



TO: Business Operations Committee, Tennessee Public Charter School Commission

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

DATE: September 21, 2023

SUBJECT: Charter Commission Budget Updates

### **FY24 Budget-to-Actuals**

- We have updated the FY24 budget-to-actuals to reflect our current spending and drawdown. These are limited given that only July was fully closed at the time the report was completed.
- We will receive our first TISA true-up in October and update our passthrough and authorizer fee projections at our January meeting.
- The state recently announced Pay for Performance awards, which were much greater than anticipated – double what they were last year. Many employees will receive up to an 8% raise and a 3.5% bonus. Additional state revenue will be allocated by F&A to the agency to offset the increased expenses, and we will update both our revenue and expense assumptions after the final adjustments for these amounts are released.

### **FY25 Budget Request**

- We submitted our FY25 funding request to F&A on September 11, and requested one (1) additional position to support Special Populations. The intent is that, if approved, this individual would focus on providing oversight and support for English Learner programs. The position would be funded entirely by the authorizer fee.
- The submitted documentation also included a request to expand our revenue assumptions within the budget to capture our known growth, given that we currently anticipate serving approximately 6,000 students in FY25. We are not requesting any new state appropriations from the general fund.

### **Grants Update**

- An overview of our preliminary FY24 grants and allocation amounts has been provided for the Committee's review. We are currently projecting passing through at least \$8.5 million to our schools across 13 different grants this year.
- Some grants and allocation amounts may still change, either due to final allocation timelines (Consolidated Funding grants) or confirmation of carryover amounts from the Achievement School District for transition schools.
- Last year, we saw some schools struggle to maintain a consistent drawdown and reimbursement schedule throughout the year. This increases the risk that our schools and our district will not be able to use all funds to benefit students as intended. Accordingly, our intent is to update the Committee regularly on grant expenditures and drawdown throughout the year, and provide information on school-specific drawdown rates.