SUBJECT

Heritage Academy Financial Update

APPLICABLE STATUTE, RULE, OR POLICY

I.C. §33-5209(C)(3)

BACKGROUND

Heritage Academy (HA) is a public charter school authorized by the Public Charter School Commission (PCSC).

On April 17, 2014, the PCSC directed staff to provide written notification to the State Department of Education of the PCSC's concern regarding HA's ability to remain financially stable through the school's performance certificate term. This letter was issued based on the PCSC's concerns regarding a negative cash flow projection in early 2015 and the school's inadequate plans to address an upcoming, significant balloon payment.

DISCUSSION

Heritage Academy has provided additional documentation regarding the financial status of the school.

On May 30, 2014, HA signed a renegotiated facility loan with Magic Valley Christian High School. HA previously had a balloon payment due on July 1, 2015; the revised loan terms delay the school's obligation to pay the remainder of its promissory note until July 1, 2018. No balloon payment will be necessary.

HA projects an FY14 end-year carryover of approximately $50,000. This improved outlook is the result of updated financial projections that reflect lower staff costs based on a mid-year resignation of a teacher, in addition to reduced paraprofessional costs.

HA further projects maintaining a positive cash flow through FY14 an FY15. Updated information provided by the school indicates that FY15 revenue will be lower than previously anticipated due to low enrollment in the middle school grades. However, the FY15 budget also anticipates decreased expenditures including a teaching staff reduction made possible by combining classes and involving the administrator in teaching some middle school classes.

HA's efforts to obtain a USDA loan have resulted in the denial of a loan for the present facility. However, the USDA remains willing to consider a loan for a new building. The school's board is pursuing this option for a possible construction project in FY16 or later.

IMPACT

Concern regarding HAs ability to remain fiscally stable for the remainder of its performance certificate term is significantly reduced by the renegotiation of the

facility loan. It appears that a modified payment schedule is no longer warranted at this time.

STAFF COMMENTS AND RECOMMENDATIONS

Although impending financial crisis has been mitigated, HA's finances remain tight. For this reason, staff recommends that the PCSC require HA to provide a fall enrollment update and quarterly financial reports through FY15.

COMMISSION ACTION

A motion to direct staff to issue to the SDE written notice that the PCSC no longer has immediate concerns regarding Heritage Academy's ability to remain fiscally stable for the remainder of its performance certificate term.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

AND

A motion to direct Heritage Academy to provide the PCSC with a 2014-2015 enrollment update by September 1, 2014, and quarterly financial reports through fiscal year 2015.

Moved by _____ Seconded by _____ Carried Yes _____ No _____

SECOND AGREEMENT AMENDING SECOND DEED OF TRUST AND SUBSTITUTING PROMISSORY NOTE

This Second Agreement Amending Second Deed of Trust and Substituting Promissory Note is made and entered into this 30 day of May, 2014, by and between **MAGIC VALLEY CHRISTIAN HIGH SCHOOL, INC., dba MAGIC VALLEY CHRISTIAN SCHOOL,** hereinafter collectively referred to as "Beneficiary" and **HERITAGE ACADEMY, INC.,** an Idaho corporation, hereinafter referred to as "Grantor".

RECITALS

A. On July 8th, 2011, Grantor made and delivered to the Beneficiary a Promissory Note in the amount of Three Hundred Fifty Thousand and No/100 Dollars ($350,000.00), a copy of which is attached hereto as **EXHIBIT A** ("Original Promissory Note").

B. On July 8th, 2011, Grantor executed and delivered to Beneficiary, a Second Deed of Trust, securing the performance of the Promissory Note, which Second Deed of Trust was subsequently recorded July 11th, 2011 as Instrument No. 2113293, Jerome County, Idaho records.

C. The Promissory Note and Deed of Trust were placed for collection under Escrow No. J-40126 with Land, Title and Escrow, Inc., Burley, Idaho.

D. An Agreement Amending Second Deed of Trust and Substituting Promissory Note was entered into between the parties by Agreement dated as of July 26th, 2013. A copy of that Agreement is attached hereto as **EXHIBIT B**.

E. The New Promissory Note substituted into escrow under the terms of the Agreement copied and attached hereto as EXHIBIT B is presently due and payable on July 1st, 2015.

F. The parties wish to modify the New Promissory Note under the terms of EXHIBIT B attached hereto by extending the maturity date to June 1st, 2018; by increasing the monthly payments to *Four Thousand Four Hundred Eighty-Five Dollars and 05/100 ($4,485.05)* inclusive of interest, commencing July 1st, 2014; by amending the maturity date to June 1st, 2018; and by substituting the second new promissory note, a copy of which is attached hereto as **EXHIBIT C** ("Second New Promissory Note") into the existing escrow for collection at Land, Title and Escrow, Inc., Burley, Idaho.

IT IS THEREFORE AGREED in consideration of these recitals and the promises and covenants hereafter contained as follows:

1. **SECOND NEW PROMISSORY NOTE.** Grantor agrees to execute and deliver to Beneficiary the Second New Promissory Note, a copy of which is and attached hereto as EXHIBIT C. The original of the Second New Promissory Note shall be delivered to Land, Title and Escrow, Inc.,

with instructions to substitute it for the New Promissory Note dated July 8th, 2011, a copy of which is attached hereto as **EXHIBIT D**.

2. **PRINCIPAL BALANCE; NEXT PAYMENT DATE.** The parties acknowledge that the principal balance on the New Promissory Note is *One Hundred Eighty-Nine Thousand One Hundred Twenty-One and 43/100 Dollars ($189,121.43)*, with accrued interest thereon at 6.5% per annum from the 5th day of May, 2014. The Second New Promissory Note shall require monthly payments of *Four Thousand Four Hundred Eighty-Five Dollars and 05/100 ($4,485.05)*, inclusive of interest, commencing July 1st, 2014, and continuing the 1st day of each month thereafter until June 1st, 2018, at which time the Second New Promissory Note shall be fully due and payable.

3. **CANCELLATION OF NEW PROMISSORY NOTE.** Upon the execution of the Second New Promissory Note, the New Promissory Note shall be cancelled.

4. **PRIORITY OF SECOND DEED OF TRUST NOT AFFECTED.** The parties acknowledge that the priority of the Second Deed of Trust recorded as Instrument No. 2113293, Jerome County, Idaho, records on July 11th, 2011, which Second Deed of Trust secures the performance of the Original Promissory Note, the New Promissory Note, and the Second New Promissory Note shall not be affected by this Agreement. The Second New Promissory Note remains secured by that Second Deed of Trust.

5. **RECORDING; DELIVERY TO ESCROW.** The original of this Agreement shall be recorded in the records of Jerome County, Idaho. After its recording it shall be delivered to Land Title and Escrow, Inc., along with the original of the Second New Promissory Note, with instructions signed by the parties to continue to administer the escrow in accordance with the Second New Promissory Note, as secured by the Second Deed of Trust.

6. **RATIFICATION.** Except as modified by this Agreement, the parties do hereby ratify, confirm and approve every term and condition of the Agreement Amending Second Deed of Trust and Substituting Promissory Note copied and attached hereto as Exhibit B. Any conflict between this Agreement and the Agreement Amending Second Deed of Trust and Substituting Promissory Note shall be governed by this Agreement.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names, the day and year in this agreement first above written.

"GRANTOR"

HERITAGE ACADEMY, INC.

A. BLAIR CROUCH, President

"BENEFICIARY"

MAGIC VALLEY CHRISTIAN HIGH SCHOOL, INC.,
DBA MAGIC VALLEY CHRISTIAN SCHOOL

LYLE MCCLIMANS, President

STATE OF IDAHO)
ss:
County of Jerome)

On this 30 day of May, 2014, before me, the undersigned, a Notary Public in and for said County and State, personally appeared A. BLAIR CROUCH, President of HERITAGE ACADEMY, INC., an Idaho corporation, known to me to be the person whose name is subscribed to the within and foregoing instrument, and who acknowledged to me that he executed the same in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, the day and year in this certificate first above written.

JANET M TAYLOR
NOTARY PUBLIC
STATE OF IDAHO

NOTARY PUBLIC for Idaho
Residing at: Jerome, Idaho
Commission Expires: 4/15/2017

STATE OF IDAHO)
ss:
County of Jerome)

On this 31 day of May, 2014, before me, the undersigned, a Notary Public in and for said County and State, personally appeared LYLE MCCLIMANS, President of MAGIC VALLEY CHRISTIAN HIGH SCHOOL, INC., an Idaho corporation, dba Magic Valley Christian School, known to me to be the person whose name is subscribed to the within and foregoing instrument, and who acknowledged to me that he executed the same in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, the day and year in this certificate first above written.

JANET M TAYLOR
NOTARY PUBLIC
STATE OF IDAHO

NOTARY PUBLIC for Idaho
Residing at: Jerome, Idaho
Commission Expires: 4/15/2017

EXHIBIT A

PROMISSORY NOTE

$ 350,000.00 July 8 ~~June~~ ___, 2011

ARTICLE 1
IDENTIFICATION OF HOLDERS AND MAKER

1.1 Holder's Name and Address. Magic Valley Christian High School, Inc. d/b/a Magic Valley Christian School, an Idaho corporation whose address is 268 Dubois Avenue, Twin Falls, Idaho 83301-4611, is the "Holder" of this note.

1.2 Maker's Name and Address. Heritage Academy, Inc., an Idaho corporation whose address is P.O. Box 378, Jerome, ID 83338, is the "Maker" of this note.

ARTICLE 2
SPECIFIC TERMS AND CONDITIONS

2.1 Obligation. For value received, the Maker promises to pay to the Holder, or its order, the principal sum of Three Hundred Fifty Thousand and No/100ths Dollars ($350,000.00) with interest thereon from the date of this note calculated upon the unpaid principal balance at the rate described in Section 2.2 below.

2.2 Interest. This note shall bear interest at the rate of Six and One-Half Percent (6.50%) per annum from the date hereof.

2.3 Payment of Principal and Interest. Principal and interest shall be paid in equal monthly installments of Six Thousand Five Hundred and No/100ths Dollars ($6,500.00) beginning on the date hereof and continuing on the first day of each month thereafter until July 1, 2013 (the "Maturity Date"), at which time all outstanding principal and interest shall be due in full. All payments received by the Holder, whether as part of a monthly installment, prepayment, or otherwise shall be applied by the Holder: first, to accrued but unpaid interest; and second, to reduce the principal balance of this note.

The Maker and the Holder acknowledge and agree that any payment of all remaining principal and interest under this note, whether at the maturity date or upon any voluntary prepayment in full of this note, shall, as a condition to such payment, be applied by the Holder to obtain the release and termination of the Deed of Trust from the Holder to Land Title & Escrow, Inc., as trustee, for the benefit of the Maurice A. Bowers Trust, as beneficiary, which Deed of Trust was recorded in Jerome County, Idaho on July 15, 2010 as Instrument No. 2103092.

2.4 Prepayment. The Maker shall have the right to voluntarily prepay this note at any time, without penalty or premium, together with all accrued and unpaid interest in respect thereof accrued to the date of prepayment.

