement of Activity
FY 2010-2011 Fund 100- General Operating Budget Detail
For the Three Months Ending September 30, 2011
Unaudited

	FY2012 Original Budget	FY2012 Current Budget	September Actual Revenue/ Expenditures	August Actual Revenue/ Expenditures	July Actual Revenue/ Expenditures	FY2012 YTD Revenue/ Expenditures	Budget Variance Favorable (Unfavorable)
Expenditure Detail - by Type							
Personnel services - salaries and wages	\$ 147,927,999	147,932,999	12,225,870	13,147,993	(4,028,286)	21,345,577	126,587,422
Employee benefits	57,541,966	57,541,966	4,177,867	3,028,543	(782,087)	6,424,323	51,117,643
Purchased services:							
Service contracts	2,016,869	3,185,958	139,145	84,092	105,815	329,052	2,856,906
Professional services	1,961,233	2,139,581	43,609	77,542	41,170	162,321	1,977,260
Tuition	5,934,582	6,470,234	113,779	2,285,441	8,131	2,407,351	4,062,883
Temporary services	226,550	262,972	19,016	10,594	11,513	41,123	221,849
Nonprofessional services	3,695,533	4,156,660	190,652	251,020	59,101	500,773	3,655,887
Repairs and maintenance	1,815,362	1,928,740	271,014	229,245	69,689	569,948	1,358,792
Total purchased services	15,650,129	18,144,144	777,215	2,937,934	295,418	4,010,567	14,133,577
Other charges:							
Advertising	95,075	101,134	2,766	1,569	-	4,335	96,799
Student transportation	660,421	668,553	33,057	8,331	4,719	46,107	622,446
Expense recovery	(3,900,000)	(3,900,000)	(238,469)	(145,034)	(117,664)	(501,167)	(3,398,833)
Insurance	2,091,682	2,091,682	82,980	-	497,470	580,450	1,511,232
Utilities	6,685,000	6,887,021	623,642	284,526	430,813	1,338,981	5,548,040
Communications	1,522,203	1,557,313	115,135	132,473	247,416	495,024	1,062,289
Rentals	368,980	369,069	34,228	21,746	29,132	85,106	283,963
Total other charges	7,523,361	7,774,772	653,339	303,611	1,091,887	2,048,837	5,725,936
Materials and supplies:							
Supplies	4,642,768	4,935,030	420,452	381,314	180,437	982,203	3,952,827
Printing and binding	175,879	181,322	17,696	3,513	3,650	24,859	156,463
Books and periodicals	294,319	308,801	7,129	2,384	-	9,513	299,288
Textbooks	501,500	654,151	142,320	205,799	-	348,119	306,032
Other	97,916	113,919	7,146	7,464	27,094	41,704	72,215
Total materials and supplies	5,712,382	6,193,223	594,743	600,474	211,181	1,406,398	4,786,825
Other operating expenditures:							
Staff development	458,675	474,068	61,293	40,847	9,231	111,371	362,697
Dues and fees	225,303	232,728	-	7,348	35	7,383	225,345
Travel	238,136	239,920	8,036	2,998	7,448	18,482	221,438
Commencement	53,736	53,736	-	584	-	584	53,152
Awards	33,990	35,149	1,119	4,471	-	5,590	29,559
Claims and judgements	45,000	45,000	-	-	-	-	45,000
Garage services	2,410,981	3,772,803	75,843	35,838	172,186	283,867	3,488,936
Warehouse services	1,200,000	1,238,504	90,629	113,845	118,916	323,390	915,113
Other	86,200	251,637	58,169	5,300	307	63,776	187,862
Total other operating expenditures	4,752,021	6,343,544	295,089	211,231	308,122	814,442	5,529,102
Capital outlay:							
Land & Building Improvements	1,500	1,525	-	-	25	25	1,500
Equipment additions	968,905	1,296,361	178,398	(46,018)	106,498	238,878	1,057,483
Equipment replacement	491,008	1,411,902	182,384	36,017	31	218,432	1,193,470
Total capital outlay	1,461,413	2,709,788	360,782	(10,001)	106,554	457,335	2,252,453
Operating Transfers & Other Uses:							
Operating transfers out	7,732,124	7,732,124	103,290	-	-	103,290	7,628,834
Debt Service-Capital leases	500,000	500,000	82,623	-	41,311	123,934	376,066
Total operating transfers & other uses	8,232,124	8,232,124	185,913	-	41,311	227,224	8,004,900
VHSL Supplement	255,921	258,628	5,800	35,000	40,077	80,877	177,751
Total expenditures	\$ 249,057,316	255,131,188	19,276,618	20,254,785	(2,715,823)	36,815,580	218,315,607

Richmond Public Schools
Fund Transfers & Other Uses
FY 2011-2012 Fund 100- General Operating Budget
For the Three Months Ending September 30, 2011
 Unaudited

	FY2012 Original Budget	FY2012 Current Budget	FY2012 YTD Actual	Budget Balance
<u>TRANSFERS TO SPECIAL REVENUE* & OTHER FUNDS</u>				
Adult Education	\$526,000	\$526,000	-	526,000
Federal Work Study Program	30,000	30,000	-	30,000
Early Reading Initiative	283,970	283,970	-	283,970
Enhancing Education through Technology	3,500	3,500	-	3,500
Head Start	690,000	690,000	-	690,000
J. Sarg. Reynolds Dual Enrollment	75,000	75,000	-	75,000
Mentor Teacher Program	35,500	35,500	-	35,500
St. Joseph's Villa	115,000	115,000	103,290	11,710
Title I	15,000	15,000	-	15,000
Truancy/Drug Free Schools	-	-	-	-
VA Commission for the Arts	35,000	35,000	-	35,000
Partners in the Arts	-	-	-	-
Summer School	892,500	892,500	-	892,500
Community Education Partnership	4,897,039	4,897,039	-	4,897,039
Arthur Ashe Center	25,000	25,000	-	25,000
RTC Print Shop	54,100	54,100	-	54,100
Copy Center	54,515	54,515	-	54,515
TOTAL TRANSFERS OUT	\$7,732,124	7,732,124	103,290	7,628,834
<u>DEBT SERVICE</u>				
Capital One Public Funding LLC - Energy Performance Program	500,000	500,000	123,934	376,066
TOTAL FUND TRANSFERS OUT & OTHER USES	\$8,232,124	\$8,232,124	\$227,224	\$8,004,900

Notes:

*Transfers to Special Revenue funds are primarily the local cash match required for projects funded from grants.

