HOGAN
PREP ACADEMY

June 2026 Financials

PREPARED **JUL'26** BY

EDOPS

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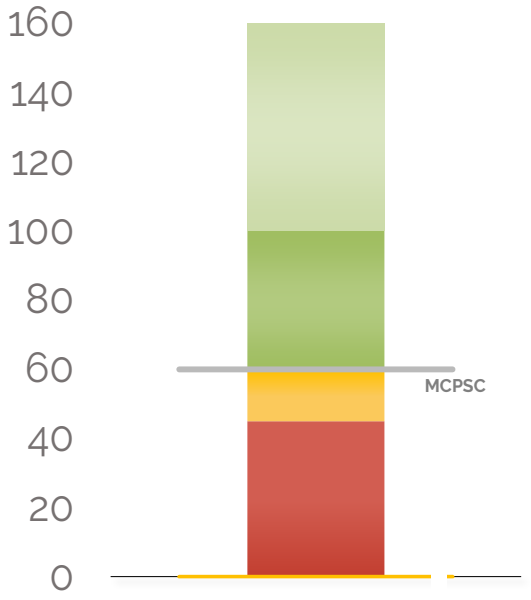
Executive Summary

- HPA closed June with year-end cash of $9.3M, representing 206 days of cash, slightly higher than May forecast, and in-line with the board approved budget.
- Despite the Prior Year Correction (PYC) of $411K, Hogan leadership worked steadily throughout the year to mitigate this financial challenge, resulting ultimately in a $241K deficit. Thus, if the PYC hadn't happened, Hogan would have operated at a surplus.
- As we enter FY27, there are several budget drivers worthy of monthly monitoring:
  - Enrollment & Attendance
  - Federal Funding regarding finality with KCPS numbers.
  - Vendor Oversight: implementing routine reviews across key operation areas – including Transportation, Security, SPED, Food Services, IT, and Facilities – to prevent unbudgeted variances and ensure timely vendor billing to align actuals with monthly forecasts.

Key Performance Indicators

Days of Cash

Cash balance at year-end divided by average daily expenses

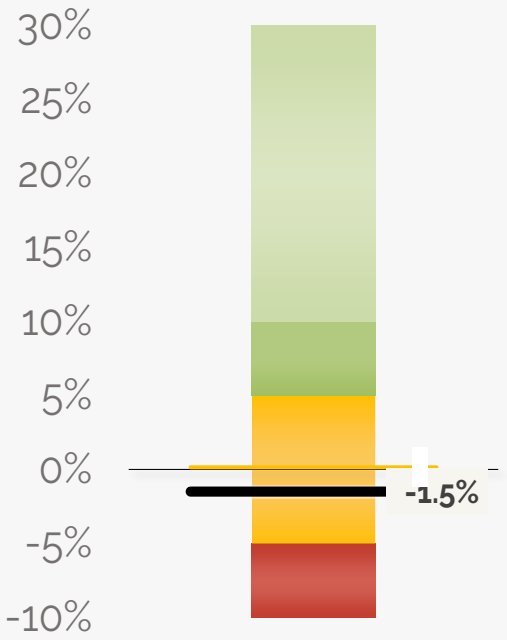


206 DAYS OF CASH AT YEAR'S END

The school will end the year with 206 days of cash. This is above the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

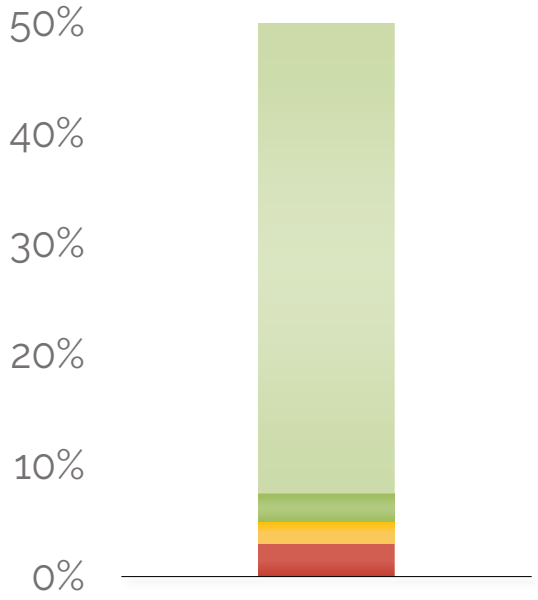


-1.5% GROSS MARGIN

The forecasted net income is -$241k, which is $264k below the budget. It yields a -1.5% gross margin.