2.5 Security. This note is secured by a Deed of Trust in favor of the Holder of even date herewith encumbering the following real property:

Lots 1 through 16, Block 124 of Jerome Townsite, Jerome County, Idaho, according to the official plat thereof of record with the Jerome County, Idaho, Recorder.

2.6 Default.

a. General. In the event that (i) the Maker defaults in payment when due and such default continues for thirty (30) days from the date such payment is due, (ii) the Maker defaults in the performance of any of the other covenants or agreements contained in this note or the Deed of Trust, for more than thirty (30) days after written notice thereof is given by the Holder to the Maker, (iii) the Maker files or has filed against it any petition under any bankruptcy or insolvency law for the appointment of a receiver or makes a general assignment for the benefit of creditors (each, a "Bankruptcy Default"), or (iv) the Maker sells, conveys or transfers all or any portion of the real property secured by the Deed of Trust without the prior written consent of the Holder (each, a "Transfer Default"), then, or at any time thereafter, the Holder may declare the entire debt then remaining unpaid to be immediately due and payable (provided, that in the case of a Bankruptcy Default or a Transfer Default, all outstanding debt shall automatically and immediately become due and payable without any further action by or on behalf of the Holder). Any event referenced in clauses (i) through (iv) hereof are referred to as an "Event of Default."

b. Default Rate. If any Event of Default occurs and while any such Event of Default is continuing, all past due principal, and to the extent permitted by applicable law, interest, fees, charges, advances and any other amounts owing hereunder or under the Deed of Trust, shall bear interest at a rate equal to Twelve Percent (12.00%) per annum from the date of such Event of Default until such Event of Default is waived or cured (if the Holder allows such a cure), or all obligations that the Maker owes to the Holder hereunder are paid in full.

c. Exercise of Rights and Remedies. No delay of, or omission in, the exercise of any right, power or remedy accruing to the Holder as a result of an Event of Default shall impair any such right, power or remedy, nor shall it be construed as a waiver of, or acquiescence in, any such Event of Default, or of any similar Event of Default occurring later; nor shall any waiver of any single Event of Default be deemed a waiver of any other Event of Default occurring before or after such waiver. All waivers by the Holder must be in writing to be valid.

ARTICLE 3
GENERAL TERMS AND CONDITIONS

3.1 Attorney's Fees. In the event the Holder retains an attorney for the purpose of collecting any amounts due under the terms of this note, the Maker shall pay to the Holder the Holder's attorney's fees and expenses, whether or not litigation is actually instituted.

3.2 Maker's Waivers. The Maker and any and all others who may at any time become liable for the payment of all or any part of this obligation hereby waives presentment for payment, demand, notice of dishonor, protest and notice of protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this note.

3.3 Amendments. This note may not be changed orally, but only by agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

3.4 Binding Effect. The words "Holder" and "Maker" shall include their respective heirs, personal representatives, administrators, successors and assigns; *provided, however*, that this note may not be assigned by the Maker or assumed by anyone other than the Maker without the express written consent of the Holder. Any such attempted assignment or assumption without the express written consent of the Holder shall be null and void.

3.5 Address for Notices. All notices to the Holder or the Maker shall be sent via personal service or first class mail to the address set forth in Article 1, or at such other address as the Holder or the Maker (as applicable) shall specify in writing to the other in accordance with the terms of this Section 3.5.

3.6 Address for Payment. All payments to the Holder shall be paid in escrow to Land Tittle & Escrow, Inc., in its capacity as escrow agent, at the following address:

Land Title & Escrow, Inc.
237 N. Lincoln
Jerome, ID 83338

3.7 Governing Law. This note shall be governed by and construed in accordance with the laws of the State of Idaho other than its conflict of laws rules.

3.8 Time of Essence. Time is of the essence in each and every term contained herein.

[The remainder of this page has been left intentionally blank.]

IN WITNESS WHEREOF, each of the undersigned has executed this note as his/her personal obligation as of the date and year first above written.

MAKER

HERITAGE ACADEMY, INC.

By: _____
Name: Kelly Bangerter
Title: President

HEAC-001 / Promissory Note

EXHIBIT B

Instrument # 2133460
JEROME COUNTY, JEROME, IDAHO
7-29-2013 03:47:16 No. of Pages: 13
Recorded for : WILLIAMS,MESERVY & LOTHSPEICH
MICHELLE EMERSON Fee: 46.00
Ex-Officio Recorder Deputy Jwilson

AGREEMENT AMENDING SECOND DEED OF TRUST AND SUBSTITUTING PROMISSORY NOTE

This Agreement Amending Second Deed of Trust and Substituting Promissory Note is made and entered into this 26 day of July, 2013, by and between **MAGIC VALLEY CHRISTIAN HIGH SCHOOL, INC., dba MAGIC VALLEY CHRISTIAN SCHOOL**, hereinafter collectively referred to as "Beneficiary" and **HERITAGE ACADEMY, INC.**, an Idaho corporation, hereinafter referred to as "Grantor".

RECITALS

A. On July 8th, 2011, Grantor made and delivered to the Beneficiary a Promissory Note in the amount of Three Hundred Fifty Thousand and No/100 Dollars ($350,000.00), a copy of which is attached hereto as EXHIBIT A.

B. On July 8th, 2011, Grantor executed and delivered to Beneficiary, a Second Deed of Trust, securing the performance of the Promissory Note, which Second Deed of Trust was subsequently recorded July 11th, 2011 as Instrument No. 2113293, Jerome County, Idaho records.

C. The Promissory Note and Deed of Trust were placed for collection under Escrow No. J-40126 with Land, Title and Escrow, Inc., Burley, Idaho.

D. The Promissory Note is fully due and payable on July 1st, 2013.

E. The parties wish to modify the Promissory Note by extending the maturity date to July 1st, 2015, by modifying the monthly payment due under the Promissory Note; to reaffirm the priority of the Second Deed of Trust securing the new Promissory Note ("New Promissory Note") to be measured by the date of its original recording, July 11th, 2011; by extending the maturity date of the New Promissory Note to July 1st, 2015; and by substituting the New Promissory Note attached hereto as EXHIBIT B into the escrow for collection at Land, Title and Escrow, Inc., Burley, Idaho.

IT IS THEREFORE AGREED in consideration of these recitals and the promises and covenants hereafter contained as follows:

1. NEW PROMISSORY NOTE. Grantor agrees to execute and deliver to Beneficiary the New Promissory Note, a copy of which is and attached hereto as EXHIBIT B. The original of the New Promissory Note shall be delivered to Land, Title and Escrow, Inc., with instructions to substitute it for the original Promissory Note dated July 8th, 2011, a copy of which is attached hereto as EXHIBIT A.

2. PAYMENTS. The parties acknowledge that all payments due on the original Promissory Note through June 1st, 2013, have been fully paid and that the next installment of interest is due and payable on the New Promissory Note effective July 1st, 2013.

3. PRIORITY OF SECOND DEED OF TRUST NOT AFFECTED. The parties acknowledge that the priority of the Second Deed of Trust recorded as Instrument No. 2113293, Jerome County, Idaho, records on July 11th, 2011, which Second Deed of Trust secures the performance of the original and the New Promissory Notes shall not be affected by this Agreement. The New Promissory Note remains secured by that Second Deed of Trust.

4. RECORDING; DELIVERY TO ESCROW. The original of this Agreement shall be recorded in the records of Jerome County, Idaho. After its recording it shall be delivered to Land Title and Escrow, Inc., along with the original of the New Promissory Note, with instructions signed by the parties to continue to administer the escrow in accordance with the New Promissory Note, as secured by the Second Deed of Trust.

5. RATIFICATION. Except as modified by this Agreement, the parties do hereby ratify, confirm and approve every term and condition of the original Promissory Note as reflected in the New Promissory Note and the Second Deed of Trust.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names, the day and year in this agreement first above written.

"GRANTOR"

HERITAGE ACADEMY, INC.

A. BLAIR CROUCH, President

"BENEFICIARY"

MAGIC VALLEY CHRISTIAN HIGH SCHOOL, INC.,
DBA MAGIC VALLEY CHRISTIAN SCHOOL

LYLE MCCLIMANS, President

STATE OF IDAHO)
ss:
County of Jerome)

On this 24 day of July, 2013, before me, the undersigned, a Notary Public in and for said County and State, personally appeared A. BLAIR CROUCH, President of HERITAGE ACADEMY, INC., an Idaho corporation, known to me to be the person whose name is subscribed to the within and foregoing instrument, and who acknowledged to me that he executed the same in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, the day and year in this certificate first above written.

KIMBERLY GAILEY
Notary Public
State of Idaho

NOTARY PUBLIC for Idaho
Residing at: Jerome, Id
Commission Expires: 10-18-2017

STATE OF IDAHO)
ss:
County of Jerome)

On this 24 day of July, 2013, before me, the undersigned, a Notary Public in and for said County and State, personally appeared LYLE MCCLIMANS, President of MAGIC VALLEY CHRISTIAN HIGH SCHOOL, INC., an Idaho corporation, dba Magic Valley Christian School, known to me to be the person whose name is subscribed to the within and foregoing instrument, and who acknowledged to me that he executed the same in such capacity.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, the day and year in this certificate first above written.

KIMBERLY GAILEY
Notary Public
State of Idaho

NOTARY PUBLIC for Idaho
Residing at: Jerome, Id
Commission Expires: 10-18-2017

EXHIBIT A

PROMISSORY NOTE

$ 350,000.00 July 8 ~~June~~ ___, 2011

ARTICLE 1
IDENTIFICATION OF HOLDERS AND MAKER

1.1 Holder's Name and Address. Magic Valley Christian High School, Inc. d/b/a Magic Valley Christian School, an Idaho corporation whose address is 268 Dubois Avenue, Twin Falls, Idaho 83301-4611, is the "Holder" of this note.

1.2 Maker's Name and Address. Heritage Academy, Inc., an Idaho corporation whose address is ~~P.O. Box 378~~, Jerome, ID 83338, is the "Maker" of this note.
500 South Lincoln

ARTICLE 2
SPECIFIC TERMS AND CONDITIONS

2.1 Obligation. For value received, the Maker promises to pay to the Holder, or its order, the principal sum of Three Hundred Fifty Thousand and No/100ths Dollars ($350,000.00) with interest thereon from the date of this note calculated upon the unpaid principal balance at the rate described in Section 2.2 below.

2.2 Interest. This note shall bear interest at the rate of Six and One-Half Percent (6.50%) per annum from the date hereof.

2.3 Payment of Principal and Interest. Principal and interest shall be paid in equal monthly installments of Six Thousand Five Hundred and No/100ths Dollars ($6,500.00) beginning on the date hereof and continuing on the first day of each month thereafter until July 1, 2013 (the "Maturity Date"), at which time all outstanding principal and interest shall be due in full. All payments received by the Holder, whether as part of a monthly installment, prepayment, or otherwise shall be applied by the Holder: first, to accrued but unpaid interest; and second, to reduce the principal balance of this note.

The Maker and the Holder acknowledge and agree that any payment of all remaining principal and interest under this note, whether at the maturity date or upon any voluntary prepayment in full of this note, shall, as a condition to such payment, be applied by the Holder to obtain the release and termination of the Deed of Trust from the Holder to Land Title & Escrow, Inc., as trustee, for the benefit of the Maurice A. Bowers Trust, as beneficiary, which Deed of Trust was recorded in Jerome County, Idaho on July 15, 2010 as Instrument No. 2103092.