Richmond Public Schools
Nutrition Services - Statement of Activity
FY 2011-2012 Fund 502 - Operating Budget
For the Three Months Ending September 30, 2011
Unaudited

	FY2012 Original Budget	FY2012 Current Budget	September Actual Revenue/ Expenditures	August Actual Revenue/ Expenditures	July Actual Revenue/ Expenditures	FY2012 YTD Revenue/ Expenditures	Budget Variance Favorable (Unfavorable)	Received/ Obligated as % of Revised Budget	FY2011 YTD Actual Revenue/ Expenditures	Current Year vs. Last Year	Increase/ (Decrease) % Last Year to Date
Operating Revenue											
Sales and Related Income	\$ 1,757,000	\$ 1,757,000	14,359	176	25,880	40,414	(1,716,586)	2.30%	17,451	22,963	56.82%
State Reimbursements											
Breakfast Incentive Program	-	-	-	-	-	-	-	-	-	-	0.00%
School Lunch Program	270,754	270,754	-	-	-	-	(270,754)	0.00%	-	-	0.00%
Federal Reimbursements											
Breakfast Program	2,400,000	2,400,000	-	-	-	-	(2,400,000)	0.00%	-	-	0.00%
Lunch Program	5,900,000	5,900,000	-	-	-	-	(5,900,000)	0.00%	-	-	0.00%
Fresh Fruit & Veggie Program	-	421,040	-	-	-	-	(421,040)	0.00%	-	-	0.00%
Other	270,000	270,000	240,742	-	-	240,742	(29,258)	89.16%	264,062	(23,320)	-9.69%
Commodities Received (fair value)	395,000	395,000	43,889	-	-	43,889	(351,111)	11.11%	55,000	(11,111)	-25.32%
Total Operating Revenue	\$ 10,992,754	11,413,794	298,990	176	25,880	325,046	(11,088,748)	2.85%	336,513	(11,467)	0.00%
Cost of Sales											
Cost of Sales (food & related costs)*	\$ 4,762,000	\$ 5,140,936	20,776	73,804	258	94,839	5,046,097	1.84%	543,095	(448,256)	-82.54%
Commodities Used (fair value)	395,000	395,000	43,889	-	-	43,889	351,111	11.11%	55,000	(11,111)	0.00%
Total Cost of Sales	5,157,000	5,535,936	64,665	73,804	258	138,728	5,397,208	2.51%	598,095	(459,367)	-76.81%
Gross Profit (Loss)	5,835,754	5,877,858	234,325	(73,629)	25,622	186,318	(16,485,957)	3.17%	(261,582)	447,900	-171.23%
Operating Costs											
Salaries and Wages	3,046,174	3,046,174	337,881	275,025	(89,667)	523,239	2,522,935	17.18%	153,751	369,488	240.32%
Employee Benefits	1,238,502	1,413,274	120,558	86,240	(56,673)	150,125	1,263,149	10.62%	16,534	133,591	807.98%
Purchased Services	70,680	70,680	16,166	1,065	-	17,231	53,449	24.38%	2,550	14,682	575.83%
Other Charges	12,000	12,000	-	-	-	-	12,000	0.00%	128	(128)	0.00%
Supplies and Materials	876,770	876,770	51,740	45,715	102	97,557	779,213	11.13%	67,799	29,758	43.89%
Other Operating Expenses	145,800	60,056	2,843	1,940	677	5,461	54,595	9.09%	2,544	2,917	114.63%
Equipment Lease	135,800	135,800	11,290	11,290	-	22,580	113,220	16.63%	22,580	-	0.00%
Equipment Purchases	226,000	268,104	62,605	4,165	-	66,770	201,334	24.90%	22,978	43,792	190.58%
Reserve for Contingencies	89,028	-	-	-	-	-	-	0.00%	-	-	0.00%
Total Operating Costs	\$ 5,840,754	5,882,858	603,084	425,439	(145,559)	882,963	4,999,895	15.01%	288,864	594,100	205.67%
Net Income/ (loss) from Operations	(5,000)	(5,000)	(368,759)	(499,068)	171,181	(696,645)			(550,445)		
Non-operating income/expenses											
Interest Earnings	5,000	5,000	-	-	-	-	-	-	-	-	-
Net Income	\$ -	-	(368,759)	(499,068)	171,181	(696,645)			(550,445)		
Fund Balance - July 1, 2011 (unaudited)						1,556,924					
Fund Balance - At Present						860,278					

* Food costs reflects September Invoices received and processed as of October 14, 2011.

