

Tennessee Public Charter School Commission
 FY21 - Forecast vs Budget

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	YTD Actuals (Jul-Nov)	Forecast (Dec-June)	Total (Act + Fcst)	Budget	Variance	Comments
REVENUES						
State Funding (recurring)	\$ 257,083	\$ 359,917	\$ 617,000	\$ 617,000	\$ -	For the purposes of the presentation, revenue accrues monthly. However, in actuality, the total revenue amount is available at the beginning of the fiscal year.
Additional State Funding (previously allocated)	125,000	125,000	250,000	250,000	-	
Total Revenue	\$ 382,083	\$ 484,917	\$ 867,000	\$ 867,000	\$ -	

EXPENSES						
Compensation						
Salaries	\$ 83,244	\$ 257,421	\$ 340,665	\$ 441,000	\$ (100,335)	This represents the forecasted staffing costs for FY21 which assumes the hiring of 7 of 10 positions allocated to the Commission by the end of the fiscal year.
Longevity	1,800	-	1,800	-	1,800	
Benefits	28,120	84,300	112,420	146,000	(33,580)	
Total Compensation	\$ 113,164	\$ 341,721	\$ 454,885	\$ 587,000	\$ (132,115)	

Non-Compensation						
Professional Services	\$ 34,772	\$ 63,680	\$ 98,452	\$ 111,400	\$ (12,948)	The original budgeted amount assumed the continuation of start-up support contracts through the end of FY21. However, given the staffing up of the Commission, the forecast assumes that these start-up contracts will not be extended. Updated YTD actuals includes website design cost.
Commission Meetings (Travel, Lodging, Meals, etc.)	-	7,000	7,000	13,570	(6,570)	The updated forecast reflects additional savings due to holding February meetings virtually.
Staff travel (schools, site visits, etc.)	-	3,000	3,000	12,000	(9,000)	Due to the ongoing COVID-19 Pandemic, the projected staff travel forecast reflects potential travel for appeals and travel in Q4 of FY21, if necessary.
Facilities Rent	-	19,000	19,000	55,000	(36,000)	The forecast reflects the acquisition of Davy Crockett office space in December 2020 and gradually adding office space as the Commission staffs up.
Computers, Equipment, Supplies, and Materials	112	6,998	7,109	15,000	(7,891)	Reduced forecasted expenditures since staff computers appear in the State Agency Professional services line item.
State Agency Professional Services	7,611	18,500	26,111	-	26,111	All state agencies are charged basic fees such as accounting fees, telephone fees, DOHR billing, etc. New staff computers and some technology items also appear here. This also reflects the rent costs for the Executive Admin Asst for use of TDOE space prior to December, and this rent is reflected in the Facilities Rent from December onward.
Unclassified and Other	10,000	-	10,000	73,030	(63,030)	The Commission received training from NACSA in FY20 that was not accrued by previous staff. This invoice was paid in FY21 and reflected in the YTD Actuals. As discussed in the budgeting process, this category will be used to cover un-anticipated costs for FY21.
Total Non Personnel Costs	\$ 52,495	\$ 118,178	\$ 170,672	\$ 280,000	\$ (109,328)	

Total Expenses	\$ 165,659	\$ 459,899	\$ 625,557	\$ 867,000	\$ (241,443)
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Net Surplus/(Deficit)	\$ 216,425	\$ 25,018	\$ 241,443	\$ -	\$ 241,443
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TO: Business Operations Committee, Tennessee Public Charter School Commission

FROM: Melanie Harrell, Director of Finance and Operations, Tennessee Public Charter School Commission