2.4 Prepayment. The Maker shall have the right to voluntarily prepay this note at any time, without penalty or premium, together with all accrued and unpaid interest in respect thereof accrued to the date of prepayment.

2.5 Security. This note is secured by a Deed of Trust in favor of the Holder of even date herewith encumbering the following real property:

EXHIBIT
A

Lots 1 through 16, Block 124 of Jerome Townsite, Jerome County, Idaho, according to the official plat thereof of record with the Jerome County, Idaho, Recorder.

2.6 Default.

a. General. In the event that (i) the Maker defaults in payment when due and such default continues for thirty (30) days from the date such payment is due, (ii) the Maker defaults in the performance of any of the other covenants or agreements contained in this note or the Deed of Trust, for more than thirty (30) days after written notice thereof is given by the Holder to the Maker, (iii) the Maker files or has filed against it any petition under any bankruptcy or insolvency law for the appointment of a receiver or makes a general assignment for the benefit of creditors (each, a "Bankruptcy Default"), or (iv) the Maker sells, conveys or transfers all or any portion of the real property secured by the Deed of Trust without the prior written consent of the Holder (each, a "Transfer Default"), then, or at any time thereafter, the Holder may declare the entire debt then remaining unpaid to be immediately due and payable (provided, that in the case of a Bankruptcy Default or a Transfer Default, all outstanding debt shall automatically and immediately become due and payable without any further action by or on behalf of the Holder). Any event referenced in clauses (i) through (iv) hereof are referred to as an "Event of Default."

b. Default Rate. If any Event of Default occurs and while any such Event of Default is continuing, all past due principal, and to the extent permitted by applicable law, interest, fees, charges, advances and any other amounts owing hereunder or under the Deed of Trust, shall bear interest at a rate equal to Twelve Percent (12.00%) per annum from the date of such Event of Default until such Event of Default is waived or cured (if the Holder allows such a cure), or all obligations that the Maker owes to the Holder hereunder are paid in full.

c. Exercise of Rights and Remedies. No delay of, or omission in, the exercise of any right, power or remedy accruing to the Holder as a result of an Event of Default shall impair any such right, power or remedy, nor shall it be construed as a waiver of, or acquiescence in, any such Event of Default, or of any similar Event of Default occurring later; nor shall any waiver of any single Event of Default be deemed a waiver of any other Event of Default occurring before or after such waiver. All waivers by the Holder must be in writing to be valid.

ARTICLE 3
GENERAL TERMS AND CONDITIONS

3.1 Attorney's Fees. In the event the Holder retains an attorney for the purpose of collecting any amounts due under the terms of this note, the Maker shall pay to the Holder the Holder's attorney's fees and expenses, whether or not litigation is actually instituted.

3.2 Maker's Waivers. The Maker and any and all others who may at any time become liable for the payment of all or any part of this obligation hereby waives presentment for payment, demand, notice of dishonor, protest and notice of protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this note.

3.3 Amendments. This note may not be changed orally, but only by agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

3.4 Binding Effect. The words "Holder" and "Maker" shall include their respective heirs, personal representatives, administrators, successors and assigns; *provided, however*, that this note may not be assigned by the Maker or assumed by anyone other than the Maker without the express written consent of the Holder. Any such attempted assignment or assumption without the express written consent of the Holder shall be null and void.

3.5 Address for Notices. All notices to the Holder or the Maker shall be sent via personal service or first class mail to the address set forth in Article 1, or at such other address as the Holder or the Maker (as applicable) shall specify in writing to the other in accordance with the terms of this Section 3.5.

3.6 Address for Payment. All payments to the Holder shall be paid in escrow to Land Tittle & Escrow, Inc., in its capacity as escrow agent, at the following address:

Land Title & Escrow, Inc.
237 N. Lincoln
Jerome, ID 83338

3.7 Governing Law. This note shall be governed by and construed in accordance with the laws of the State of Idaho other than its conflict of laws rules.

3.8 Time of Essence. Time is of the essence in each and every term contained herein.

[The remainder of this page has been left intentionally blank.]

IN WITNESS WHEREOF, each of the undersigned has executed this note as his/her personal obligation as of the date and year first above written.

MAKER

HERITAGE ACADEMY, INC.

By: _____
Name: Kelly Bangerter
Title: President

HEAC-001 / Promissory Note

EXHIBIT B

$350,000.00

PROMISSORY NOTE

July 8, 2011

ARTICLE 1
IDENTIFICATION OF HOLDERS AND
MAKER

1.1 Holder's Name and Address. Magic Valley Christian High School, Inc. d/b/a Magic Valley Christian School, an Idaho corporation whose address is 268 Dubois Avenue, Twin Falls, Idaho 83301-4611, is the "Holder" of this note.

1.2 Maker's Name and Address. Heritage Academy, Inc., an Idaho corporation whose address is ~~P.O. Box 378,~~ Jerome, ID 83338, is the "Maker" of this note.
500 South Lincoln

ARTICLE 2
SPECIFIC TERMS AND
CONDITIONS

2.1 Obligation. For value received, the Maker promises to pay to the Holder, or its order, the principal sum of Three Hundred Fifty Thousand and No/100 Dollars ($350,000.00) with interest thereon from the date of this note calculated upon the unpaid principal balance at the rate described in Section 2.2 below.

2.2 Interest. This note shall bear interest at the rate of Six and One-Half Percent (6.50%) per annum from the date hereof.

2.3 Payment of Principal and Interest. Principal and interest shall be paid in equal monthly installments of Four Thousand Three Hundred and No/100 Dollars ($4,300.00) beginning on the 1st day of July, 2013, and continuing on the first day of each month thereafter until July 1, 2014 at which time the monthly installment shall be reduced to wo Thousand Eight Hundred and No/100 Dollars ($2,800.00) per month, continuing on the first day of each month thereafter until July 1st, 2015 (the "Maturity Date"), at which time all outstanding principal and interest shall be due in full. All payments received by the Holder, whether as part of a monthly installment, prepayment, or otherwise shall be applied by the Holder: first, to accrued but unpaid interest; and second, to reduce the principal balance of this note.

The Maker and the Holder acknowledge and agree that any payment of all remaining principal and interest under this note, whether at the maturity date or upon any voluntary prepayment in full of this note, shall, as a condition to such payment, be applied by the Holder to obtain the release and termination of the Deed of Trust from the Holder to Land Title & Escrow, Inc., as trustee, for the benefit of the Maurice A. Bowers Trust, as beneficiary, which Deed of Trust was recorded in Jerome County, Idaho on July 15,2010 as Instrument No. 2103092.

2.4 Prepayment. The Maker shall have the right to voluntarily prepay this note at any

EXHIBIT B

time, without penalty or premium, together with all accrued and unpaid interest in respect thereof accrued to the date of prepayment.

2.5 Security. This note is secured by a Deed of Trust in favor of the Holder of even date herewith encumbering the following real property:

> Lots 1 through 16, Block 124 of Jerome Townsite, Jerome County, Idaho, according to the official plat thereof of record with the Jerome County, Idaho, Recorder.

2.6 Default.

a. General. In the event that (i) the Maker defaults in payment when due and such default continues for thirty (30) days from the date such payment is due, (ii) the Maker defaults in the performance of any of the other covenants or agreements contained in this note or the Deed of Trust, for more than thirty (30) days after written notice thereof is given by the Holder to the Maker, (iii) the Maker files or has filed against it any petition under any bankruptcy or insolvency law for the appointment of a receiver or makes a general assignment for the benefit of creditors (each, a "Bankruptcy Default"), or (iv) the Maker sells, conveys or transfers all or any portion of the real property secured by the Deed of Trust without the prior written consent of the Holder (each, a "Transfer Default"), then, or at any time thereafter, the Holder may declare the entire debt then remaining unpaid to be immediately due and payable (provided, that in the case of a Bankruptcy Default or a Transfer Default, all outstanding debt shall automatically and immediately become due and payable without any further action by or on behalf of the Holder). Any event referenced in clauses (i) through (iv) hereof are referred to as an "Event of Default."

b. Default Rate. If any Event of Default occurs and while any such Event of Default is continuing, all past due principal, and to the extent permitted by applicable law, interest, fees, charges, advances and any other amounts owing hereunder or under the Deed of Trust, shall bear interest at a rate equal to Twelve Percent (12.00%) per annum from the date of such Event of Default until such Event of Default is waived or cured (if the Holder allows such a cure), or all obligations that the Maker owes to the Holder hereunder are paid in full.

c. Exercise of Rights and Remedies. No delay of, or omission in, the exercise of any right, power or remedy accruing to the Holder as a result of an Event of Default shall impair any such right, power or remedy, nor shall it be construed as a waiver of, or acquiescence in, any such Event of Default, or of any similar Event of Default occurring later; nor shall any waiver of any single Event of Default be deemed a waiver of any other Event of Default occurring before or after such waiver. All waivers by the Holder must be in writing to be valid.

ARTICLE3
GENERAL TERMS AND CONDITIONS

3.1 Attorney's Fees. In the event the Holder retains an attorney for the purpose of collecting any amounts due under the terms of this note, the Maker shall pay to the Holder the Holder's attorney's fees and expenses, whether or not litigation is actually instituted.

3.2 Maker's Waivers. The Maker and any and all others who may at any time become liable for the payment of all or any part of this obligation hereby waives presentment for payment, demand, notice of dishonor, protest and notice of protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this note.

3.3 Amendments. This note may not be changed orally, but only by agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

3.4 Binding Effect. The words "Holder" and "Maker" shall include their respective heirs, personal representatives, administrators, successors and assigns; *provided, however,* that this note may not be assigned by the Maker or assumed by anyone other than the Maker without the express written consent of the Holder. Any such attempted assignment or assumption without the express written consent of the Holder shall be null and void.

3.5 Address for Notices. All notices to the Holder or the Maker shall be sent via personal service or first class mail to the address set forth in Article 1, or at such other address as the Holder or the Maker (as applicable) shall specify in writing to the other in accordance with the terms of this Section 3.5.

3.6 Address for Payment. All payments to the Holder shall be paid in escrow to Land Tittle & Escrow, Inc., in its capacity as escrow agent, at the following address:

Land Title & Escrow, Inc.
237 N. Lincoln
Jerome, ID 83338

3.7 Governing Law. This note shall be governed by and construed in accordance with the laws of the State of Idaho other than its conflict of laws rules.

3.8 Time of Essence. Time is of the essence in each and every term contained herein.

[The remainder of this page has been left intentionally blank.]

IN WITNESS WHEREOF, each of the undersigned has executed this note as his/her personal obligation as of the date and year first above written.

MAKER

HERITAGE ACADEMY, INC.

A. Blair Crouch

A. BLAIR CROUCH, President

EXHIBIT C

$350,000.00

PROMISSORY NOTE

July 8, 2011

ARTICLE 1
IDENTIFICATION OF HOLDERS AND MAKER

1.1 Holder's Name and Address. Magic Valley Christian High School, Inc. d/b/a Magic Valley Christian School, an Idaho corporation whose address is 268 Dubois Avenue, Twin Falls, Idaho 83301-4611, is the "Holder" of this note.