**Patrick Henry Charter School
Budget Report FY2011-2012**

			FY2012 Revised 8/2011	Budget Revision 9/27/2011	Amended Budget FY2012	Revenue Received 9/30/2011	Outstanding Encumbrances 9/30/2011	Revenues Oct-June 2012	Projected Balance @ June 30 2012	PHSSA Flow Through Funding
Operating Revenue										
Per Pupil Allocation (195 students * \$9,540)			1,860,300	-	1,860,300	285,125	108,739	1,466,436	-	
Breakfast/Lunch Sales			23,000	-	23,000	6,488	-	16,512	-	23,000
Total Operating Revenue			1,883,300	-	1,883,300	291,613	108,739	1,482,948	-	23,000
			FY2012 Revised 8/2011	Budget Revision 9/27/2011	Amended Budget FY2012	Expenditures Thru 9/30/2011	Outstanding Encumbrances 9/30/2011	Expenditures Oct-June 2012	Projected Balance @ June 30 2012	PHSSA Flow Through Funding
Operating Costs										
Salaries and Wages										
Instructional Administration-Principal	100.1410.4213.9001.5122-Prin		78,465		78,465	24,949	-	58,849	(5,332)	
Admin Position #2	100.1410.4213.9001.5123-A/P		30,000		30,000	-	-	13,000	17,000	
Instructional Staff (14 Core including Music)	100.1100.4213.1199.5131-Reg		563,339		563,339	100,778	-	462,561	-	
Instructional Staff (Spec Ed)	100.1100.4213.2229.5131-Sped		47,021		47,021	2,136	-	44,885	-	
Substitute Teachers	100.1100.4213.1199.5133		-		-	4,647	-	10,000	(14,647)	
Instructional Staff (Art)	100.1100.4213.1102.5134-Art		39,712		39,712	7,016	-	32,696	-	
Instructional Staff PE)	100.1100.4213.1108.5134-PE		41,697		41,697	8,090	-	33,607	-	
Librarian	100.1320.4213.1137.5135		47,500		47,500	3,958	-	43,542	-	
Guidance Counselor	100.1210.4213.9007.5136		43,895		43,895	1,742	-	42,153	-	
Nurse	100.2220.4213.9008.5146		32,327		32,327	6,834	-	25,493	-	
Psychologist (15%)	100.2230.4213.9013.5147		12,000		12,000	29	-	11,971	-	
Social Worker (15%)	100.1220.4213.9017.5148		12,000		12,000	135	-	11,865	-	
Instructional Assistants (2)	100.1100.4213.1199.5153		38,080	(10,000)	28,080	3,445	-	24,635	-	
Instructional Assistant (Spec Ed)	100.1100.4213.2229.5153		19,040		19,040	-	-	19,040	-	
Clerical	100.1410.4213.9001.5161		33,676		33,676	10,501	-	23,175	-	
Custodian	100.4200.4213.9009.5191		20,167		20,167	5,042	-	15,125	-	
Cafeteria Monitors	100.1310.4213.1199.5174		5,760		5,760	-	-	5,760	-	
Bus Monitor*	100.3300.4213.9019.5199		-	10,000	10,000	-	-	10,000	-	
1% Bonus-Eligible Employees Only	100.1100.4213.1199.5131		4,901		4,901	4,901	-	-	-	
Total Salaries & Wages			1,069,580	-	1,069,580	184,202	-	888,357	(2,979)	
Employee Benefits										
Health Insurance										
	100.1100.4213.1108.5311-PE		5,852		5,852	1,219	-	4,633	-	
	100.1100.4213.1199.5311-Req		100,216		100,216	11,802	-	88,414	-	
	100.1100.4213.2229.5311-Sped		7,558		7,558	244	-	7,314	-	
	100.1410.4213.9001.5311-Prin		7,558		7,558	2,377	-	5,181	-	
	100.1210.4213.9007.5311-Guid		7,558		7,558	-	-	7,558	-	
	100.1100.4213.1199.5314-Req		11,704		11,704	2,116	-	9,588	-	
	100.2220.4213.9008.5314-Nur		5,852		5,852	1,219	-	4,633	-	
Sub-Total Health Insurance			146,298		146,298	18,978	-	127,320	-	
Group Life										
	100.1100.4213.1102.5321-Art		110		110	11	-	99	-	
	100.1100.4213.1108.5321-PE		116		116	12	-	104	-	
	100.1320.4213.1137.5321-Libr		132		132	-	-	132	-	
	100.1100.4213.1199.5321-Req		1,850		1,850	159	-	1,691	-	
	100.1100.4213.2229.5321-Sped		132		132	7	-	125	-	
	100.1410.4213.9001.5321-Prin		312		312	65	-	247	-	
	100.1210.4213.9007.5321-Guid		139		139	-	-	139	-	
	100.2220.4213.9008.5321-Nur		90		90	9	-	81	-	
	100.4200.4213.9009.5321-Cust		84		84	14	-	70	-	
Sub-Total Group Life			2,965		2,965	276	-	2,689	-	
FICA										
	100.XXXX.4213.XXXX.5331		81,823		81,823	13,201	-	68,622	-	
Retirement										
	100.XXXX.4213.XXXX.5341		126,329		126,329	11,750	-	114,579	-	

**Patrick Henry Charter School
Budget Report FY2011-2012**

		FY2012 Revised 8/2011	Budget Revision 9/27/2011	Amended Budget FY2012	Expenditures Thru 9/30/2011	Outstanding Encumbrances 9/30/2011	Expenditures Oct-June 2012	Projected Balance @ June 30 2012	PHSSA Flow Through Funding
Other Insurance									
Workers' Comp	100.1100.4213.1199.5361-W/C	5,371		5,371	904	-	4,467	-	
Unemployment	100.1100.4213.1199.5362-Unem	1,484		1,484	287	-	1,197	-	
Total Employee Benefits		364,270	-	364,270	45,394	-	318,876	-	
Total Salaries & Benefits		1,433,850	-	1,433,850	229,596	-	1,207,233	(2,979)	
Purchased Services									23,000
Special Education SVC-Speech/PT/OT	100.1100.4213.2229.5438	70,000		70,000	6,154	-	63,846	-	
IT Services	100.1310.4213.1199.5439	8,500		8,500	-	-	8,500	-	
Bookkeeping/Consulting	100.1310.4213.1199.5462	14,500		14,500	-	672	13,828	-	
Zimmerman Consulting Bills - Recv'd Aug 1	100.1310.4213.1199.5462	4,015		4,015	4,015	-	-	-	
Purchase Education SVC-Intercession	100.1100.4213.1199.5462	32,000		32,000	-	-	32,000	-	
Repair & Maintenance-Buildings	100.4200.4213.9009.5476	17,500		17,500	-	-	17,500	-	
Sub-Total Purchased Services		146,515	-	146,515	10,169	672	135,674	-	
Other Charges									
Student Transportation	100.1310.4213.1199.5525	62,890		62,890	6,290	40,000	16,600	-	
Insurance-VSBA	100.4200.4213.1199.5531	12,000		12,000	-	8,806	3,194	-	
Utilities	100.4200.4213.9009.5551	50,000		50,000	492	-	49,508	-	
Building Rental	100.4200.4213.9009.5581	34,500		34,500	16,500	18,000	-	-	
Security Rental	100.4200.4213.9009.5585	4,100		4,100	-	-	4,100	-	
Telephone/Networking	100.1310.4213.1199.5561	3,850		3,850	-	3,079	771	-	
Postage	100.1310.4213.1199.5565	850		850	-	-	850	-	
Sub-Total Other Charges		168,190	-	168,190	23,282	69,885	75,023	-	
Supplies and Materials									
Instructional Supplies	100.1100.4213.1199.5612	20,000		20,000	14,067	5	5,928	-	
Office Supplies	100.1310.4213.1199.5615	14,750		14,750	443	1,357	12,950	-	
Janitorial Supplies	100.4200.4213.9012.5613	1,200		1,200	627	-	573	-	
Printing & Binding	100.1310.4213.1199.5621	5,000		5,000	-	-	5,000	-	
Library Resources	100.1320.4213.1199.5647	12,000		12,000	-	-	12,000	-	
Meals - Students	100.1310.4213.1199.5632	-		-	1,842	36,800	(38,642)	-	
Food	100.1310.4213.1199.5691	25,000		25,000	2,288	-	22,712	-	
Sub-Total Material & Supplies		77,950	-	77,950	19,266	38,162	20,522	-	
Other Operating Expenses									
Staff Development	100.1310.4213.1199.5711	2,500		2,500	-	20	2,480	-	
Travel	100.1310.4213.1199.5732	1,950		1,950	-	-	1,950	-	
Sub-Total Other Operating Expenses		4,450	-	4,450	-	20	4,430	-	
Equipment Purchases									
Additional Equipment	100.1310.4213.1199.5861	12,000		12,000	-	-	12,000	-	
Sub-Total Equipment		12,000	-	12,000	-	-	12,000	-	
Other Uses									
Other Expenses	100.0000.4213.0000.5960	3,145		3,145	-	-	3,145	-	
Indirect Costs - 2%	100.2160.4213.9002.5951	37,200		37,200	9,300	-	27,900	-	
Sub-Total Other Uses		40,345	-	40,345	9,300	-	31,045	-	
Total Other Expenditures		449,450	-	449,450	62,017	108,739	278,694	-	
Total Operating Costs		1,883,300	-	1,883,300	291,613	108,739	1,485,927	(2,979)	-
Net Income(loss) from Operations		-	-	-	-	-	(2,979)	(2,979)	23,000