Fund Balance %

Forecasted Ending Fund Balance / Total Expenses

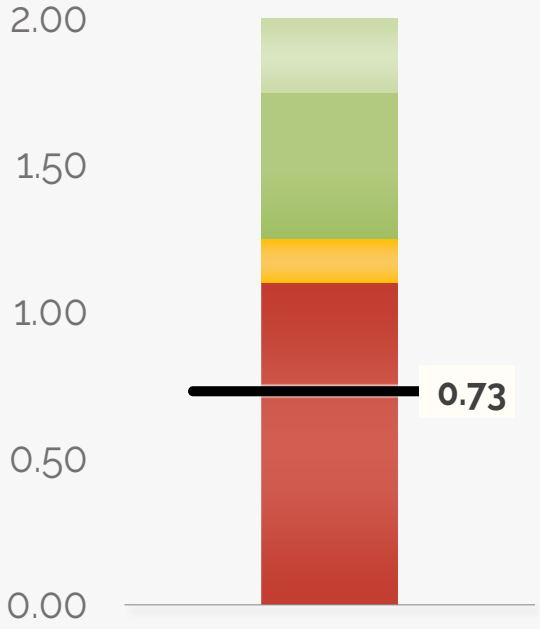


56.49% AT YEAR'S END

The school is projected to end the year with a fund balance of $9,282,720. Last year's fund balance was $9,523,807.

DSCR

Amount of cash flow available to meet annual interest and principal payments on debt



DSCR IS .73

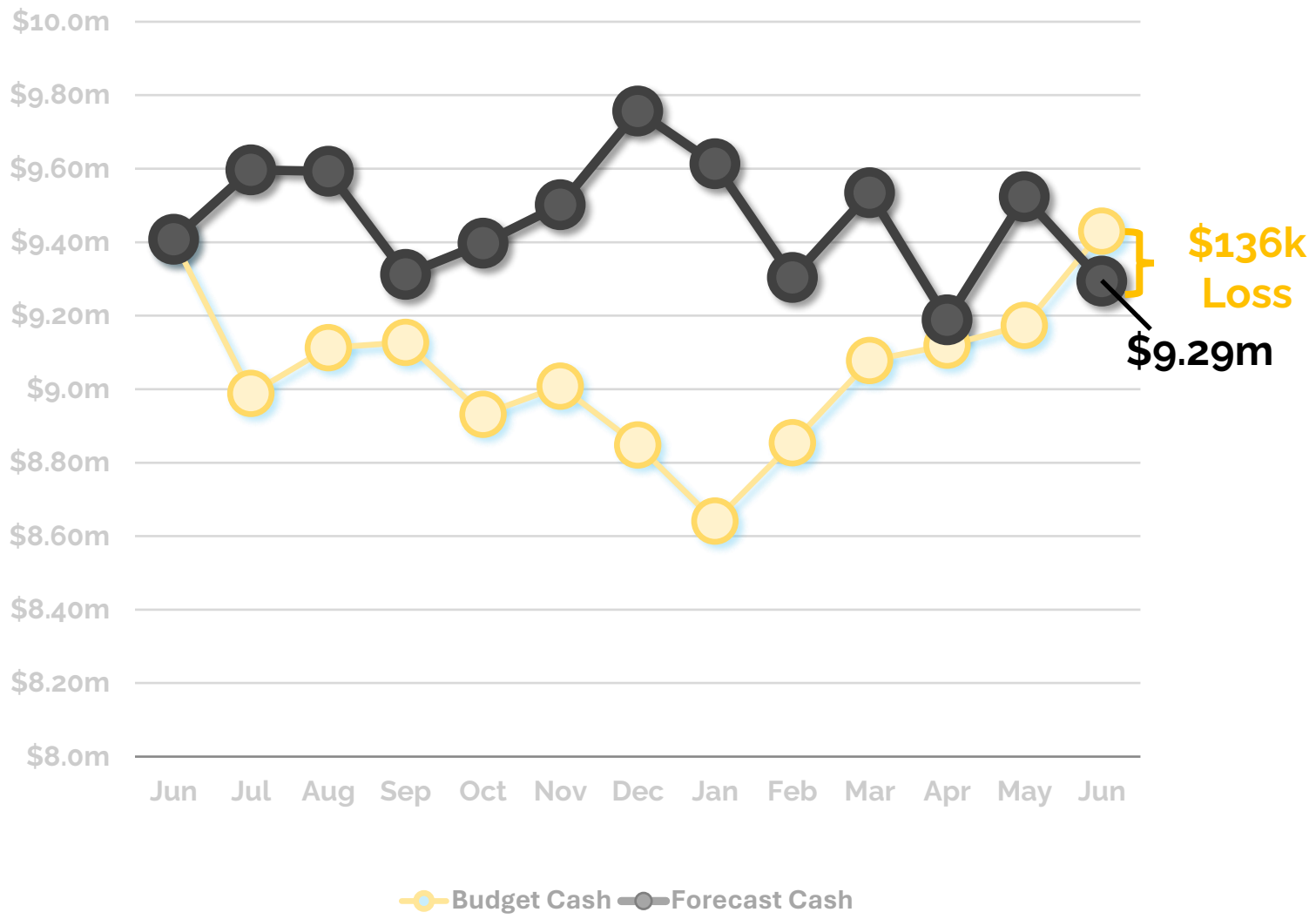
Debt Service Coverage Ratio is defined by the school's bank covenants.

