

JAAZ Proposed Budget for 2022/23

Major Assumptions:

- **JAIN becomes major program, and we obtain the funding to expand that program quickly.**

Highlights (all variance explanations are 2022/23 Budget compared to 2021/22 Forecast as of 2.28.22 unless otherwise stated)

- **Students** – Overall students served goes from 84K in FY 21-22 to 156K in FY 22-23. JA Inspire students (JAIN) grow from 15K to 75K, K12 students grows from 52K to 59K and JABizTown/JAFinancePark (JABT/JAFP) students grows from 17K to 22K.
- **Revenue** – Total operating revenue is forecast at \$5.7M for FY21-22 and grows to \$6.7M in FY 22-23.
- **Expenses** – Total expenses before non-cash items is forecast at \$4.1M FY 21-22 and grows to \$4.9M in FY 22-23.
- **Capital** – Capital expenditures are expected for air conditioners, shops in JABT, for Schuster Conference Room remodel, new signage for the Tempe monument sign and both Tempe and Tucson buildings (due to new JA logo).
- **Cash** – cash position is strong in FY 21-22 and is expected to stay strong through FY 22-23.

Revenue

- **Corporate** is projected to decrease 4%, we have had a lot of unexpected corporate revenue in FY21-22, we believe that the \$1.7M is reasonable for FY 22-23.
- **Individual** is projected to increase 11%.
- **Foundations** grants are expected to be lower by 11%, we have received several one-time gifts in FY21-22 and believe the \$745K budgeted for FY 22-23 is reasonable.
- **Government** grants are expected to be increase as we will receive both GEER and ESSER funding in FY22-23.
- **Special Events** is projected to increase 4%.
- **Experiential Education Fees** -JA BizTown/JA Finance Park fees are expected to increase with the student increase and JA Inspire Booth fees are expected to increase and are included in this revenue category.
- **CAZ** – Revenues are projected at \$6.3M or up 26%.
- **SAZ** – Revenues are projected at \$439K or down (42%), don't expect to be able to duplicate the \$250K Hillman Grant.

Expenses

- **Salaries and Benefits**
 - **Salaries and Taxes**– salaries increasing 24%, – includes a 5% across all staff annual increase; provisions for market adjustments; and position additions for 2 JAIN managers, a JAIN program coordinator, a marketing/design person, and SAZ Director and a JABT Coordinator.
 - **Insurance & Pension** – 12% increase is due to an increase in pension costs driven by new participants entering the plan and salary increases. Increase in medical premiums are estimated at 8%.
- **Operating Expenses** - increasing by 41%. Increase in per student charge for liability insurance, increase in maintenance & repair for building painting and parking lot repairs, increase in Outside Services for JA Inspire and moved SSMC fee to provider from Special Events Expense to K12 Outside Service. Miscellaneous is up due to grant for Piper Fellowship that we will get but do not know yet what it will be used for. Supplies expense is down as new laptops and desktops computers were purchased in FY21-22 and expense is not expected to be repeated in FY22-23.

- **Program Expenses** – increasing 65%. Stipends/Marketing are increasing as we return to pre-COVID levels. Scholarship/Annual Meeting is increased as we are planning to have our Open House this fall for the first time since COVID. Program Material is increasing due to increase in students and increase in material costs. Program and Support fees are determined by and paid to JA USA based on our revenues from FY 21-21.
- **Development Expenses** - are increasing 12% due to increase in Public Relations budget.