*PHSSA requested budget amendment to pay bus monitor

	July	August	September	October	November	December	January	February	March	April	May	June	YTD
Revenue													
Direct Public Support	\$ -	-	1,000.00	-	-	-	-	-	-	-	-	-	\$ 1,000.00
Donations	\$ -	150.00	5,603.75	-	-	-	-	-	-	-	-	-	\$ 5,753.75
Business Contributions	\$ -	150.00	6,603.75	-	-	-	-	-	-	-	-	-	\$ 6,753.75
Total Direct Public Support													
Donations & Grants Restricted CSP													
MCGowan	50,000.00	-	-	-	-	-	-	-	-	-	-	-	\$ 50,000.00
National Fish & Wildlife	29,465.00	-	-	-	-	-	-	-	-	-	-	-	\$ 29,465.00
Mary Morton Person	-	-	150,000.00	-	-	-	-	-	-	-	-	-	\$ 150,000.00
Total Other Types of Income	\$ 79,465.00	-	188,825.68	-	-	-	-	-	-	-	-	-	\$ 268,290.68
Total income	\$ 79,465.00	150.00	185,419.43	-	-	-	-	-	-	-	-	-	\$ 270,044.43
Operating Expenditures													
Contract Services	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Accounting Fees	72.50	-	-	-	-	-	-	-	-	-	-	-	72.50
Legal Fees	5,844.31	-	-	-	-	-	-	-	-	-	-	-	5,844.31
Outside Contract Services	\$ 5,916.81	-	-	-	-	-	-	-	-	-	-	-	\$ 5,916.81
Facilities & Equipment	\$ 303.76	2,291.05	7,804.87	-	-	-	-	-	-	-	-	-	\$ 10,399.68
Rental & Maintenance	-	439.83	821.87	-	-	-	-	-	-	-	-	-	1,261.70
Glass Room, Telephone, IT Equipment	\$ 303.76	2,780.86	8,425.94	-	-	-	-	-	-	-	-	-	\$ 11,460.56
Total Facilities & Equipment													
Fundraising Expenditures	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Online Auction	-	-	-	-	-	-	-	-	-	-	-	-	-
Printing	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fundraising Expenditures	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Operations	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Postage	-	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Copying	2,004.50	103.23	17,560.45	-	-	-	-	-	-	-	-	-	19,668.18
Glass Room & Teacher Supplies	-	-	558.74	-	-	-	-	-	-	-	-	-	558.74
Office Supplies	\$ 2,004.50	103.23	18,119.19	-	-	-	-	-	-	-	-	-	\$ 20,226.92
Total Operations													
Other Types of Expenditures	\$ 252.00	30.00	-	-	-	-	-	-	-	-	-	-	\$ 282.00
Advertising	-	-	-	-	-	-	-	-	-	-	-	-	-
Banking Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	\$ 252.00	30.00	-	-	-	-	-	-	-	-	-	-	\$ 282.00
Total Other Types of Expenditures													
Travel & Meetings	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Conference, Convention	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel	2,600.00	356.67	-	-	-	-	-	-	-	-	-	-	2,956.67
Staff Training & Development	\$ 2,600.00	356.67	-	-	-	-	-	-	-	-	-	-	\$ 2,956.67
Total Travel & Meetings													
Total Expenditures	\$ 11,077.07	3,180.76	26,575.13	-	-	-	-	-	-	-	-	-	\$ 41,842.96
Net Income/Loss	\$ 68,387.93	(2,630.76)	15,844.30	-	-								

Patrick Henry Charter
Projected Construction Cost and Funding Phase I

	Scheduled Cost	cost Revisions	Revised Costs	Previous Applications	Current Application	Total Completed	%	Balance To Fund	%	Previous Retainage	Current Retainage	Total Retainage
Land (acq)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0.00%	\$0.00	\$0.00	\$0.00
Construction Contract/ Brooks	329,000.00	30,000.00	359,000.00	9,151.59	55,127.78	64,279.37	17.91%	294,720.63	82.09%	481.66	\$2,901.47	3,383.13
Construction Contingency	33,235.00	-30,000.00	3,235.00	0.00	0.00	0.00	0.00%	3,235.00	100.00%	0.00	\$0.00	0.00
Survey	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00%	0.00	\$0.00	0.00
Appraisal	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00%	0.00	\$0.00	0.00
Architect & Engineer	27,000.00	0.00	27,000.00	23,501.92	0.00	23,501.92	0.00%	3,498.08	12.96%	0.00	\$0.00	0.00
Title Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00%	0.00	\$0.00	0.00
Recording	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00%	0.00	\$0.00	0.00
Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00%	0.00	\$0.00	0.00
Lead Abatement / Inspections	16,000.00	0.00	16,000.00	15,312.00	0.00	15,312.00	0.00%	688.00	0.00%	0.00	\$0.00	0.00
PHSSA Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00%	0.00	\$0.00	0.00
Permits & Historic Tax Credits Fees	2,500.00	0.00	2,500.00	0.00	0.00	0.00	0.00%	2,500.00	100.00%	0.00	\$0.00	0.00
Optional Repairs	6,330.00	0.00	6,330.00	1,407.00	261.09	1,668.09	0.00%	4,661.91	0.00%	0.00	\$26.11	26.11
Landscaping	12,000.00	0.00	12,000.00	0.00	0.00	0.00	0.00%	12,000.00	0.00%	0.00	\$0.00	0.00
Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00%	0.00	\$0.00	0.00
Interest Reserve	1,400.00	0.00	1,400.00	0.00	0.00	0.00	0.00%	1,400.00	0.00%	0.00	\$0.00	0.00
VCC Bridge Loan Closing	1,000.00	0.00	1,000.00	0.00	0.00	0.00	0.00%	0.00	0.00%	0.00	\$0.00	0.00
Total	\$428,465.00	\$0.00	\$428,465.00	\$49,372.51	\$55,388.87	\$104,761.38	24.45%	\$323,703.62	75.55%	\$481.66	\$2,927.58	\$3,409.24