Cash Forecast

206 Days of Cash at year s end

We forecast the school s year ending cash balance as **$9.3m**, **$136k** below budget.

Even though the school has weathered several storms through the year including uncertain state funding with the new CWW basis, the unanticipated PYC, and increased costs for Transportation, Security, and SPED costs, Hogan ends the year in a strong financial position for FY27.

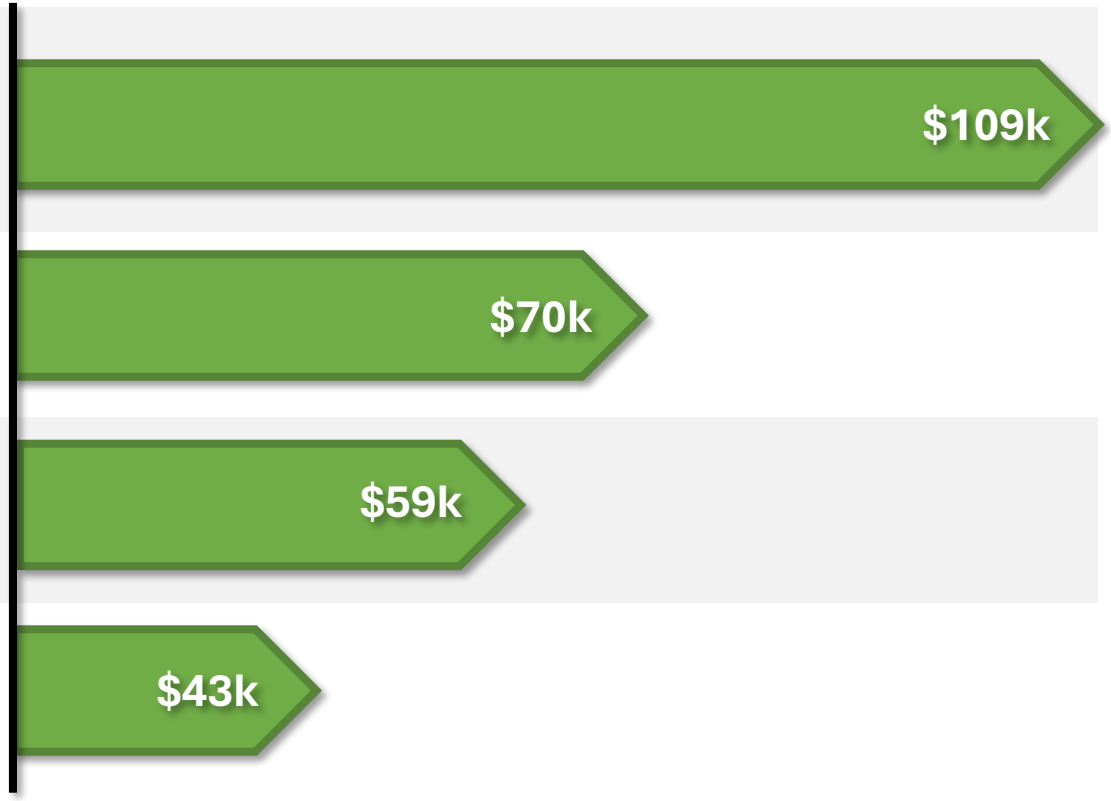


Key Forecast Changes This Month

The June forecast increased the year-end cash expectation by $594k. Key revenue changes:

Annual Change	*Category*
109,005 more cash	**Federal Revenue** Medicaid, Stronger Connections, and Title Allocations higher than forecasted.
70,235 more cash	**State Revenue** Per CWW increase for June (~$75)
59,500 more cash	**Earned Fees** OBT Refund and Aetna Discount
42,581 more cash	**Local Revenue** Unanticipated PYC for Prop C