1.2 Maker's Name and Address. Heritage Academy, Inc., an Idaho corporation whose address is 500 South Lincoln, Jerome, ID 83338, is the "Maker" of this note.

ARTICLE 2
SPECIFIC TERMS AND CONDITIONS

2.1 Obligation. For value received, the Maker promises to pay to the Holder, or its order, the principal sum of Three Hundred Fifty Thousand and No/100 Dollars ($350,000.00) with interest thereon from the date of this note calculated upon the unpaid principal balance at the rate described in Section 2.2 below.

2.2 Interest. This note shall bear interest at the rate of Six and One-Half Percent (6.50%) per annum from the date hereof.

2.3 Payment of Principal and Interest. The principal balance of the Promissory Note is *One Hundred Eighty-Nine Thousand One Hundred Twenty-One and 43/100 Dollars ($189,121.43)*. Interest is current as of May 5, 2014. Principal and interest shall be paid in equal monthly installments of *Four Thousand Four Hundred Eighty Five Thousand and 05/100 ($4,485.05)* beginning on the 1st day of July, 2014, and continuing on the first day of each month thereafter until June 1st, 2018 (the "Maturity Date"), at which time all outstanding principal and interest shall be due in full. All payments received by the Holder, whether as part of a monthly installment, prepayment, or otherwise shall be applied by the Holder: first, to accrued but unpaid interest; and second, to reduce the principal balance of this note.

The Maker and the Holder acknowledge and agree that any payment of all remaining principal and interest under this note, whether at the maturity date or upon any voluntary prepayment in full of this note, shall, as a condition to such payment, be applied by the Holder to obtain the release and termination of the Deed of Trust from the Holder to Land Title & Escrow, Inc., as trustee, for the benefit of the Maurice A. Bowers Trust, as beneficiary, which Deed of Trust was recorded in Jerome County, Idaho on July 15,2010 as Instrument No. 2103092.

2.4 Prepayment. The Maker shall have the right to voluntarily prepay this note at any

time, without penalty or premium, together with all accrued and unpaid interest in respect thereof accrued to the date of prepayment.

2.5 Security. This note is secured by a Deed of Trust in favor of the Holder of even date herewith encumbering the following real property:

Lots 1 through 16, Block 124 of Jerome Townsite, Jerome County, Idaho, according to the official plat thereof of record with the Jerome County, Idaho, Recorder.

2.6 Default.

a. General. In the event that (i) the Maker defaults in payment when due and such default continues for thirty (30) days from the date such payment is due, (ii) the Maker defaults in the performance of any of the other covenants or agreements contained in this note or the Deed of Trust, for more than thirty (30) days after written notice thereof is given by the Holder to the Maker, (iii) the Maker files or has filed against it any petition under any bankruptcy or insolvency law for the appointment of a receiver or makes a general assignment for the benefit of creditors (each, a "Bankruptcy Default"), or (iv) the Maker sells, conveys or transfers all or any portion of the real property secured by the Deed of Trust without the prior written consent of the Holder (each, a "Transfer Default"), then, or at any time thereafter, the Holder may declare the entire debt then remaining unpaid to be immediately due and payable (provided, that in the case of a Bankruptcy Default or a Transfer Default, all outstanding debt shall automatically and immediately become due and payable without any further action by or on behalf of the Holder). Any event referenced in clauses (i) through (iv) hereof are referred to as an "Event of Default."

b. Default Rate. If any Event of Default occurs and while any such Event of Default is continuing, all past due principal, and to the extent permitted by applicable law, interest, fees, charges, advances and any other amounts owing hereunder or under the Deed of Trust, shall bear interest at a rate equal to Twelve Percent (12.00%) per annum from the date of such Event of Default until such Event of Default is waived or cured (if the Holder allows such a cure), or all obligations that the Maker owes to the Holder hereunder are paid in full.

c. Exercise of Rights and Remedies. No delay of, or omission in, the exercise of any right, power or remedy accruing to the Holder as a result of an Event of Default shall impair any such right, power or remedy, nor shall it be construed as a waiver of, or acquiescence in, any such Event of Default, or of any similar Event of Default occurring later; nor shall any waiver of any single Event of Default be deemed a waiver of any other Event of Default occurring before or after such waiver. All waivers by the Holder must be in writing to be valid.

ARTICLE3
GENERAL TERMS AND CONDITIONS

3.1 Attorney's Fees. In the event the Holder retains an attorney for the purpose of collecting any amounts due under the terms of this note, the Maker shall pay to the Holder the Holder's attorney's fees and expenses, whether or not litigation is actually instituted.

3.2 Maker's Waivers. The Maker and any and all others who may at any time become liable for the payment of all or any part of this obligation hereby waives presentment for payment, demand, notice of dishonor, protest and notice of protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this note.

3.3 Amendments. This note may not be changed orally, but only by agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

3.4 Binding Effect. The words "Holder" and "Maker" shall include their respective heirs, personal representatives, administrators, successors and assigns; *provided, however*, that this note may not be assigned by the Maker or assumed by anyone other than the Maker without the express written consent of the Holder. Any such attempted assignment or assumption without the express written consent of the Holder shall be null and void.

3.5 Address for Notices. All notices to the Holder or the Maker shall be sent via personal service or first class mail to the address set forth in Article 1, or at such other address as the Holder or the Maker (as applicable) shall specify in writing to the other in accordance with the terms of this Section 3.5.

3.6 Address for Payment. All payments to the Holder shall be paid in escrow to Land Tittle & Escrow, Inc., in its capacity as escrow agent, at the following address:

Land Title & Escrow, Inc.
237 N. Lincoln
Jerome, ID 83338

3.7 Governing Law. This note shall be governed by and construed in accordance with the laws of the State of Idaho other than its conflict of laws rules.

3.8 Time of Essence. Time is of the essence.in each and every term contained herein.

[The remainder of this page has been left intentionally blank.]

IN WITNESS WHEREOF, each of the undersigned has executed this note as his/her personal obligation as of the date and year first above written.

MAKER

HERITAGE ACADEMY, INC.

_____

A. BLAIR CROUCH, President

EXHIBIT D

PROMISSORY NOTE

$350,000.00 July 8, 2011

ARTICLE 1
IDENTIFICATION OF HOLDERS AND
MAKER

1.1 Holder's Name and Address. Magic Valley Christian High School, Inc. d/b/a Magic Valley Christian School, an Idaho corporation whose address is 268 Dubois Avenue, Twin Falls, Idaho 83301-4611, is the "Holder" of this note.

1.2 Maker's Name and Address. Heritage Academy, Inc., an Idaho corporation whose address is ~~P.O. Box 378,~~ Jerome, ID 83338, is the "Maker" of this note.
500 South Lincoln

ARTICLE 2
SPECIFIC TERMS AND
CONDITIONS

2.1 Obligation. For value received, the Maker promises to pay to the Holder, or its order, the principal sum of Three Hundred Fifty Thousand and No/100 Dollars ($350,000.00) with interest thereon from the date of this note calculated upon the unpaid principal balance at the rate described in Section 2.2 below.

2.2 Interest. This note shall bear interest at the rate of Six and One-Half Percent (6.50%) per annum from the date hereof.

2.3 Payment of Principal and Interest. Principal and interest shall be paid in equal monthly installments of Four Thousand Three Hundred and No/100 Dollars ($4,300.00) beginning on the 1st day of July, 2013, and continuing on the first day of each month thereafter until July 1, 2014 at which time the monthly installment shall be reduced to wo Thousand Eight Hundred and No/100 Dollars ($2,800.00) per month, continuing on the first day of each month thereafter until July 1st, 2015 (the "Maturity Date"), at which time all outstanding principal and interest shall be due in full. All payments received by the Holder, whether as part of a monthly installment, prepayment, or otherwise shall be applied by the Holder: first, to accrued but unpaid interest: and second, to reduce the principal balance of this note.

The Maker and the Holder acknowledge and agree that any payment of all remaining principal and interest under this note, whether at the maturity date or upon any voluntary prepayment in full of this note, shall, as a condition to such payment, be applied by the Holder to obtain the release and termination of the Deed of Trust from the Holder to Land Title & Escrow, Inc., as trustee, for the benefit of the Maurice A. Bowers Trust, as beneficiary, which Deed of Trust was recorded in Jerome County, Idaho on July 15,2010 as Instrument No. 2103092.

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[The remainder of this page has been left intentionally blank.]

IN WITNESS WHEREOF, each of the undersigned has executed this note as his/her personal obligation as of the date and year first above written.

MAKER

HERITAGE ACADEMY, INC.

A. BLAIR CROUCH, President

HERITAGE ACADEMY
BUDGET NARRATIVE

FY14 Budget & Cash Flow

We have an increase in cash flow for 2013-14 for the following reasons:

1. General 100 Fund Elementary Salaries: Our end-year projection for elementary salaries has decreased significantly. The primary reason for this decrease was the mid-year resignation of a middle school teacher. This teacher was put on administrative leave the end of December, and then resigned from her position (she was paid through early January). The Administrator (who is also a certified secondary teacher) and other teachers took over her classes, so there was no re-hire for this position. We also hired a full-time substitute from January through May to help fill this middle school teaching role, but there were no costs for PERSI or medical benefits. Additionally we have had adjustments in paraprofessionals, which are reflected in this account.

2. Other state support increased in our budget and cash flow because we received more funds from the SDE in our May 15th payment than we had anticipated

3. Other indirect Restricted Federal money increased in June based on Medicaid reimbursement payments being higher than anticipated.

4. Cash flow Nutrition revenue increased due to the following:
    a. Our meal sales are up
    b. Several fundraisers including ice cream sales and a spring carnival added to revenue

FY15 Cash Flow

The FY15 Cash Flow presented to the PCSC for the April 2014 meeting was based on FY14 numbers, because we did not yet have adequate information from the SDE about FY15 funding changes. The SDE has released this information, and the revenue in the current FY15 Cash Flow reflects actual numbers as opposed to reasonable expectations based upon last year's numbers.

Since April we have been working on FY15 budgets based on different enrollment scenarios. To be conservative, we have used a budget based on our lower anticipated enrollment, thereby causing the Base Support to be lower on the June Cash Flow than on the previous April Cash Flow for Base Support. Other State Revenue changed substantially from the April cash Flow to the June cash flow based on the published new state distributions and apportionment for FY15.

1. Base Support: We have lowered our projected base support in this FY15 cash flow based on our updated, lower estimation of the number of middle school students who will enroll. Our estimated base support was calculated using 200 students enrolled and 10.6 support units.

2. Salaries: For our current materials, we are using our most conservative projected FY15 budget. We are projecting a lower enrollment than we did for our April cash flow. For FY15, we're planning to hire 1 fewer teacher than we previously projected. Some middle school classes will be combined and the Administrator will also be teaching in the middle school grades.

3. Salaries in July 2014 are considerably lower than other months because the school has 6 paraprofessionals and a full-time substitute who are paid hourly and will not be paid in July or August. The August salaries cost goes up slightly from July because two staff (the Secretary and a Food Service staff) are going to be put on 12-month contracts that begin in August.