\$55,388.87

Draw Amount

Sources

Donations	50,000.00	0.00	50,000.00	49,372.51	261.09	49,633.60	0.99	366.40	0.73%	481.66	0.00	481.66
PPF FY2010	200,000.00	0.00	200,000.00	0.00	55,127.78	55,127.78	0.28	144,872.22	72.44%	0.00	2901.47	2901.47
CSP ADA Compliance Grant	22,000.00	0.00	22,000.00	0.00	0.00	0.00	0.00	22,000.00	100.00%	0.00	0.00	0.00
John Jacquelin Foundation Grant	50,000.00	0.00	50,000.00	0.00	0.00	0.00	0.00	50,000.00	100.00%	0.00	0.00	0.00
National Fish & Wild Life	24,465.00	0.00	24,465.00	0.00	0.00	0.00	0.00	24,465.00	100.00%	0.00	0.00	0.00
Mary Morton Parson Foundation Grant	12,000.00	0.00	12,000.00	0.00	0.00	0.00	0.00	12,000.00	100.00%	0.00	0.00	0.00
Virginia Community Capital Bridge Loan	70,000.00	0.00	70,000.00	0.00	0.00	0.00	0.00	70,000.00	100.00%	0.00	0.00	0.00
Total	\$428,465.00	\$0.00	\$428,465.00	\$49,372.51	\$55,388.87	\$104,761.38	24.45%	\$323,703.62	75.55%	\$481.66	\$2,901.47	\$3,383.13

Total From Donations	\$261.09
Total From Self-Help	\$55,127.78
CSP ADA Compliance Grant	\$0.00
John Jacquelin Foundation Grant	\$0.00
PPF	\$0.00
Virginia Community Capital Bridge Loan	\$0.00
Total Draw From All Sources	\$55,388.87

Date: 9/30/11

Note: Pending \$70,000.00 Bridge Loan is committed, to be paid off from proceeds of Historic Tax Credits est. \$87,000.00

**Patrick Henry Charter School
Statement of Income and Expense
For the Period Ended June 30, 2012
Unaudited**

	July	August	September	October	November	December	January	February	March	April	May	June	YTD
Revenue													
Direct Public Support													
Donations	\$ -	-	1,000.00	-	-	-	-	-	-	-	-	-	\$ 1,000.00
Business Contributions	-	150.00	5,603.75	-	-	-	-	-	-	-	-	-	5,753.75
Total Direct Public Support	\$ -	150.00	6,603.75	-	-	-	-	-	-	-	-	-	\$ 6,753.75
Donations & Grants Restricted													
CSP			38,825.68										\$ 38,825.68
McGowan	50,000.00												\$ 50,000.00
National Fish & Wildlife	24,465.00												\$ 24,465.00
Mary Morton Parson	\$ -	-	150,000.00	-	-	-	-	-	-	-	-	-	\$ 150,000.00
Total Other Types of Income	74,465.00	-	188,825.68	-	-	-	-	-	-	-	-	-	\$ 263,290.68
Total Income	\$ 74,465.00	150.00	195,429.43	-	-	-	-	-	-	-	-	-	\$ 270,044.43
Operating Expenditures													
Contract Services													
Accounting Fees	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Legal Fees	72.50	-	-	-	-	-	-	-	-	-	-	-	72.50
Outside Contract Services	5,844.31	-	-	-	-	-	-	-	-	-	-	-	5,844.31
Total Contract Services	\$ 5,916.81	-	-	-	-	-	-	-	-	-	-	-	\$ 5,916.81
Facilities & Equipment													
Rental & Maintenance	\$ 303.76	2,291.05	7,804.87	-	-	-	-	-	-	-	-	-	\$ 10,399.68
Class Room, Telephone, IT Equipment	-	439.81	621.07	-	-	-	-	-	-	-	-	-	1,060.88
Total Facilities & Equipment	\$ 303.76	2,730.86	8,425.94	-	-	-	-	-	-	-	-	-	\$ 11,460.56
Fundraising Expenditures													
Online Auction	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Printing	-	-	-	-	-	-	-	-	-	-	-	-	-
Consultants	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fundraising Expenditures	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Operations													
Postage	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Printing & Copying	-	-	-	-	-	-	-	-	-	-	-	-	-
Class Room & Teacher Supplies	2,004.50	103.23	17,560.45	-	-	-	-	-	-	-	-	-	19,668.18
Office Supplies	-	-	558.74	-	-	-	-	-	-	-	-	-	558.74
Total Operations	\$ 2,004.50	103.23	18,119.19	-	-	-	-	-	-	-	-	-	\$ 20,226.92
Other Types of Expenditures													
Advertising	\$ 252.00	-	30.00	-	-	-	-	-	-	-	-	-	\$ 282.00
Banking Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Types of Expenditures	\$ 252.00	-	30.00	-	-	-	-	-	-	-	-	-	\$ 282.00
Travel & Meetings													
Conference, Convention	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ -
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
Staff Training & Development	2,600.00	356.67	-	-	-	-	-	-	-	-	-	-	2,956.67
Total Travel & Meetings	\$ 2,600.00	356.67	-	-	-	-	-	-	-	-	-	-	\$ 2,956.67
Total Expenditures	\$ 11,077.07	3,190.76	26,575.13	-	-	-	-	-	-	-	-	-	\$ 40,842.96
Net Income/Loss													

Student Diversity and Transportation at PHSSA

"Reflective of the RPS population and the City it serves"

The following table illustrates several important points about the level of diversity at PHSSA.

- Patrick Henry's diversity goal as stated in the charter is that the school "is reflective of the RPS population and the City it serves." This table demonstrates that Patrick Henry's Black/White ratio and SES indicator (Qualification for Free and Reduced Lunch) put it right in the middle of these two targets.
- The table also compares Patrick Henry to the five RPS elementary schools with the most comparable race make-up and FRL demographics. This shows that Patrick Henry is the Richmond Public School that best reflects the population of the city of Richmond.

	African American	White	Asian	Latino	SES	Source
					% Poverty line	
Richmond City	51%	41%	2%	6	23%	U.S. Census Bureau, 2010
					% qualifying for FRL	
RPS	86%	9%	1%	6%	67%	Virginia Department of Education, 2010-2011
PHSSA 10-11	58%	35%	2%	3%	27%	
Comparable RPS elementary schools						
Munford	14%	78%	3%	4%	12%	
Fox	30%	62%	2%	4%	22%	
Holton	65%	31%	2%	3%	45%	
Fisher	70%	18%	1%	8%	42%	
Cary	81%	13%	0%	5%	53%	

Transportation Supporting Diversity

One of the reasons Patrick Henry is able to meet its diversity goal is that it is striving to meet its stated commitment to ensure that "transportation is not a limiting factor on student attendance." The following table shows that students who ride the Patrick Henry Bus increase our population of African American students and students qualifying for Free and Reduced Lunch. Without the busing policy we have in place, our school would lose some of that diversity.