Impact On Cash



Key Forecast Changes This Month

The June forecast increased the year-end cash expectation by $594k. Key expense changes:

Annual Change	*Category*	*Impact On Cash*
146,355 more cash	**Office & Business Expense** Final payments for Mgmt fees and IT Services did not hit in June as expected.	$146k
129,550 less cash	**Transportation** Expenses came in higher than projections due to lag in invoicing. Activity/Field Trip over projections.	$130k
97,947 more cash	**Student Expense, Food** Expenses came in lower than forecasted. Reconciliation forthcoming.	$98k
49,993 more cash	**Interest** KLS interest came in lower than projected.	$50k
18,074 more cash	**Occupancy Service** Expenses came in less than forecasted. Equip. lease and Security is being reviewed.	$18k

Key Forecast Changes This Month

The June forecast **increased** the year-end cash expectation by $594k. Key adjustment changes:

Annual Change	*Category*	*Impact On Cash*
127,683 more cash	**Other Operating Activities** Change due to UHC Credit from FY25 properly coded in FY26 for Payroll Liability Reconciliation	$128k

Financials

	Year-To-Date			Annual Forecast				
	Actual	*Budget*	*Variance*	*Forecast*	*Budget*	*Variance*	*Remaining*	*Rem %*
Revenue								
Local Revenue	1,303,882	1,192,130	111,752	1,303,882	1,192,130	111,752	-	0%
State Revenue	12,192,219	13,725,788	(1,533,569)	12,192,219	13,725,788	(1,533,569)	-	0%
Federal Revenue	2,390,137	1,685,116	705,021	2,390,137	1,685,116	705,021	-	0%
Private Grants and Donations	180,900	-	180,900	180,900	-	180,900	-	0%
Earned Fees	123,235	19,000	104,235	123,235	19,000	104,235	-	0%
Total Revenue	**16,190,373**	**16,622,034**	**(431,661)**	**16,190,373**	**16,622,034**	**(431,661)**	**-**	
Expenses								
Salaries	6,340,116	6,486,361	146,245	6,340,116	6,486,361	146,245	-	0%
Benefits and Taxes	1,816,032	1,909,088	93,055	1,816,032	1,909,088	93,055	-	0%
Staff-Related Costs	51,572	91,300	39,728	51,572	91,300	39,728	-	0%
Occupancy Service	1,576,628	1,584,399	7,771	1,576,628	1,584,399	7,771	-	0%
Student Expense, Direct	1,647,449	1,521,940	(125,509)	1,647,449	1,521,940	(125,509)	-	0%
Student Expense, Food	608,956	700,000	91,044	608,956	700,000	91,044	-	0%
Office & Business Expense	2,258,852	2,490,544	231,692	2,258,852	2,490,544	231,692	-	0%
Transportation	1,307,550	1,015,000	(292,550)	1,307,550	1,015,000	(292,550)	-	0%
Total Ordinary Expenses	15,607,156	15,798,632	191,476	15,607,156	15,798,632	191,476	-	0%
Interest	750,007	800,000	49,993	750,007	800,000	49,993	-	0%
Total Extraordinary Expenses	824,304	800,000	(24,303)	824,304	800,000	(24,303)	-	0%
Total Expenses	**16,431,459**	**16,598,632**	**167,173**	**16,431,459**	**16,598,632**	**167,173**	**-**	
Net Income	**(241,087)**	**23,402**	**(264,488)**	**(241,087)**	**23,402**	**(264,488)**	**-**	
Cash Flow Adjustments	**127,683**	**-**	**127,683**	**127,683**	**-**	**127,683**	**-**	
Change in Cash	**(113,404)**	**23,402**	**(136,805)**	**(113,404)**	**23,402**	**(136,805)**	**-**	