4. Elementary Supplies and Services: The amount we projected for this cost in our April cash flow was just over $48,000. We have decreased this projection to $26,767. This is based on our efforts to trim the budget in every possible area so that we have budgeted conservatively based on a lower estimated enrollment. Amongst other things, this includes a copier lease that we are renegotiating and the use of used furniture (rather than purchasing new).

Financial Hardship Information (associated with equal distribution of FY15 funds)

The primary reason for the letter that the Commission issued to the SDE regarding Heritage Academy's financial stability was the balloon payment owed to MVCC in June 2015. This issue is resolved (with the updated agreement submitted June 2, 2015). Cash flow, budget projections, revenue and expenses have been updated to reflect accurate end of FY14 numbers and appropriations for FY15. As a result, HA will operate in FY15 with a sufficient reserve using revenue based upon a low projected enrollment (200). Current enrollment is 207 with waiting lists in 5 grade levels. The HA Administrator and Business Manager have specific budgets prepared (and associated staffing configurations) for enrollments that range from 200 – 210 to allow for adjustments to be made if enrollment numbers change slightly once school begins.

The equal distribution of payments from the SDE will cause undue hardship on HA due to the ongoing operational costs, yet reduced revenue from the revised payment schedule. HA would not receive a July advanced payment (due to the restriction the SDE would place upon the school after receiving the letter from the Commission) even though we are adding 8th grade. The first equal payment would be received August 15th and would be approximately $178,000. This would be needed to cover all expenses through October, and the next payment would be received November 15th (for another $178,000). Based on cash flow analysis and revenue and expense projections, funding would not cover all payroll expenses for each time period. The school would be in a deficit by October, followed by another deficit in January, and then would remain behind throughout the year, only "catching up" at the end of the fiscal year. The typical large payment (50% August 15) is there to allow schools to order needed supplies, curriculum, and in our case with a new grade, new furniture to start the new school year. We believe that this revised payment schedule would put any charter school in jeopardy, especially those schools with small enrollment.

June 17, 2014

HERITAGE ACADEMY --- FY14 BUDGET SUMMARY

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
REVENUE								
414100	Tuition	-	-	-	-		-	
415000	Earnings on Investments	150.00	150.00	126.00	24.00	84%	150.00	
416100	School Food Service	41,616.00	41,616.00	49,340.00	(7,724.00)	119%	41,616.00	
416200	Meal sales: non-reimbursable	-	7,500.00	3,767.00	3,733.00	50%	7,500.00	
416900	Other Food Sales	-	-	-	-		-	
417100	Admissions / Activities	-	-	-	-		-	
417200	Bookstore Sales	-	-	-	-		-	
417300	Clubs / Organization Fees, etc.	-	-	-	-		-	
417400	School Fees & Charges/Fundraising	-	-	-	-		-	
417900	Other Student Revenue	-	-	-	-		-	
419100	Rentals	-	-	-	-		-	
419200	Contributions/Donations	5,000.00	5,500.00	10,675.00	(5,175.00)	194%	11,000.00	
419900	Other Local Revenue	2,000.00	4,500.00	2,046.00	2,454.00	45%	2,046.00	
431100	Base Support Program	731,430.00	726,894.00	712,603.00	14,291.00	98%	726,894.00	
431200	Transportation Support	67,158.00	64,200.00	64,200.00	-	100%	64,200.00	
431400	Exceptional Child Support	-	-	-	-		-	
431600	Tuition Equivalency	-	-	-	-		-	
431800	Benefit Apportionment	101,370.00	108,616.00	93,100.00	15,516.00	86%	108,616.00	
431900	Other State Support	8,030.00	45,531.00	17,911.00	27,620.00	39%	28,400.00	
437000	Lottery / Addtl State Maintenance	4,000.00	3,662.00	3,662.00	-	100%	3,662.00	
439000	Other State Revenue	27,885.00	28,280.00	-	28,280.00	0%	28,280.00	
442000	Indirect Unrestricted Federal	-	2,400.00	-	2,400.00	0%	2,400.00	
443000	Direct Restricted Federal	-	-	-	-		-	
445000	Title I - ESEA	37,971.00	42,422.00	22,906.00	19,516.00	54%	42,422.00	
445500	Child Nutrition Reimbursement	-	-	-	-		-	
445600	Title VI-B IDEA	22,350.00	27,793.00	23,280.00	4,513.00	84%	27,793.00	
445900	Other Indirect Restricted Federal	53,475.00	56,901.00	42,969.00	13,932.00	76%	56,901.00	
451000	Proceeds	-	-	-	-		-	
460000	Transfers In	-	269.00	269.00	-	100%	269.00	
TOTAL REVENUE		**$1,102,435.00**	**$1,166,234.00**	**$1,046,854.00**	**$119,380.00**	**90%**	**$1,152,149.00**	

June 17, 2014

HERITAGE ACADEMY --- FY14 BUDGET SUMMARY

ACCOUNT DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
EXPENDITURES							
100 SALARIES	609,112.00	662,538.00	538,657.00	123,881.00	81%	602,527.00	
200 EMPLOYEE BENEFITS	198,997.00	195,700.00	174,516.00	21,184.00	89%	195,709.00	
300 PURCHASED SERVICES	162,397.00	206,021.00	181,595.00	24,426.00	88%	207,546.00	
400 SUPPLIES	60,099.00	61,524.00	50,219.00	11,305.00	82%	61,124.00	
500 CAPITAL OUTLAY	19,132.00	13,932.00	11,773.00	2,159.00	85%	13,932.00	
600 DEBT RETIREMENT	37,668.00	37,668.00	35,549.00	2,119.00	94%	37,668.00	
700 INSURANCE	8,000.00	7,961.00	7,961.00	-	100%	7,961.00	
920000 TRANSFERS OUT	-	-	-	-		-	
TOTAL EXPENDITURES	**$1,095,405.00**	**$1,185,344.00**	**$1,000,270.00**	**$185,074.00**	**84%**	**$1,126,467.00**	
TOTAL FUND REVENUES OVER EXPENDITURES	**$7,030.00**	**($19,110.00)**	**$46,584.00**			**$25,682.00**	
TOTAL BEGINNING BALANCE (All Funds)	**$25,000.00**	**$25,000.00**	**$25,000.00**			**$25,000.00**	
TOTAL CHANGES (All Funds)	**$7,030.00**	**($19,110.00)**	**$46,584.00**			**$25,682.00**	
ENDING BALANCE (All Funds)	**$32,030.00**	**$5,890.00**	**$71,584.00**			**$50,682.00**	

June 17, 2014

HERITAGE ACADEMY --- FY14 BUDGET SUMMARY

ACCOUNT DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
CHANGES IN FUND BALANCE BY FUND							
100 Beginning Fund Balance	$25,000.00	$25,000.00	$25,000.00			$25,000.00	
100 Changes in Fund Balance	$6,464.00	($19,870.00)	$50,578.00			$24,922.00	
100 Ending Fund Balance	$31,464.00	$5,130.00	$75,578.00			$49,922.00	
245 Beginning Fund Balance	$0.00	$0.00	$0.00			$0.00	
245 Changes in Fund Balance	$0.00	$0.00	($4,372.00)			$0.00	
245 Ending Fund Balance	$0.00	$0.00	($4,372.00)			$0.00	
251 Beginning Fund Balance	$0.00	$0.00	$0.00			$0.00	
251 Changes in Fund Balance	$0.00	$0.00	($9,780.00)			$0.00	
251 Ending Fund Balance	$0.00	$0.00	($9,780.00)			$0.00	
257 Beginning Fund Balance	$0.00	$0.00	$0.00			$0.00	
257 Changes in Fund Balance	$0.00	$0.00	($184.00)			$0.00	
257 Ending Fund Balance	$0.00	$0.00	($184.00)			$0.00	
271 Beginning Fund Balance	$0.00	$0.00	$0.00			$0.00	
271 Changes in Fund Balance	$0.00	$0.00	($3,391.00)			$0.00	
271 Ending Fund Balance	$0.00	$0.00	($3,391.00)			$0.00	
290 Beginning Fund Balance	$0.00	$0.00	$0.00			$0.00	
290 Changes in Fund Balance	$566.00	$760.00	$13,733.00			$760.00	
290 Ending Fund Balance	$566.00	$760.00	$13,733.00			$760.00	

June 17, 2014

HERITAGE ACADEMY --- FY14 GENERAL 100 FUND

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
REVENUE								
100.414100	Tuition				-			
100.415000	Earnings on Investments	150.00	150.00	126.00	24.00	84%	150.00	
100.417100	Admissions / Activities				-			
100.417200	Bookstore Sales				-			
100.417300	Clubs / Organization Dues, etc.				-			
100.417400	School Fees & Charges				-			
100.417900	Other Student Revenue				-			
100.419100	Rentals				-			
100.419200	Contributions/Donations	5,000.00	5,500.00	10,675.00	(5,175.00)	194%	11,000.00	
100.419900	Other Local Revenue	2,000.00	4,500.00	2,046.00	2,454.00	45%	2,046.00	
100.431100	Base Support	731,430.00	726,894.00	712,603.00	14,291.00	98%	726,894.00	
100.431200	Transportation Support	67,158.00	64,200.00	64,200.00	-	100%	64,200.00	
100.431400	Exceptional Child Support				-			
100.431600	Tuition Equivalency				-			
100.431800	Benefit Apportionment	101,370.00	108,616.00	93,100.00	15,516.00	86%	108,616.00	
100.431900	Other State Support	2,230.00	40,131.00	15,265.00	24,866.00	38%	23,000.00	
100.437000	Lottery / Addtl State Maintenance	4,000.00	3,662.00	3,662.00	-	100%	3,662.00	
100.439000	Other State Revenue	22,885.00	23,280.00		23,280.00	0%	23,280.00	
100.442000	Indirect Unrestricted Federal	-	2,400.00		2,400.00	0%	2,400.00	
100.443000	Direct Restricted Federal				-			
100.445900	Other Indirect Restricted Federal	25,000.00	28,000.00	25,121.00	2,879.00	90%	28,000.00	
100.460000	Transfers In				-			
TOTAL GENERAL FUND REVENUES		$961,223.00	$1,007,333.00	$926,798.00	80,535.00	92%	$993,248.00	
EXPENDITURES								
100.512100	Elementary Salaries	403,370.00	434,155.00	342,598.00	91,557.00	79%	375,600.00	
100.512200	Elementary Benefits	143,924.00	131,370.00	116,201.00	15,169.00	88%	131,370.00	
100.512300	Elementary Purchased Services				-			
100.512400	Elementary Supplies	12,000.00	12,550.00	11,622.00	928.00	93%	12,550.00	
100.512500	Elementary Capital Outlay	1,200.00	-	-	-			
100.512600	Elementary Debt Retirement				-			
100.512700	Elementary Insurance				-			