	African American	White	Asian	Latino	FRL
PHSSA Total	58%	35%	2%	1%	27%
PHSSA Busriders	82%	15%	0	0	45%

PHSSA Transportation and Child Care Survey

In an effort to better understand the nature of the transportation needs of our school's population, an exploratory survey was conducted. The survey was distributed to all families and we received 95 responses (50% response rate). While the response rate does not allow us to make valid generalizations about our school's population, the survey did reveal some of the critical issues underlying the transportation needs of our students. For example:

- We found that, of the families that needed transportation, for a majority (54%) it was an issue of conflicting work schedules (42%) or inadequate child care (12%) rather than lack of a car.
- We found that 53% of students that needed bus service would not need it if there were expanded before school and after school programs provided.
- We found that, in general parents needed more affordable before and after school child care options.

PHSSA Transportation Plan – Approved by PHSSA Board of Directors 10/4/11

PHSSA Charter Article 2, Section N

Transportation: The School Board (RPS) shall be responsible for transporting students with disabilities who require special education transportation in order to attend PHSSA. It shall be the responsibility of the families desiring enrollment to transport their children to PHSSA. PHSSA however does not wish the lack of transportation to be a limiting factor on student attendance and will seek to work with the School Board, local government, the business community and civic associations to provide transportation options where needed.

Immediate

- Communicate carpool ongoing needs and solicit help (use school newsletter, website, email, etc)
 - Launch online CarShare program so that parents can communicate directly about carpool needs
- Based on transportation survey data collected September 2011, PHSSA plans to partner with a group to launch an affordable on-site before/after school program at the PH Building in January 2012.
- Formulate partnership with RPS re: transportation. Using RPS SES transportation option, specialty school model and other charter school models (Denver, CO and Albemarle, VA)
- Extend existing contract for transportation until end of December 2011 and re-solicit bids for transportation for school year beginning Jan 2012.

Intermediate (January 2012)

- When lottery is complete in late February, immediate survey new students to have a complete picture of transportation needs by March 2012 for the following school year
- Ongoing surveying on transportation via town halls, focus groups and surveys
- Focus groups that address transportation
- Resubmit diversity plan to RPS by April 1st to address any concerns raised in research/survey

Long Term (2012-13 school year)

- Continue to pursue partnership with RPS (see immediate)
- Purchase or get donation of larger buses (40 students @) to transport 'hardship students' using William Byrd Community House or another vendor as a partner
- Continue carpool/CarShare outreach
- Continue with inexpensive or free on-site before and after school program
- Walking school bus and safe bike riders program



School Board of the City of Richmond, Virginia
Richmond Public Schools
Internal Audit Services

AUDIT REPORT

Patrick Henry School of Science and Arts Student Activity Funds

**Principal: Mrs. Pamela Boyd
Finance Officer: Ms. Michelle Coleman**

Audit Period: October 29, 2010 – June 30, 2011

Audit Assignment No.: A-4213-12-002

October 14, 2011



INTERNAL AUDIT SERVICES AUDIT REPORT

Purpose of Audit

We have audited cash receipts, disbursements and account balances of student activity funds of Patrick Henry School of Science & Arts for the period beginning October 29, 2010 and ending June 30, 2011. The collected funds and related disbursements were for extracurricular school activities such as, clubs, fund raising, class trips and cafeteria funds. These accounts, books, and records are the responsibility of the principal. Our responsibility is to advise the school board, the superintendent and principal of the overall condition and management of the student activity funds. We are also responsible for testing compliance with provisions of applicable laws and regulations.

Scope of Au- dit

We conducted our audit in accordance, with the *International Standards for Professional Practice of Internal Auditing*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the accounts, books, and records of Patrick Henry School of Science & Arts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Basis of Accounting

The school prepares its financial statement on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles. Cash receipts and transfers in are recorded when received and cash disbursements and transfers out are recorded when paid.

Conclusion

The financial statement referred to above presents fairly, in all material respects,

the cash receipts, disbursements, transfers and account balances of the student activity funds of Patrick Henry School of Science & Arts for the fiscal year ended June 30, 2011. For fiscal year ended June 30, 2011, the ending fund balance was \$11,565.31 (See Appendix A).

***Compliance
and Internal
Controls***

In planning and performing our audit of the financial statements for the activity funds of Patrick Henry School of Science & Arts, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure. We have not considered the internal control structure since the date of this report.

During our audit, we noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to acknowledge good management controls or improve the internal control structure or result in operating efficiencies and are summarized as follows:

Audit Findings

Management

Administrative Review

Our review of FY2011 transactions disclosed that the principal does not routinely monitor and review the finance officer or teachers' records. We found instances of administrative procedures not being followed (see receipts, disbursements, and accounting records sections of this report). The principal has the overall responsibility for the management of the student activity funds. The daily duties may be delegated, however, the principal must provide continuous supervision to ensure that established and approved procedures are being followed.

The principal delegated the duties of the finance officer to the office associate and felt that the person was competent to perform the job duties. Three employees performed the job duties at various skill levels. The principal did not review the job performance of the finance officer or the financial records. The condition of the physical records, miscoding of transactions, unreceipted funds, and late deposits were the result of the finance officers not performing established procedures. However, continuous supervision by the principal would have ensured that the assigned duties were being done in a timely and proper manner. *The principal should review the student activity fund records on an unscheduled basis. In addition, the principal should verify receipts to deposits, review the contents of file cabinet, safe or vault and determine whether teachers are holding monies by reviewing the dates on copies of the receipts given to the students.* (As noted in the interim report dated June 10, 2011)

**Management
Response**

I concur with the audit finding.

