



TO: Business Operations Committee, Tennessee Public Charter School Commission

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

DATE: October 17, 2022

SUBJECT: Charter Commission Budget Updates

FY22 Budget-to-Actuals

- We have updated the FY22 budget-to-actuals to reflect our current spending and drawdown, which reflect final expenditures except those that remain to be accrued through the close process. We do not anticipate any additional material expenditures, although we are still waiting on some revenue to be reconciled.
- BEP passthrough and authorizer fee projections have been adjusted slightly to reflect recent enrollment changes and the June BEP true-up.
- We are still waiting on the final BEP true up from the TDOE, which requires both Shelby and Davidson County to complete their final expenditure reports for FY22. We will not fully close the books on FY22 until after this process, as well as the final revenue close out by the state.
- We are projecting reverting approximately 42% of our state funds after our offset from GEER funding.

FY23 Update

- We have included our current budget-to-actuals for FY23.
- This reflects updated internal enrollment projections (although we have not yet received the initial ADM true up) as well the updated BEP rate for MNPS.
- We have left our initial ESSER and grant allocation estimates the same. We have not yet received updated Consolidated Funding or ESSER carryover allocation from the TDOE to reflect the schools that transitioned to the Commission from the Achievement School District.
- We've also updated this document to better reflect where we stand given our reversion target. The \$650,000 noted as the reversion target is what we consider our minimum reversion target, to reflect the clear expectation from the General Assembly that our primary revenue source for our agency operations is the authorizer fee and that we should revert as much of our state funding as possible.

FY24 Update

- Our preliminary FY24 budget has not changed, as we have not yet received any estimates regarding our expected revenue under TISA. As a reminder, our GEER funds expire at the beginning of FY24 as well, and we will not be able to rely on that as an offset for any state revenue in the future.
- We recently submitted our FY24 budget request to the Department of Finance and Administration. We requested an additional three (3) Coordinator positions to support our growing portfolio, which we anticipate being fully supported by increased authorizer fee



revenue with our growth. Our hope is that two of these positions will support district functions and the other will support authorizing functions.

- We have not requested any additional state funding, as we recognize the General Assembly's expectation that we are supporting our agency functions with authorizer fee revenue.
- We have our budget hearing with the Department of Finance and Administration on November 2nd and will provide an overview of our budget to them at that time.