DATE: February 4, 2021

SUBJECT: FY21 Budget to Actuals Updates

FY21 Budget to Actuals Overview

- The forecasts for the following items were updated since the December 16th meeting:
 - Commission Meetings was reduced by approximately \$6,000 due the ongoing COVID-19 pandemic and moving to a virtual February meeting.
 - Forecasted expenditures for the Computers, Equipment, Supplies and Materials line item was reduced by approximately 50% as staff computers are coded to State Agency Professional Services by accounting.
 - The facilities rent forecast was previously reduced as early facilities expenses are coded to the State Agency Professional Services line item. We have not yet been billed for our new office space in Davy Crockett tower, but depending on how this expense is coded by accounting, we may reduce the forecasted expenses for facilities rent further and account for it in State Agency Professional Services.
 - The State Agency Professional Services line item projection was increased by approximately \$6,000 to reflect the coding of staff computers to this account code. This forecast may increase in the future to reflect other coding updates.
- While we are seeing variance across individual budget line items, we are still well within budget for Personnel (above the line) and Operations (below the line) for FY21. Based on conversations with the Department of Education and Finance and Administration, variance within these categories is acceptable so long as we remain within budget overall.

Line Item Coding and Budget Presentation Moving Forward

- Due to the way that accounting categorizes expenses, we are currently having to crosswalk expense categories as the assigned codes are not always intuitive.
- As we present this information moving forward and in thinking about future budgeting processes, the Committee should consider:
 - If we want to adhere strictly to state coding or continue to crosswalk expenses to categorize them in a way that may be more transparent for laypersons unfamiliar with state budgeting;
 - If there are any thresholds for materiality to keep in mind when detailing any variance; and,
 - If there are any changes the Committee would like to see to the structure or presentation of this information in the future.



- See the chart below for an example of the expenses that make up the State Agency Professional Services line item.

GL Account Number	GL Account Description	Aug	Sep	Oct	Nov	Comments
72500000	Data processing Services		\$516.62	\$1,258.42	\$70.75	Includes staff laptops
72502000	DOA Statewide Accounting Bill		\$20.48	\$7.81	\$6.51	
72503000	Telephone Billing	\$42.00	\$52.68	\$52.68	\$112.18	
72509000	Gen Srvc Purchasing Billing		\$32.62		\$9.32	
72510000	DOHR Billing		\$606.06	\$202.02	\$202.02	
72523000	Rent or Lease Bldg Property St		\$1,412.56	\$1,412.56	\$1,412.56	Rent for Exec. Admin. Asst. cubicle at TDOE
72528000	Edison Billing		\$88.05	\$37.88	\$36.00	
72599000	Other_725		\$6.32	\$6.32	\$6.32	
72500 State Professional Services Total		\$42.00	\$2,735.39	\$2,977.69	\$1,855.66	

FY22 Authorizer Fee Update

- We will begin reporting projected SY2021-22 enrollment to the Tennessee Department of Education in March, and we will provide updated authorizer fee projections at our April meeting. These additional updates will inform planning for FY22.
- This is our most variable revenue stream and we expect to be regularly adjusting projections as we get closer to the start of the FY21-22 school year.
- As a baseline reminder, here is what we conservatively projected for our FY22 authorizer fee collection in October 2020. We will update this projection in April 2021 and July 2021 for the committee to review as we receive additional information regarding enrollment projections and revenue projections.

Tennessee Public Charter School Commission
Authorizer Fee Projection

	FY22
Auth. Fee %	3%
BEP Rate (MNPS) (July 2020 BEP)	\$10,547
BEP Rate (Shelby) (July 2020 BEP)	\$9,571

Enrollment	District	
KIPP Antioch College Prep Elem	MNPS	426
KIPP Antioch College Prep Middle	MNPS	272
Rocketship Nashville #3	MNPS	
Nashville Collegiate Prep	MNPS	470
Subtotal		1,168

Bluff City High School	SCS	623
Cornerstone Prep	SCS	150
Subtotal		773

School 7
 School 8
 School 9
 School 20

Total Enrollment	1,941
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Authorizer Fees

KIPP Antioch College Prep Elem	MNPS	\$ 134,792
KIPP Antioch College Prep Middle	MNPS	\$ 86,064
Bluff City High School	SCS	\$ 178,882
Rocketship Nashville #3	MNPS	\$ -
Nashville Collegiate Prep	MNPS	\$ 148,714
Cornerstone Prep	SCS	\$ 43,069
School 7		
School 8		
School 9		
School 20		
Total Authorizer Fees		\$ 591,522

Metrics:

Auth Fee/Student	\$ 305
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