Generation 25
Applicant Information Session
Financial and Business Plan
Financial Plan

• Provide a detailed narrative start-up plan
• The Start-up plan described in this section should align with the start–up budget in the Financial Plan Workbook
• Outline costs associated with all start-up activities
• Specify tasks, timelines and individuals responsible for each task
• Include Contingency plans if anticipated funding is not received or is lower than expected
• Describe how the Board will monitor the implementation of the Start-up plan
Financial Plan

• Provide a description of the systems and policies that will be used for financial planning, accounting, purchasing and payroll.

• Distinguish between the roles and responsibilities of the school administration and the governing board for school finances.

• List the services to be contracted such as food, transport, auditing services.

• State the criteria used for selecting the contracted service and the qualifications that will be required for each vendor.
Financial Plan

• Please provide the most recent financial audit report, a recent credit report and recently filed IRS forms 990, 990-N or 990-EZ. Provide an explanation if these documents are not available.

• Describe processes of ensuring financial transparency to the TEA and the public including plans for public adoption of the budget.

• Please provided list of insurance coverage the school will secure such as workers Compensation, property, indemnity, insurance for directors and officers.

• Include letters of commitment from committed donors, anticipated donations and list donations that have been collected.

• Describe fund raising and outreach efforts.
Financial Plan Workbook

- Complete all four tabs at the bottom that are in GREEN
- The BLUE tabs are informational and do not require information to be entered. The cells populate from other cells in the workbook.
- Enter information in the GRAY cells only. Formula driven cells are locked.
- The RED triangles in the upper right corner of some cells have guidance on that line item
Financial Plan Workbook

• **School Info Tab**
  – This is the first tab and asks for basic information such as name, email and phone number
  – Information entered here will be used to populate data throughout the workbook
  – Enter the fiscal year end for the start-up and year one
  – The fiscal year end date is required
  – Enter the total school year minutes
• **Enrollment Tab**
  – Enter the anticipated number of students by grade and by year in the GRAY cells.
  – Enter the average daily attendance percentage by year.
  – The student population can be filled in the GRAY cells with the anticipated students for each designation.
  – The transportation section can be completed with the number of anticipated students for the specific program.
Financial Plan Workbook

• **Personnel Tab**

• Enter the
  – Position description
  – Position Category
  – Use gross annual salary data only (no hourly rate or payroll taxes)
  – Enter the number of FTEs (full time equivalents) per year
  – Enter an anticipated percentage of increase in salaries for each year. Based on this increase, the salaries will be automatically updated
  – Enter any notes
Financial Plan Workbook

• **Start-Up, Y1 & Assumptions**
  - Enter budgeted amounts for the proposed charter for the start-up year and year one
  - The anticipated percentage of increase or decrease can be entered in columns H through M
  - Enter a detailed description of assumptions to assist TEA in their review
Financial Plan Workbook

• **Budget Tab**
  – Cells are populated based on Enrollment, Personnel, Start-up, Y1 & Assumptions

• **Financial Plan Workbook Summary**
  – Informational only (do not enter anything in this tab)
• Summary of Finances (SOF)
  – The SOF tab shows estimate of total state aid.
  – No data should be entered in this tab

• Payment Formula Example
  – Shows an example of how TEA state aid payments are usually calculated

• Final Note
  – We will review all items submitted
  – Any questions will need to be resolved by you for the application to proceed
  – Notes, comments, and explanations will reduce questions
Resources

Financial Accountability System Resource Guide (FASRG) version 16:

- Module 2 - Special Supplement – Charter Schools
- Module 3 - Special Supplement – Nonprofit Charter School
- Chart of Accounts

http://tea.texas.gov/index2.aspx?id=25769817568

Student Attendance Accounting Handbook (SAAH):

http://tea.texas.gov/index2.aspx?id=25769817607

Texas Administrative Code (TAC) Chapter 100 - Charters:

http://ritter.tea.state.tx.us/rules/tac/chapter100/index.html
Contact Information

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