Condition of the Records

A cursory review of the financial records before we began the audit disclosed that the financial records were not maintained in a logical manner. The receipt process, which includes copies of the student receipts; settlement sheets; copy of finance officer's receipts; deposit slips; and deposit receipts were not batched and were poorly maintained. Settlement sheets were not used and two of the finance officers did not always write receipts. In most cases, the receipts written by the finance officers were not attached to the cash receipt report. The cash receipt reports did have the deposit receipts attached for some of the months. The records were inconsistently maintained and were not filed in any logical order. Some of the records for the checks were not maintained in the monthly folder, but were located in several places. Some folders had no supporting documents. In addition, teachers did not always write receipts for student lunches and the

financial data was being captured on envelopes and various others papers. All transactions shall be recorded as executed and shall be properly classified. According to the Virginia Administrative Code 8VAC20-240-20, "Each school shall keep an accurate record of all receipts and disbursements so that a clear and concise statement of condition for each fund may be determined at all times. It shall be the duty of each principal to see that such records are maintained in accordance with this chapter and rules promulgated by the local school board." During the school year there were three different finance officers keeping the records. They had various levels of training and job skills for maintaining the records. The principal thought that the finance officers were competent and able to complete the duties of the finance officer. The principal did not realize that the records were not being maintained according to guidelines. Following the established guidelines for maintaining the SAF records provides the school an effective internal control to safeguard the funds collected and disbursed during a school year. When funds are not properly handled during the receipt and disbursement processes, money can be lost or stolen or unauthorized purchases can occur. *The principal must ensure that records are filed and maintained in accordance with established administrative guidelines. For example, invoices should be attached to expenditure vouchers and the receipt number range should be written on deposit tickets.*

(As noted in the interim report dated June 10, 2011)

**Management
Response**

I concur with the audit finding.

EPES Accounting System (Recording Transactions)

The recorded receipt transactions were difficult to track, because different receipt books were used. In some cases, the teacher receipt numbers were input into the EPES system instead of the finance officer receipts. At times, it was difficult to determine which teachers' receipt corresponded to the receipt written by the fi-

nance officer. In addition, some of the transactions were miscoded. All transactions shall be recorded as executed and shall be properly classified. The principal must have written procedures in place to ensure that all records, paper and electronic, are secure from unauthorized use, alteration or destruction and be retained in accordance with policies. The finance officer had limited experience with the EPES system and was unfamiliar with the proper coding of the transactions. The principal was unaware that the transactions were not properly recorded in the system. The funds that were miscoded resulted in the financial statements being inaccurate. *The principal must ensure that all transactions for the receipts and disbursements are recorded in the EPES accounting system as it occurs. We also recommend that the principal ensure that the EPES transactions reflect the supporting documents that are maintained in the files. In addition, the principal must determine whether the finance officer require additional training on the EPES accounting software.*

**Management
Response**

I concur with the audit finding.

Signature Authority

There were 37 checks written during the audit period. We reviewed the checks to ensure that they were properly authorized with two signatures. We noted that 24% (9 of 37) of the disbursements had only the principal's signature. Richmond Public Schools student activity fund procedures require two signatures on checks to withdraw funds from the checking or savings accounts. The principal was unaware of the requirement for two signatures. The principal thought that two people were needed on the bank account signature card, but did not realize that two signatures were also needed on the checks. The procedure that requires all checks have two signatures is to prevent unauthorized purchases and to ensure that funds are available for the disbursements. All checks must include the signature of at least two individuals. *The principal should assign an-*

other individual to sign checks and acquire new signature cards from the bank. The Chief Operating Officer must approve the new signature cards.

**Management
Response**

I concur with the audit finding.

Cafeteria Process

Richmond Public Schools has a centralized process for the management of cafeteria funds. However, Patrick Henry School of Science and Arts (PHSSA) Board elected to award a contract to a vendor for the students' daily breakfast and lunch. The school is responsible for ensuring that all money is collected from the students and staff. Once the money is collected, it is deposited and a check from the SAF account is written to Richmond Public Schools. The check is forwarded to the Department of Finance and coded to the PHSSA operating budget. The vendor is paid from the operating budget of the school. We determined that receipts were not always written for the funds collected for meals. We also found that the process established by the school for tracking the full and partial payments for meals was unreliable. We found evidence in the files that students were allowed to eat lunch prior to paying. The finance officer attempted to maintain an accounts receivable ledger. However, the ledger was handwritten and did not contain all of the necessary information. We were unable to determine the outstanding accounts receivable amount. The vendor charged the school for the number of meals prepared. There was no reconciliation between the number of meals billed (delivered) each day and the number of meals consumed by the students. In addition, a daily estimate of the number of meals needed was not provided to the vendor prior to delivery. The vendor also billed for days the school was not in session. It shall be the duty of each principal to see that such records are maintained in accordance with the Code of Virginia. The principal did not initially develop written procedures for handling cafeteria funds. In addition, the school is using a manual process that is not efficient and subject to er-

rors. *The principal must develop written procedures for the management of the cafeteria funds. These procedures must be distributed to the staff and the principal must ensure that the staff follows the procedures. The principal needs to automate the process for payment of meals in order to reduce errors and to obtain readily available financial data.*

(As noted in the interim report dated June 10, 2011)

***Management
Response***

I do not concur with the audit finding. Prior to the opening of this school, policies and procedures should have been established by a governance committee.

Receipts

Supporting Documentation

We reviewed a sample of receipts (51 of the 471) recorded in the EPES accounting system. The receipts that were recorded in EPES should be the receipts written by the finance officer to the teachers/sponsors. We found that the EPES system had both the finance officers' receipts and some teachers' receipts. The money and copies of the receipts written by the teachers to the students should be submitted to the finance officer. These receipt copies should be maintained in the files as the source document. Our review of the cash receipts disclosed that 24% (12 of 51) of the sampled receipts in the EPES system lacked supporting documentation. There were copies of the students' receipts; however, in many cases we found it difficult to trace the finance officers' receipts to the source document. In some cases, receipts were not written for the funds collected and deposited into SAF account. The teachers/sponsors are responsible for issuing individual receipts to the students or using a settlement sheet to record the student's name and amount received. According to the Department of Education, all receipts should be receipted by a pre-numbered receipt form, and written promptly upon receipt of funds. The school had three finance officers with various skill levels and they were unfamiliar with the requirements for maintaining

the proper supporting documentation. The principal did not implement corrective actions highlighted by Internal Audit in February 2011. Due to the lack of supporting documentation, we are unable to determine whether all funds collected were actually receipted and deposited into the student activity fund account. *The teacher should use student receipts and /or settlement sheets to document the receipt of all funds that are collected and deposited into the student activity fund. We recommend that a pre-numbered receipt form be used for all funds collected, promptly upon receipt of funds. All supporting documentation as to the source of the funds must be maintained for the annual audit in a logical manner.*

(As noted in the interim report dated June 10, 2011)

***Management
Response***

I do not concur with the audit finding. Having three finance officers made it difficult to implement processes with any level of continuity.