June 17, 2014

HERITAGE ACADEMY --- FY14 GENERAL 100 FUND

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
100.521100	Exceptional Child Salaries	45,530.00	46,456.00	39,108.00	7,348.00	84%	45,000.00	
100.521200	Exceptional Child Benefits	5,025.00	9,291.00	10,285.00	(994.00)	111%	11,000.00	
100.521300	Exceptional Child Purchased Services				-			
100.521400	Exceptional Child Supplies	2,450.00	-	-	-			
100.521500	Exceptional Child Capital Outlay				-			
100.521600	Exceptional Child Debt Retirement				-			
100.521700	Exceptional Child Insurance				-			
Subtotals:	**Instruction**	613,499.00	633,822.00	519,814.00	114,008.00	82%	575,520.00	
100.616100	Special Services Program Salaries				-			
100.616200	Special Services Program Benefits				-			
100.616300	Special Services Program Purchased Services	15,000.00	45,800.00	40,306.00	5,494.00	88%	45,800.00	
100.616400	Special Services Program Supplies				-			
100.616500	Special Services Program Capital Outlay				-			
100.616600	Special Services Program Debt Retirement				-			
100.616700	Special Services Program Insurance				-			
100.621100	Instruction Improvement Salaries		3,500.00	3,500.00	-	100%	3,500.00	
100.621200	Instruction Improvement Benefits		500.00	579.00	(79.00)	116%	500.00	
100.621300	Instruction Improvement Purchased Services		13,001.00	9,525.00	3,476.00	73%	13,001.00	
100.621400	Instruction Improvement Supplies		8,018.00	8,018.00	-	100%	8,018.00	
100.621500	Instruction Improvement Capital Outlay				-			
100.621600	Instruction Improvement Debt Retirement				-			
100.621700	Instruction Improvement Insurance				-			
100.631100	Board of Education Program Salaries				-			
100.631200	Board of Education Program Benefits				-			
100.631300	Board of Education Program Purchased Services	8,500.00	8,800.00	6,961.00	1,839.00	79%	8,000.00	
100.631400	Board of Education Program Supplies				-			
100.631500	Board of Education Program Capital Outlay				-			
100.631600	Board of Education Program Debt Retirement				-			
100.631700	Board of Education Program Insurance				-			
100.632100	District Administration Program Salaries	24,000.00	24,000.00	22,000.00	2,000.00	92%	24,000.00	
100.632200	District Administration Program Benefits	16,236.00	16,341.00	11,083.00	5,258.00	68%	15,841.00	
100.632300	District Administration Program Purchased Services				-			
100.632400	District Administration Program Supplies				-			
100.632500	District Administration Program Capital Outlay				-			
100.632600	District Administration Program Debt Retirement				-			
100.632700	District Administration Program Insurance				-			

June 17, 2014

HERITAGE ACADEMY --- FY14 GENERAL 100 FUND

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
100.651100	Business Operation Program Salaries	59,712.00	57,000.00	54,358.00	2,642.00	95%	57,000.00	
100.651200	Business Operation Program Benefits	14,332.00	15,030.00	13,954.00	1,076.00	93%	15,030.00	
100.651300	Business Operation Program Purchased Services	12,000.00	10,500.00	10,367.00	133.00	99%	10,500.00	
100.651400	Business Operation Program Supplies	2,000.00	1,750.00	1,746.00	4.00	100%	1,750.00	
100.651500	Business Operation Program Capital Outlay				-			
100.651600	Business Operation Program Debt Retirement				-			
100.651700	Business Operation Program Insurance	8,000.00	7,961.00	7,961.00	-	100%	7,961.00	
100.661100	Buildings - Care Program Salaries	6,000.00	6,000.00	5,400.00	600.00	90%	6,000.00	
100.661200	Buildings - Care Program Benefits	480.00	480.00	413.00	67.00	86%	480.00	
100.661300	Buildings - Care Program Purchased Services	23,300.00	24,000.00	25,680.00	(1,680.00)	107%	27,000.00	
100.661400	Buildings - Care Program Supplies	2,000.00	2,200.00	2,171.00	29.00	99%	2,100.00	
100.661500	Buildings - Care Program Capital Outlay			20.00	(20.00)			
100.661600	Buildings - Care Program Debt Retirement				-			
100.661700	Buildings - Care Program Insurance				-			
100.664100	Maintenance - Student Occupied Salaries				-			
100.664200	Maintenance - Student Occupied Benefits				-			
100.664300	Maintenance - Student Occupied Purchased Services	1,000.00	7,500.00	7,486.00	14.00	100%	7,500.00	
100.664400	Maintenance - Student Occupied Supplies	9,000.00	1,000.00	656.00	344.00	66%	700.00	
100.664500	Maintenance - Student Occupied Capital Outlay				-			
100.664600	Maintenance - Student Occupied Debt Retirement				-			
100.664700	Maintenance - Student Occupied Insurance				-			
100.665100	Maintenance - Grounds Salaries				-			
100.665200	Maintenance - Grounds Benefits				-			
100.665300	Maintenance - Grounds Purchased Services	4,500.00	3,000.00	1,934.00	1,066.00	64%	2,500.00	
100.665400	Maintenance - Grounds Supplies				-			
100.665500	Maintenance - Grounds Capital Outlay				-			
100.665600	Maintenance - Grounds Debt Retirement				-			
100.665700	Maintenance - Grounds Capital Insurance				-			
100.667100	Security Program Salaries				-			
100.667200	Security Program Benefits				-			
100.667300	Security Program Purchased Services	700.00	700.00	480.00	220.00	69%	525.00	
100.667400	Security Program Supplies				-			
100.667500	Security Program Capital Outlay				-			
100.667600	Security Program Debt Retirement				-			
100.667700	Security Program Insurance				-			

June 17, 2014

HERITAGE ACADEMY --- FY14 GENERAL 100 FUND

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
100.681100	Pupil-to-School Transportation Salaries				-			
100.681200	Pupil-to-School Transportation Benefits				-			
100.681300	Pupil-to-School Transportation Purchased Services	81,900.00	78,300.00	69,719.00	8,581.00	89%	78,300.00	
100.681400	Pupil-to-School Transportation Supplies				-			
100.681500	Pupil-to-School Transportation Capital Outlay				-			
100.681600	Pupil-to-School Transportation Debt Retirement				-			
100.681700	Pupil-to-School Transportation Insurance				-			
Subtotals:	**Support Services**	288,660.00	335,381.00	304,317.00	31,064.00	91%	336,006.00	
100.710100	Child Nutrition Salaries				-			
100.710200	Child Nutrition Benefits	1,000.00	6,400.00	4,787.00	1,613.00	75%	5,200.00	
100.710300	Child Nutrition Purchased Services				-			
100.710400	Child Nutirition Supplies				-			
100.710500	Child Nutrition Capital Outlay				-			
100.710600	Child Nutrition Debt Retirement				-			
100.710700	Child Nutrition Insurance				-			
100.911500	Principal Capital Outlay				-			
100.911600	Principal Debt Retirement	37,668.00	37,668.00	35,549.00	2,119.00	94%	37,668.00	
100.912500	Interest Capital Outlay	13,932.00	13,932.00	11,753.00	2,179.00	84%	13,932.00	
100.912600	Interest Debt Retirement				-			
100.913500	Refunded Debt Capital Outlay				-			
100.913600	Refunded Debt - Debt Retirement				-			
Subtotals:	**Non-Instruction**	52,600.00	58,000.00	52,089.00	5,911.00	90%	56,800.00	
100.920000	Transfers Out				-			
100.950000	Contingency Reserve				-			
Subtotals:	**Other**	-	-	-	-		-	
TOTAL GENERAL FUND EXPENDITURES		$954,759.00	$1,027,203.00	$876,220.00	$150,983.00	85%	$968,326.00	
TOTAL GENERAL FUND REVENUES OVER EXPENDITURES		**$6,464.00**	**($19,870.00)**	**$50,578.00**			**$24,922.00**	
	BEGINNING FUND BALANCE (July 1, 2013)	$25,000.00	$25,000.00	$25,000.00			$25,000.00	
	CHANGES IN FUND BALANCE	$6,464.00	($19,870.00)	$50,578.00			$24,922.00	
	ENDING FUND BALANCE AS OF 5/31/14	**$31,464.00**	**$5,130.00**	**$75,578.00**			**$49,922.00**	

June 17, 2014

HERITAGE ACADEMY --- FY14 FUND 245 (Technology-State)

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
REVENUE								
245.431900	Other State Support	5,800.00	5,400.00	2,646.00	2,754.00	49%	5400	
245.439000	Other State Revenue	5,000.00	5,000.00	-	5,000.00	0%	5000	
245.460000	Transfers In				-			
TOTAL FUND REVENUE		$10,800.00	$10,400.00	$2,646.00	$7,754.00	25%	$10,400.00	
EXPENDITURES								
245.512100	Elementary Salaries				-			
245.512200	Elementary Benefits				-			
245.512300	Elementary Purchased Services	5,000.00	5,000.00	4,500.00	500.00	90%	5,000.00	
245.512400	Elementary Supplies	5,800.00	5,400.00	2,518.00	2,882.00	47%	5,400.00	
245.512500	Elementary Capital Outlay				-			
245.512600	Elementary Debt Retirement				-			
245.512700	Elementary Insurance				-			
245.920000	Transfers Out				-			
TOTAL FUND EXPENDITURES		$10,800.00	$10,400.00	$7,018.00	$3,382.00	67%	$10,400.00	
TOTAL REVENUE OVER EXPENDITURES		**$0.00**	**$0.00**	**($4,372.00)**			**$0.00**	
	BEGINNING FUND BALANCE (JULY 1, 2013)	$0.00	$0.00	$0.00			$0.00	
	CHANGES IN FUND BALANCE	$0.00	$0.00	($4,372.00)			$0.00	
	ENDING FUND BALANCE AS OF 3/15/14	**$0.00**	**$0.00**	**($4,372.00)**			**$0.00**	

June 17, 2014

HERITAGE ACADEMY --- FY14 FUND 251 (Title I-A, ESEA)

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
REVENUE								
251.443000	Direct Restricted Federal				-			
251.445100	Title I - ESEA	37,971.00	42,422.00	22,906.00	19,516.00	54%	42,422.00	
251.445900	Other Indirect Restricted Federal				-			
251.460000	Transfers In				-			
TOTAL FUND REVENUE		$37,971.00	$42,422.00	$22,906.00	$19,516.00	54%	$42,422.00	
EXPENDITURES								
251.512100	Elementary Salaries	25,050.00	28,702.00	23,565.00	5,137.00	82%	28,702.00	
251.512200	Elementary Benefits	6,600.00	7,400.00	7,358.00	42.00	99%	7,400.00	
251.512300	Elementary Purchased Services	4,247.00	5,020.00	401.00	4,619.00	8%	5,020.00	
251.512400	Elementary Supplies	2,074.00	1,300.00	1,362.00	(62.00)	105%	1,300.00	
251.512500	Elementary Capital Outlay				-			
251.512600	Elementary Debt Retirement				-			
251.512700	Elementary Insurance				-			
251.920000	Transfers Out				-			
TOTAL FUND EXPENDITURES		$37,971.00	$42,422.00	$32,686.00	$9,736.00	77%	$42,422.00	
TOTAL FUND REVENUE OVER EXPENDITURES		**$0.00**	**$0.00**	**($9,780.00)**			**$0.00**	
	BEGINNING FUND BALANCE (JULY 1, 2013)	$0.00	$0.00	$0.00			$0.00	
	CHANGES IN FUND BALANCE	$0.00	$0.00	($9,780.00)			$0.00	
	ENDING FUND BALANCE AS OF 3/15/14	**$0.00**	**$0.00**	**($9,780.00)**			**$0.00**	