Monthly Financials

	Actual												Forecast
Income Statement	*Jul*	*Aug*	*Sep*	*Oct*	*Nov*	*Dec*	*Jan*	*Feb*	*Mar*	*Apr*	*May*	*Jun*	*TOTAL*
Revenue													
Local Revenue	102,830	101,416	102,016	101,219	118,269	147,285	105,052	104,816	105,243	105,051	105,198	105,486	1,303,882
State Revenue	1,009,156	985,223	1,012,142	1,019,049	1,195,476	1,026,191	953,091	925,531	976,526	942,020	1,051,987	1,095,826	12,192,219
Federal Revenue	4,054	48,700	79,582	216,907	441,239	235,190	206,104	88,625	355,850	95,792	70,941	547,152	2,390,137
Private Grants and Donations	1,000	10,000	1,400	24,250	0	0	0	12,125	20,000	12,125	100,000	0	180,900
Earned Fees	36,924	-203	10,278	4,242	0	25	0	28,065	0	883	7,763	35,258	123,235
Total Revenue	**1,153,964**	**1,145,136**	**1,205,418**	**1,365,668**	**1,754,984**	**1,408,691**	**1,264,247**	**1,159,162**	**1,457,620**	**1,155,872**	**1,335,889**	**1,783,722**	**16,190,373**
Expenses													
Salaries	568,978	531,536	612,974	521,809	529,376	555,174	496,747	487,812	514,974	510,954	518,906	490,878	6,340,116
Benefits and Taxes	157,410	140,900	165,123	151,590	159,964	157,400	144,457	147,841	150,424	152,564	143,771	144,589	1,816,032
Staff-Related Costs	1,998	7,829	7,763	1,940	2,131	4,920	2,587	1,263	4,415	9,887	4,540	2,300	51,572
Occupancy Service	82,381	159,663	127,615	123,256	294,065	122,133	121,146	113,859	85,728	141,119	122,978	82,684	1,576,628
Student Expense, Direct	118,190	113,949	119,170	108,250	163,622	126,445	112,385	276,673	92,313	141,847	102,421	172,184	1,647,449
Student Expense, Food	0	0	8,651	68,534	0	25,681	79,704	182,876	5,820	117,810	60,680	59,201	608,956
Office & Business Expense	25,345	198,825	361,021	70,118	371,292	65,039	342,714	67,241	44,554	330,850	49,615	332,239	2,258,852
Transportation	33,656	0	68,818	32	141,344	150,233	102,309	47	132,405	126,915	17	551,774	1,307,550
Total Ordinary Expenses	987,957	1,152,702	1,471,135	1,045,531	1,661,794	1,207,024	1,402,048	1,277,612	1,030,633	1,531,945	1,002,928	1,835,848	15,607,156
Operating Income	166,007	-7,566	-265,717	320,137	93,190	201,667	-137,800	-118,450	426,987	-376,073	332,961	-52,126	583,217
Extraordinary Expenses													
Interest	0	0	0	187,502	0	0	0	187,502	187,502	0	0	187,502	750,007
Facility Improvements	0	5,500	5,500	47,778	0	6,200	0	0	9,318	0	0	0	74,297
Total Extraordinary Expenses	0	5,500	5,500	235,280	0	6,200	0	187,502	196,820	0	0	187,502	824,304
Total Expenses	**987,957**	**1,158,202**	**1,476,635**	**1,280,811**	**1,661,794**	**1,213,224**	**1,402,048**	**1,465,114**	**1,227,453**	**1,531,945**	**1,002,928**	**2,023,350**	**16,431,459**
Net Income	**166,007**	**-13,066**	**-271,217**	**84,857**	**93,190**	**195,467**	**-137,800**	**-305,951**	**230,167**	**-376,073**	**332,961**	**-239,628**	**-241,087**
Cash Flow Adjustments	23,190	9,385	-9,361	-243	11,402	59,931	-6,127	-2,990	321	30,198	1,831	10,146	127,683
Change in Cash	**189,197**	**-3,681**	**-280,578**	**84,614**	**104,593**	**255,398**	**-143,927**	**-308,942**	**230,488**	**-345,875**	**334,792**	**-229,482**	**-113,404**
Ending Cash	9,596,656	9,592,975	9,312,397	9,397,011	9,501,603	9,757,001	9,613,074	9,304,132	9,534,620	9,188,745	9,523,536	9,294,055	

Balance Sheet

	Previous Year End	*Current*	*Year End*
Assets			
Current Assets			
Cash	9,407,458	9,653,258	9,294,055
Total Current Assets	9,407,458	9,653,258	9,294,055
Total Assets	**9,407,458**	**9,653,258**	**9,294,055**
Liabilities and Equity			
Liabilities			
Current Liabilities			
Other Current Liabilities	-116,349	11,334	11,334
Total Current Liabilities	-116,349	11,334	11,334
Total Long-Term Liabilities	0	0	
Total Liabilities	**-116,349**	**11,334**	**11,334**
Equity			
Unrestricted Net Assets	9,523,807	9,883,011	9,883,011
Net Income	0	-241,087	-241,087
Total Equity	**9,523,807**	**9,641,924**	**9,641,924**
Total Liabilities and Equity	**9,407,458**	**9,653,258**	**9,653,258**

QUESTIONS?

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