Receipts

Deposits

During the review of the receipts, we found instances whereby funds were not deposited on a daily basis. For example, \$74.25 was held in a locked file cabinet for five (5) days and \$210.05 was held for three (3) days before a deposit was made at the bank. We sampled eleven percent of the receipts written by the finance officers. We also performed a cursory review of the remaining receipts. Seven of the 51 sampled receipts were not deposited promptly during the school year. This represents 14% of the sampled receipts. School Board policy 3-3.9, Cash in Schools, state that, all funds must be deposited on a daily basis and no more than \$25.00 can be kept in a school overnight. If funds are received at the end of the day, the individual responsible for making deposits should use the night deposit bag. According to the principal, the funds were not deposited timely as required by School Board policy, because of a lack of office personnel. The principal stated that performing other administrative duties prevented the money from being taken to the bank. There is a potential loss of funds when the money

is not deposited daily in the bank. The longer the money is kept in the school by either the teachers or the finance officer it has the potential of being lost or stolen. *All funds should be deposited in the bank on a daily basis or as promptly as possible. In addition, the night deposit bag can be used if funds are received at the end of the day.*

**Management
Response**

I concur with the audit finding.

**Disburse-
ments**

Supporting Documentation

We reviewed all checks written from the SAF account during fiscal year 2011. Our review of cash disbursements disclosed that 8% (3 of 37) of the sampled disbursements were without supporting documentation. The three checks were written for field trips and the invoices were not available for review. All disbursements should be supported by complete documentation regardless of the nature of the expenditure. Supporting documentation may include invoices, vouchers, or purchase orders, all of which should be properly approved for payment. The supporting documents for checks were maintained in several places and many of the invoices and store receipts were duplicated. Several invoices were not attached to the Check Request forms and it was difficult for the staff to determine which invoices were missing. The missing store receipts and/or invoices weaken the internal controls for the disbursement process. The principal should only sign checks that have satisfactory supporting documents that ensure the disbursement is proper. *All checks must be supported by proper documents, which must be properly checked and approved by the principal.*

**Management
Response**

I concur with the audit finding.

Debit Card

Several purchases for stamps and gift cards were made with a SAF checking account debit card. The principals are not permitted to use check/debit cards to purchase items using SAF funds. The debit card purchases totaled \$893.66. A total of \$770.00 was spent on gift cards for the teachers, volunteers and some students. Stamps were purchased from the post office for \$39.60 and \$84.06 was used to purchase breakfast food for students attending a workshop. The SAF account may be used as a working fund in which funds flow in and out in equal amounts so that a zero balance is achieved at the end of the school year. The receipts for the purchases were submitted to the Department of Finance for reimbursement to the SAF checking account. All disbursements should be made by checks. The disbursements should be supported by complete documentation, regardless of the nature of the expenditure. Supporting documentation may include invoices, vouchers, or purchase orders, all of which should be properly approved for payment. The Principal stated that she was not aware of the established written procedures for disbursements. The finance officer was unaware of the expenditures, because a check request form was not completed. The expenditure was not recorded until the bank statement was received. The risk of overdrawing the checking account is increased with the delay in recording the transactions. *All payments to vendors must be made by checks. The supporting documentation must be obtained and maintained for the annual student activity fund audit.*

(As noted in the interim report dated June 10, 2011)

**Management
Response**

I concur with the audit finding.

***Accounting
Records***

Meal Fees

The school is authorized to collect breakfast and lunch money from the students. The proceeds from the collections should be sent to the Department of Finance to cover the cost of the caterer. The school deposited a total of \$6,810.85 into the student activity fund account during the school year. A total of \$1,824.20 was submitted in January 2011 for meal fees collected. However, the school had an ending balance of \$4,986.65, in the student lunch account (935). The remaining balance of the student lunch was not submitted to the Department of Finance by June 30, 2011. The total balance due for meal fees is \$4,986.65. All School Board fees and fines collected during the school year should be submitted to the Department of Finance by June 30. The procedures established for PHSSA required a monthly submission of funds collected for meals. The principal was aware that the funds for the meal fees had not been submitted to the Department of Finance. The principal stated that she had many duties, which included ensuring that the money was deposited into the bank. Therefore, there was a delay in the money being submitted to the Department of Finance. The principal did not follow the established procedures. In addition, the money collected for meals had the potential of being spent on other expenses because it remained in the SAF account for an extended period. The meal program was supported 100% by the schools operating budget for the period of February 2011 to June 2011. *The principal must complete a "Remittance Statement" and submit the statement and a check for \$4,986.65 to the Department of Finance.*
(As noted in the interim report dated June 10, 2011)

***Management
Response***

I concur with the audit finding.

Safe

The money collected at the school is being stored in a locked file cabinet near the office associate's desk. The office associate's desk is located in a large open area that is used by students, staff and visitors. Appropriate security measures should be used to protect all cash and cash items such as, a safe or a vault. The school is located temporarily in the basement of a church. The principal was not aware that the school should purchase a safe to store the funds collected. The principal thought that a locked file cabinet was sufficient for maintaining funds. Due to the work area unlimited access by staff and visitors, any cash or cash items collected at the school have the potential to be lost or stolen. The principal should obtain a safe to secure and protect all cash, cash items and all other items susceptible to personal use or sale.

(As noted in the interim report dated June 10, 2011)

***Management
Response***

I concur with the audit finding.

***Exit
Conference***

The results of the audit were discussed with the school principal on September 23, 2011.

Acknowledgements

We appreciate the excellent assistance and cooperation provided us during the audit by Pamela Boyd, Principal and Michelle Coleman, Finance Officer. We would be happy to discuss this report with you at your convenience.

**Patrick Henry School of Science & Arts
Statement of Accountability
School Period Ended June 30, 2011**

Account Description	Beginning Balances 10/29/2010	Receipts	Disbursements	Ending Balances 6/30/2011
Target Field Trip Grant	\$0.00	\$500.00	\$364.00	\$136.00
Lunch Date with Future	0.00	2,727.64	525.00	2,202.64
MVEE Va Naturally Grant	0.00	700.00	498.25	201.75
Kindergarten Class	0.00	170.00	0.00	170.00
Media Department	0.00	1,438.00	0.00	1,438.00
Hospitality Fund	0.00	280.00	44.99	235.01
Field Trips	0.00	6,398.86	5,762.25	636.61
General	0.00	1,843.80	294.54	1,549.26
Student Lunch	0.00	6,810.85	1,824.20	4,986.65
Postage	0.00	0.00	0.00	0.00
Principal Expense	0.00	1,158.35	1,148.96	9.39
TOTALS	\$0.00	\$22,027.50	\$10,462.19	\$11,565.31



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Richmond, Virginia

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