June 17, 2014

HERITAGE ACADEMY --- FY14 FUND 257 (IDEA Part B)

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
REVENUE								
257.443000	Direct Restricted Federal				-			
257.445600	Title VI-B IDEA Federal Revenue	22,350.00	27,793.00	23,280.00	4,513.00	84%	27,793.00	
257.445900	Other Indirect Restricted Federal				-			
257.460000	Transfers In				-			
TOTAL FUND REVENUES		$22,350.00	$27,793.00	$23,280.00	$4,513.00	84%	$27,793.00	
EXPENDITURES								
257.512100	Elementary Salaries	16,000.00	19,000.00	14,250.00	4,750.00	75%	19,000.00	
257.512200	Elementary Benefits	4,800.00	4,520.00	4,191.00	329.00	93%	4,520.00	
257.512300	Elementary Purchased Services		2,000.00	2,000.00	-	100%	2,000.00	
257.512400	Elementary Supplies	1,550.00	2,273.00	3,023.00	(750.00)	133%	2,273.00	
257.512500	Elementary Capital Outlay				-			
257.512600	Elementary Debt Retirement				-			
257.512700	Elementary Insurance				-			
257.920000	Transfers Out				-			
TOTAL FUND EXPENDITURES		$22,350.00	$27,793.00	$23,464.00	$4,329.00	84%	$27,793.00	
TOTAL FUND REVENUES OVER EXPENDITURES		**$0.00**	**$0.00**	**($184.00)**			**$0.00**	
	BEGINNING FUND BALANCE (JULY 1, 2013)	$0.00	$0.00	$0.00			$0.00	
	CHANGES IN FUND BALANCE	$0.00	$0.00	($184.00)			$0.00	
	ENDING FUND BALANCE AS OF 3/15/14	**$0.00**	**$0.00**	**($184.00)**			**$0.00**	

June 17, 2014

HERITAGE ACADEMY-- FY14 FUND 271 (Title II-A, ESEA)

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
REVENUE								
271.443000	Direct Restricted Federal				-			
271.445900	Other Indirect Restricted Federal	28,475.00	28,901.00	17,848.00	11,053.00	62%	28,901.00	
271.460000	Transfers In				-			
TOTAL FUND REVENUES		$28,475.00	$28,901.00	$17,848.00	$11,053.00	62%	$28,901.00	
EXPENDITURES								
271.512100	Elementary Salaries	15,400.00	22,000.00	15,833.00	6,167.00	72%	22,000.00	
271.512200	Elementary Benefits	6,600.00	4,368.00	3,382.00	986.00	77%	4,368.00	
271.512300	Elementary Purchased Services	6,250.00	2,400.00	1,850.00	550.00	77%	2,400.00	
271.512400	Elementary Supplies	225.00	133.00	174.00	(41.00)	131%	133.00	
271.512500	Elementary Capital Outlay				-			
271.512600	Elementary Debt Retirement				-			
271.512700	Elementary Insurance				-			
271.920000	Transfers Out				-			
TOTAL FUND EXPENDITURES		$28,475.00	$28,901.00	$21,239.00	$7,662.00	73%	$28,901.00	
TOTAL FUND REVENUES OVER EXPENDITURES		**$0.00**	**$0.00**	**($3,391.00)**			**$0.00**	
	BEGINNING FUND BALANCE (JULY 1, 2013)	$0.00	$0.00	$0.00			$0.00	
	CHANGES IN FUND BALANCE	$0.00	$0.00	($3,391.00)			$0.00	
	ENDING FUND BALANCE AS OF 3/15/14	**$0.00**	**$0.00**	**($3,391.00)**			**$0.00**	

June 17, 2014

HERITAGE ACADEMY--- FY14 FUND 290 (Child Nutrition)

ACCOUNT	DESCRIPTION	ORIGINAL BUDGET	AMENDED / WORKING BUDGET	FYTD ACTIVITY	UNRECEIVED / UNEXPENDED BALANCE	FYTD %	PROJECTED YEAR-END	NOTES
REVENUE								
290.416100	School Food Service	41,616.00	41,616.00	49,340.00	(7,724.00)	119%	41,616.00	
290.416200	Meal sales: non-reimbursable	-	7,500.00	3,767.00	3,733.00	50%	7,500.00	
290.416900	Other Food Sales				-			
290.443000	Direct Restricted Federal				-			
290.445500	Child Nutrition Reimbursement				-			
290.445900	Other Indirect Restricted Federal				-			
290.460000	Transfers In		269.00	269.00	-	100%	269.00	
TOTAL FUND REVENUES		$41,616.00	$49,385.00	$53,376.00	($3,991.00)	108%	$49,385.00	
EXPENDITURES								
290.710100	Food Service Salaries	14,050.00	21,725.00	18,045.00	3,680.00	83%	21,725.00	
290.710200	Food Service Benefits			2,283.00	(2,283.00)			
290.710300	Food Service Purchased Services			386.00	(386.00)			
290.710400	Food Service Supplies	23,000.00	26,900.00	18,929.00	7,971.00	70%	26,900.00	
290.710500	Food Service Capital Outlay	4,000.00			-			
290.710600	Food Service Debt Retirement				-			
290.710700	Food Service Insurance				-			
290.920000	Transfers Out				-			
TOTAL FUND EXPENDITURES		$41,050.00	$48,625.00	$39,643.00	$8,982.00	82%	$48,625.00	
TOTAL FUND REVENUES OVER EXPENDITURES		**$566.00**	**$760.00**	**$13,733.00**			**$760.00**	
	BEGINNING FUND BALANCE (JULY 1, 2013)	$0.00	$0.00	$0.00			$0.00	
	CHANGES IN FUND BALANCE	$566.00	$760.00	$13,733.00			$760.00	
	ENDING FUND BALANCE AS OF 3/15/14	**$566.00**	**$760.00**	**$13,733.00**			**$760.00**	

June 17, 2014

HERITAGE ACADEMY
FISCAL YEAR 2013-2014 CASH FLOW (All Funds)

DESCRIPTION	Budgeted	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY TOTAL
CASH ON HAND (Beginning Cash)	**N/A**	**25,000**	**(314)**	**140,237**	**59,332**	**174,281**	**244,752**	**172,091**	**91,739**	**208,251**	**107,698**	**51,743**	**80,148**	**N/A**
RECEIPTS														
Base Support	726,894	25,497	211,772	0	213,653	143,003	0	0	185,642	0	0	104,606	0	884,173
Benefit Apportionment	108,616	0	0	0	0	0	0	0	0	0	0	0	0	0
Lottery / Maintenance	3,662	0	0	3,662	0	0	0	0	0	0	0	0	0	3,662
Transportation	64,200	0	0	0	0	0	0	0	0	0	0	0	0	0
Exceptional Child Support	0	0	0	0	0	0	0	0	8,484	0	0	0	0	8,484
Tuition Equivalency	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other State Support	45,531	0	0	8,418	0	2,914	0	0	14,597	0	0	0	28,650	54,579
Other State Revenue	28,280	0	0	0	0	0	0	0	0	0	0	0	0	0
Nutrition	49,116	976	1,798	620	3,380	13,078	2,593	5,562	8,776	937	9,665	6,564	6,600	60,549
Title I	42,422	6,736	2,552	0	0	2,322	3,157	6,313	0	0	9,685	3,372	3,372	37,509
Federal Revenue	87,094	3,207	1,429	3,458	1,560	10,877	17,528	4,661	2,846	7,158	14,623	7,727	10,549	85,623
Local Revenue	4,500	941	1,358	0	0	83	1,042	0	0	0	0	0	0	3,424
Fees & Fundraising	5,500	0	0	2,581	0	2,855	1,372	1,373	761	182	250	3,133	1,000	13,507
Other Revenue	150	0	9	11	21	17	20	13	12	15	7	0	12	137
TOTAL RECEIPTS	**1,165,965**	**37,357**	**218,918**	**18,750**	**218,614**	**175,149**	**25,712**	**17,922**	**221,118**	**8,292**	**34,230**	**125,402**	**50,183**	**1,151,647**
OUTFLOW														
Salaries	662,538	36,449	37,942	54,149	56,218	56,837	55,382	55,708	54,257	66,824	54,230	55,477	53,447	636,920
Benefits	195,700	12,663	10,547	17,559	16,776	16,437	17,227	16,363	15,720	17,948	15,683	15,025	15,771	187,719
Subtotal - Payroll	**858,238**	**49,112**	**48,489**	**71,708**	**72,994**	**73,274**	**72,609**	**72,071**	**69,977**	**84,772**	**69,913**	**70,502**	**69,218**	**824,639**
Facility Costs (All)	37,700	3,069	2,731	3,963	4,136	3,591	4,303	6,395	3,289	3,264	2,550	2,659	3,000	42,950
Subtotal - Occupancy	**37,700**	**3,069**	**2,731**	**3,963**	**4,136**	**3,591**	**4,303**	**6,395**	**3,289**	**3,264**	**2,550**	**2,659**	**3,000**	**42,950**
Elementary Supplies & Services	36,076	1,653	4,944	3,861	3,614	16	731	2,756	2,199	453	204	107	100	20,638
Secondary Supplies & Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Technology	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exceptional Child	0	33	2,850	1,765	0	0	0	375	0	0	0	0	0	5,023
Transportation	78,300	3,104	0	2,303	9,258	9,944	8,061	5,182	8,636	8,701	6,909	10,363	10,363	82,824
Nutrition	26,900	18	440	2,404	3,769	1,552	2,113	1,870	1,791	1,427	1,921	2,175	2,000	21,480
Support Services	88,569	1,380	6,590	9,249	5,592	12,001	6,254	5,323	14,412	5,926	4,388	6,892	6,135	84,142
Other Program Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal - Educational Program	**229,845**	**6,188**	**14,824**	**19,582**	**22,233**	**23,513**	**17,159**	**15,506**	**27,038**	**16,507**	**13,422**	**19,537**	**18,598**	**214,107**
Capital Outlay	13,932	1,803	772	1,579	1,229	303	1,821	110	1,367	993	976	959	993	12,905
Debt Retirement	37,668	2,499	3,590	2,823	3,073	3,997	2,481	4,192	2,935	3,309	3,324	3,340	3,309	38,872
Insurance	7,961	0	7,961	0	0	0	0	0	0	0	0	0	0	7,961
Other Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal - Other Costs	**59,561**	**4,302**	**12,323**	**4,402**	**4,302**	**4,300**	**4,302**	**4,302**	**4,302**	**4,302**	**4,300**	**4,299**	**4,302**	**59,738**
Other loan payments/obligations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OUTFLOW	**1,185,344**	**62,671**	**78,367**	**99,655**	**103,665**	**104,678**	**98,373**	**98,274**	**104,606**	**108,845**	**90,185**	**96,997**	**95,118**	**1,141,434**
CHANGE IN CASH	**(19,379)**	**(25,314)**	**140,551**	**(80,905)**	**114,949**	**70,471**	**(72,661)**	**(80,352)**	**116,512**	**(100,553)**	**(55,955)**	**28,405**	**(44,935)**	
ENDING CASH	**N/A**	**(314)**	**140,237**	**59,332**	**174,281**	**244,752**	**172,091**	**91,739**	**208,251**	**107,698**	**51,743**	**80,148**	**35,213**	

ASSUMPTIONS / NOTES: Cash flow was increased by: 1. Tuition Equivalency payment of $8,581; 2. When a Middle School teacher resigned in December 2013 - the Administrator took over her classes with the help of a full-time substitute for the remainder of the year. 3. All purchasing was strictly monitored thereby reducing costs.

June 17, 2014

HERITAGE ACADEMY
FISCAL YEAR 2014-2015 CASH FLOW (All Funds)

DESCRIPTION	Budgeted	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY TOTAL
CASH ON HAND (Beginning Cash)	**N/A**	**35,000**	**8,751**	**379,223**	**294,089**	**199,462**	**307,999**	**224,896**	**142,741**	**299,738**	**217,823**	**137,790**	**187,282**	**N/A**
RECEIPTS														
Base Support	887,920	29,800	437,000	0	0	177,584	0	0	177,584	0	0	88,792	0	910,760
Benefit Apportionment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lottery / Maintenance	8,550	0	0	8,550	0	0	0	0	0	0	0	0	0	8,550
Transportation	65,490	0	0	0	0	0	0	0	65,490	0	0	0	0	65,490
Exceptional Child Support	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tuition Equivalency	0	0	0	0	0	0	0	0	0	0	0	0	0	0
State Special Programs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other State Support	14,393	0	0	3,262	0	2,500	0	0	3,500	2,000	2,000	6,129	0	19,391
Other State Revenue	41,000	0	0	0	0	0	0	0	0	0	0	36,000	0	36,000
Nutrition	56,000	93	1,798	620	3,380	13,078	2,593	5,562	8,776	5,700	4,800	4,800	4,800	56,000
Title I	44,538	3,617	3,617	4,617	3,751	3,617	3,617	3,617	3,617	3,617	3,617	3,617	3,617	44,538
Federal Revenue	82,252	3,800	3,800	5,300	7,433	12,569	7,050	7,050	7,050	7,050	7,050	7,050	7,050	82,252
Local Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees & Fundraising	10,000	0	0	1,500	1,000	500	2,500	0	500	0	0	4,000	0	10,000
Other Revenue	150	0	0	38	0	0	38	0	0	38	0	0	38	150
TOTAL RECEIPTS	**1,210,293**	**37,310**	**446,215**	**23,887**	**15,564**	**209,848**	**15,798**	**16,229**	**266,517**	**18,405**	**17,467**	**150,388**	**15,505**	**1,233,131**
OUTFLOW														
Salaries	611,711	37,961	47,406	52,706	52,706	52,706	52,706	52,706	52,706	52,706	52,706	52,706	51,986	611,707
Benefits	210,648	7,606	13,053	19,491	18,952	18,957	18,950	18,950	18,950	18,950	18,950	18,946	18,892	210,647
Subtotal - Payroll	**822,359**	**45,567**	**60,459**	**72,197**	**71,658**	**71,663**	**71,656**	**71,656**	**71,656**	**71,656**	**71,656**	**71,652**	**70,878**	**822,354**
Facility Costs (All)	41,000	2,833	3,833	5,833	2,833	3,487	4,583	2,583	2,683	3,483	2,683	3,333	2,833	41,000
Subtotal - Occupancy	**41,000**	**2,833**	**3,833**	**5,833**	**2,833**	**3,487**	**4,583**	**2,583**	**2,683**	**3,483**	**2,683**	**3,333**	**2,833**	**41,000**
Elementary Supplies & Services	26,767	1,413	1,413	3,913	6,019	2,413	1,413	1,413	1,413	1,413	2,413	2,163	1,370	26,769
Secondary Supplies & Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Technology	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exceptional Child	16,933	0	2,500	4,000	2,933	2,500	500	500	2,000	2,000	0	0	0	16,933
Transportation	79,968	0	0	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	7,968	79,968
Nutrition	28,094	0	0	2,863	2,863	2,863	2,863	2,867	2,863	2,863	2,863	2,863	2,323	28,094
Support Services	82,440	1,059	3,051	7,728	11,398	5,898	5,398	6,878	16,418	6,418	5,398	8,398	4,398	82,440
Other Program Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal - Educational Program	**234,202**	**2,472**	**6,964**	**26,504**	**31,213**	**21,674**	**18,174**	**19,658**	**30,694**	**20,694**	**18,674**	**21,424**	**16,059**	**234,204**
Capital Outlay	24	2	2	2	2	2	2	2	2	2	2	2	2	24
Debt Retirement	53,820	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	53,820
Insurance	8,200	8,200	0	0	0	0	0	0	0	0	0	0	0	8,200
Other Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal - Other Costs	**62,044**	**12,687**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**62,044**
Other loan payments/obligations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OUTFLOW	**1,159,605**	**63,559**	**75,743**	**109,021**	**110,191**	**101,311**	**98,900**	**98,384**	**109,520**	**100,320**	**97,500**	**100,896**	**94,257**	**1,159,602**
CHANGE IN CASH	**50,688**	**(26,249)**	**370,472**	**(85,135)**	**(94,627)**	**108,537**	**(83,103)**	**(82,155)**	**156,997**	**(81,916)**	**(80,033)**	**49,492**	**(78,753)**	
ENDING CASH	**N/A**	**8,751**	**379,223**	**294,089**	**199,462**	**307,999**	**224,896**	**142,741**	**299,738**	**217,823**	**137,790**	**187,282**	**108,529**	

ASSUMPTIONS / NOTES: The original 2014-15 cash flow submitted in March 2014 for the April Charter Commission meeting was made before the SDE had published any templates or information on the coming year's apportionments/distributions. So, this March cash flow that was submitted for 2014-15 had a note saying due to lack of current information, the budget & cash flow was based on the 2013-14 year's funding and would be revised. This revised cash flow shown here is based on the current 2014-15 salary apportionment and distributions.

June 17, 2014

HERITAGE ACADEMY
FISCAL YEAR 2014-2015 CASH FLOW (All Funds)

DESCRIPTION	Budgeted	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY TOTAL
CASH ON HAND (Beginning Cash)	**N/A**	**35,000**	**7,951**	**163,403**	**78,269**	**(16,359)**	**136,575**	**53,472**	**(28,683)**	**172,710**	**90,795**	**10,762**	**193,442**	**N/A**
RECEIPTS														
Base Support	887,920	29,000	221,980	0	0	221,980	0	0	221,980	0	0	221,980	0	916,920
Benefit Apportionment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lottery / Maintenance	8,550	0	0	8,550	0	0	0	0	0	0	0	0	0	8,550
Transportation	65,490	0	0	0	0	0	0	0	65,490	0	0	0	0	65,490
Exceptional Child Support	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tuition Equivalency	0	0	0	0	0	0	0	0	0	0	0	0	0	0
State Special Programs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other State Support	14,393	0	0	3,262	0	2,500	0	0	3,500	2,000	2,000	6,129	0	19,391
Other State Revenue	41,000	0	0	0	0	0	0	0	0	0	0	36,000	0	36,000
Nutrition	56,000	93	1,798	620	3,380	13,078	2,593	5,562	8,776	5,700	4,800	4,800	4,800	56,000
Title I	44,538	3,617	3,617	4,617	3,751	3,617	3,617	3,617	3,617	3,617	3,617	3,617	3,617	44,538
Federal Revenue	82,252	3,800	3,800	5,300	7,433	12,569	7,050	7,050	7,050	7,050	7,050	7,050	7,050	82,252
Local Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees & Fundraising	10,000	0	0	1,500	1,000	500	2,500	0	500	0	0	4,000	0	10,000
Other Revenue	150	0	0	38	0	0	38	0	0	38	0	0	38	150
TOTAL RECEIPTS	**1,210,293**	**36,510**	**231,195**	**23,887**	**15,564**	**254,244**	**15,798**	**16,229**	**310,913**	**18,405**	**17,467**	**283,576**	**15,505**	**1,239,291**
OUTFLOW														
Salaries	611,711	37,961	47,406	52,706	52,706	52,706	52,706	52,706	52,706	52,706	52,706	52,706	51,986	611,707
Benefits	210,648	7,606	13,053	19,491	18,952	18,957	18,950	18,950	18,950	18,950	18,950	18,946	18,892	210,647
Subtotal - Payroll	**822,359**	**45,567**	**60,459**	**72,197**	**71,658**	**71,663**	**71,656**	**71,656**	**71,656**	**71,656**	**71,656**	**71,652**	**70,878**	**822,354**
Facility Costs (All)	41,000	2,833	3,833	5,833	2,833	3,487	4,583	2,583	2,683	3,483	2,683	3,333	2,833	41,000
Subtotal - Occupancy	**41,000**	**2,833**	**3,833**	**5,833**	**2,833**	**3,487**	**4,583**	**2,583**	**2,683**	**3,483**	**2,683**	**3,333**	**2,833**	**41,000**
Elementary Supplies & Services	26,767	1,413	1,413	3,913	6,019	2,413	1,413	1,413	1,413	1,413	2,413	2,163	1,370	26,769
Secondary Supplies & Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Technology	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exceptional Child	16,933	0	2,500	4,000	2,933	2,500	500	500	2,000	2,000	0	0	0	16,933
Transportation	79,968	0	0	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	7,968	79,968
Nutrition	28,094	0	0	2,863	2,863	2,863	2,863	2,867	2,863	2,863	2,863	2,863	2,323	28,094
Support Services	82,440	1,059	3,051	7,728	11,398	5,898	5,398	6,878	16,418	6,418	5,398	8,398	4,398	82,440
Other Program Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal - Educational Program	**234,202**	**2,472**	**6,964**	**26,504**	**31,213**	**21,674**	**18,174**	**19,658**	**30,694**	**20,694**	**18,674**	**21,424**	**16,059**	**234,204**
Capital Outlay	24	2	2	2	2	2	2	2	2	2	2	2	2	24
Debt Retirement	53,820	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	4,485	53,820
Insurance	8,200	8,200	0	0	0	0	0	0	0	0	0	0	0	8,200
Other Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Subtotal - Other Costs	**62,044**	**12,687**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**4,487**	**62,044**
Other loan payments/obligations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OUTFLOW	**1,159,605**	**63,559**	**75,743**	**109,021**	**110,191**	**101,311**	**98,900**	**98,384**	**109,520**	**100,320**	**97,500**	**100,896**	**94,257**	**1,159,602**
CHANGE IN CASH	**50,688**	**(27,049)**	**155,452**	**(85,135)**	**(94,627)**	**152,933**	**(83,103)**	**(82,155)**	**201,393**	**(81,916)**	**(80,033)**	**182,680**	**(78,753)**	
ENDING CASH	**N/A**	**7,951**	**163,403**	**78,269**	**(16,359)**	**136,575**	**53,472**	**(28,683)**	**172,710**	**90,795**	**10,762**	**193,442**	**114,689**	

ASSUMPTIONS / NOTES: