

Charter Schools Funding Task Force

APPENDIX 7

Charter Schools – Standardized Financial Reporting Model Fiscal Year 2010-11 Instructions

Revised 9/15/2010

These instructions are provided to assist charter schools in completed the Standardized Financial Reporting forms and tables that are enclosed with this document. There are three reporting processes/timelines that make up this system:

System Element	Form Name & No.	Reporting Deadline
Budget Reports	Budget Summary – Form 1 Budgeted Functional Expenses – Form 2 Certification – Form 8	June 11, 2010
Year-end Financial Reports	Balance Sheet – Form 3 Income Statement – Form 4 Statement of Functional Expense – Form 5 Enrollment Report – Form 6 (due October 22) Certification – Form 8	October 15, 2010
Budget Proviso Forms	2011-12 Projected Income Statement – Form 4a Schedule of Facilities Revenues & Expenses – Form 5a Enrollment Report – Form 6 Certification – Form 8	November 30, 2010
Budget Briefing Tables to the State Legislature	Table 7 thru Table 12	December 31, 2010

This document is organized to provide information to charter schools regarding how to complete the forms enclosed in the attached MS Excel spreadsheet in meeting these reporting requirements. This document is organized into four sections – (1) General Instructions; (2) Budget Report Instructions; (3) Year-end Financial Reporting Instructions; and (4) Budget Briefing Tables Instructions.

GENERAL INSTRUCTIONS:

Due dates are as follows: For budget reporting forms (Form 1, 2 & 8) the due date is June 11, 2010. For year-end financial reporting (Forms 3, 4, 5, 6 & 8) the due date is the same date as due date for the self-evaluations and should be submitted together (October 15, 2010) except for the enrollment report with October 15, 2010 enrollments which is due on October 22, 2010. For budget proviso reporting the CSAO will use 2010-11 budget data and 2009-10 actual year end data plus the data provided on the Projected Income Statement (Form 4a) and the Schedule of Facilities Revenues and Expenses (Form 5a) and November 15 enrollment data provided on Form 6. The deadline for the budget proviso forms is November 30, 2010. A certification statement should be submitted each time the charter school submits any of these forms. The comments page

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(Form 7) is submitted at the discretion of the charter school. The budget briefing tables (Tables 7, 10, 11 & 12) are due to the CSAO no later than December 31, 2010.

The attached MS Excel spreadsheet has multiple tabs that are to be used by charter schools in reporting their budget and financial results for budget year 2010-11, actual year 2009-10 and budget proviso data. Tables 7, 10, 11 & 12 are to be used by charter schools to report data required by the legislature. For each form data entry is made in the **GREEN** colored cells. **YELLOW** colored cells are totals or other data that calculates automatically.

The forms to use to submit budget information are:

- Form 1: Budget Summary (Budgeted P&L)
- Form 2: Bgt_FuncExp (Budgeted Functional Expenses)
- Form 8: Certification Statement

The forms to use to submit year end financial results are:

- Form 3: Balance Sheet (aka Statement of Net Assets).
- Form 4: Income Statement (aka Statement of Revenues, Expenses & Changes in Net Assets).
- Form 5: Statement of Functional Expenses.
- Form 6: Enrollment Report.
- Form 8: Certification Statement.

The forms to use to submit remaining data needed to comply with the Budget Provisos are:

- Form 4a: 2011-12 Projected Income Statement.
- Form 5a: 2009-10 Schedule of Facilities Revenue and Expense (Actual).
- Form 6: Enrollment Report (including 11/15/2010 actual enrollments and at least one year of projected enrollment (2011-12).
- Form 8: Certification Statement.

The forms to be used to submit Budget Briefing information are:

- Table 7: Non-general Funds (unencumbered)
- Table 10: Vacant Positions
- Table 11: Personnel Separations
- Table 12: New Hires

Note: When you submit your year end financial results also submit any changes you have made to your budget during the year on Forms 1 & 2 which may be revised (and approved as revised by your LSB) based on fiscal changes that may occur during the fiscal year.

Detailed instructions for completing the forms follow:

BUDGET REPORTING FORMS:

Form 1. BudgetSumm: This is the Budget Summary table. This table is used to report your overall budgeted revenues and expenses, that your LSB has approved. The due date for submitting this completed form as well as one version of the "Budget by Functional Expense" form is June 11, 2010. Enter the name of your school in the space provided (currently entered with "sample charter school." Enter the Org ID of your school in the space provided (a table of ORGIDs has been provided in Appendix A).

OPERATING REVENUES: Use this section to report normal, ongoing operating revenues that have been budgeted. Using the instructions in Column M of the form enter the appropriate data. Note that if the school has a component unit then data for the component unit is also required to be completed in the column labeled "Sample Component Unit." If you do have a component unit enter the actual name of the component unit in the space provided at the top of the column. If the school or the component unit has normal, ongoing revenues budgeted from a source that does not fit into the revenue categories provided (1-14) use the space provided for items 15 & 16 to enter revenues from these sources. Be sure to include a description of the source as well.

OPERATING EXPENSES: Operating expense data for the charter school will load onto this form automatically from the Schedule of Budgeted Functional Expenses form. Data for a component unit is reported as total component unit expenses excluding amounts transferred to the charter school and the amount the component unit transferred to the charter school. This amount should match the amount entered in line 30 for the charter school: "Contributions, from Component Unit."

NONOPERATING REVENUES: Use for one-time or unusual revenues that are not part of your regular operating revenues. Example would be a large one-time gift of cash or property to the school. Contributions to the charter school from your component unit, if applicable, would also be reported in this section.

NONOPERATING EXPENSES: Use for nonrecurring or unusual expenses that are not part of your usual operating expenses. Example would be a major repair of a facility that is not capitalized. Interest on long-term debt, if any, should also be reported in this section.

Form 2. Bdg FuncExp: This form is used to report the expenses of the charter school by function. The due date for returning this form is the same as the due date for the BudgetSumm form - June 11, 2010. The name of your school and ORGID will load automatically from the BudgetSumm form. This form is organized by functional expense. The functional expense categories are:

100 Administration;

200 Instructional Services;
300 Pupil Services;
400 Operation and Maintenance of Plant;
500 Benefits and Other Charges;
600 Community Services; and
700 Other Non-operating Expenses.

Budgeted amounts are entered in the green cells as appropriate. For most charter schools the 100, 200, 300, and 400 functional categories will account for most of your planned expenses. Some charter schools may have planned (budgeted) expenses in the 500, 600 & 700 functions. Descriptions of the expenses that should be reported in each line can be found on the form in Column L. Suggested, or sample, detailed accounts are provided under each of the functional categories. Circumstances at your charter school may require different accounts or additional accounts in some or all of these functional categories. If that is the case add additional accounts as necessary under the appropriate functional area. For example, under the School Leadership sub-function within Administration there is no account for Travel. If you chose to report school leadership travel separately you should add an account under this sub-function and include the appropriate amount.

Other schools may not breakout their expenses at the same level of detail as that shown on this form. If this is the case at your school, then report the expenses in the functional category that most closely represents the function where most of the expense was incurred. For example, within the Administration function each of the sub-functions includes an account for Contracted Services. Your school could have contracted with a provider for training for your LSB and your School Leadership staff, Business staff, etc. In this case use your judgment in determining the sub-function under which you report the expense. It should approximate the sub-function that benefited the most from the expense.

YEAR- END FINANCIAL REPORTS:

Form 3: Balance Sheet

This is a basic balance sheet format which separates current assets from non-current (capital or long-term assets) and current liabilities from non-current (long-term) liabilities. The format of this report is designed to be able to accommodate virtually any combination of assets and liabilities that charter schools may encounter. Additional space has been provided if the pre-assigned accounts are insufficient. Be sure that Total Assets line agrees with the Total Liabilities and Net Assets line. The descriptions in Column M have been provided to assist you in completing this report.

Form 4: Income Statement

Instructions for the completion of this form are similar to the instructions for Form 1 BudSumm. The difference is that this form is used to report the actual revenues and expenses incurred while the Budget Summary form is

used to report budgeted (planned) expenses. The due date for submitting this completed form is October 15, 2010 the same due date as the CSRP self-evaluation document. The instructions for completing Operating Revenues, Operating Expenses, Nonoperating Revenues and Nonoperating Expenses are the same as for the BudSumm form except the data is actual year end results.

Form 5: Schedule of Functional Expenses

Instructions for the completion of this form are similar to the instructions for Form 2 Budgeted Functional Expenses. The difference is that this form is used to report the actual expenses by functional category rather than budgeted (planned expenses). The due date for submitting this completed form is the same due date as the CSRP self-evaluation document (October 15, 2010). The detailed instructions for completing this form are the same as for the Budgeted Functional Expenses form.

Form 6: Enrollment Report

Use this form to report your 2009-10 actual, May 15, 2010 projected, October 15, 2010 actual, November 15, 2010 actual and projected October 15, 2011 through 2016 enrollments. Breakout your enrollment by grade and Regular Ed/SPED per the space provided on the form. Refer to the deadlines on the form and the information provided above.

BUDGET BRIEFING TABLES

Because the legislature typically does not release the upcoming session version of these forms until December, this packet includes the legislative tables used last year (2010 legislative session). The 2011 forms will likely be very similar to the forms provided herein. An updated version of this document will be distributed after the legislature finalizes these tables for 2011. As stated in the General Instructions the deadline for submitting these tables to the CSAO is December 31, 2010.

Table 7 Non-general Funds: Include a list of all non general and non-federal sources of funds your school is receiving this year. That list, naming the source, goes in the column labeled "Name of Fund." If your school is receiving money through your non-profit, regardless of the source of the money to the non-profit, then enter the name of your non-profit in that column. If your school is receiving money directly from KSBE then enter KSBE in that column. When the column is completed it should list out all of the sources other than federal and other than state funds that you school is receiving funds from this year (2010-11). Then for each of the sources listed in the first column, if your school has spent or encumbered all of the funds as of November 30, 2010 then enter zero (\$0) in the "Unencumbered Cash Balance" column. If your school has any unencumbered amounts from any of these sources as on hand (in cash) as of November 30, 2010, enter the amount of the unencumbered balance in the "Unencumbered Cash Balance" column of this table. MOF (Means of Financing) codes to be used in the MOF column are provided in Appendix A. The only charter schools that should

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enter anything in the Statutory Authority column are charter schools receiving funding from Ho`o ka ko`o Corp. These schools should only cite the statutory authority in HRS 302B for unencumbered cash balances on hand on November 30, 2010 from Ho'o ka ko'o Corp.

Table 10 Vacant Positions: The purpose of this form is to provide information to the legislature regarding vacant positions at your school as of November 30, 2010. This form should be used to report positions at your school that are budgeted for but were unfilled as of November 30, 2010. If you have a position that is unfilled and unbudgeted then it is not a vacant position it is an unbudgeted position and should not be included on this table. If you do have a budgeted, vacant position this would typically be due to a position that was filled early in the year and then the incumbent left employment with the school prior to November 30, 2010 and the position was not filled as of November 30, 2010 or a position that was budgeted for at the start of the year when it was unfilled and the position remains unfilled as of November 30, 2010. . If you have either of these situations at your school you should report data on this form regarding these positions.

Table 10 Instructions for the specific columns:

Date of Vacancy: If you have positions that fall within the description of vacant positions as described above provide the date that the position was vacated. Typically this would be sometime during this year.

Position Title: Provide the generic title of the vacant position (e.g. teacher, custodian, business manager, etc.)

Position Number: Provide the number of the position that the school has created to identify this position. This is not the same as the unique employee identification number, it is the number for the position. If you do not number your positions enter N/a.

Exempt (Y/N): Is the position exempt from collective bargaining.

Budgeted Amount: Enter the entire amount that was budgeted this year for the position.

Actual Salary Last Paid: Enter the total amount of salary actually paid for this position during this year through November 30, 2010.

MOF: Means of Finance – (see Appendix A for a table of MOF codes)

Prog ID: Identify the program that is paying for the position. For positions funded with per pupil funds use 15137 as the PROGID. For positions paid from Title I funds use PROGID 18902. If you have other positions paid from other sources type in a brief identifier of the source of funds in this column.

Authority to Hire (Y/N): This column is nonsensical for charter schools. If the position was authorized by your LSB then you had authority to hire and should enter a Y (yes) in this column.

Table 11 Personnel Separations: The purpose of this table is to provide a list to the legislature regarding positions that were filled on July 1, 2009 and subsequently vacated during the period between July 1, 2009 and November 30, 2010.

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Instructions for the specific columns:

Program ID/Org: As with the vacancy table, if the position was funded with per pupil funds use 15137 as the code here along with your school's ORGID. If the position was funded with Federal Title I funds use 18902 along with your school's ORGID. If the position was funded with funds from other than these two sources enter a brief description of the source along with your school's ORGID. Your ORGID is the DOE ORGID for your school. I've attached a table of the ORGIDs for all of the charter schools in Appendix A. For example HAAS' ORGID is 561.

Position Number: Same instructions as per the Vacancy Report.

Perm/Temp: If the position is a permanent position enter PERM; if it is a temporary position enter Temp.

MOF: Same instructions as per the Vacancy Report.

Position Title: Same instructions as per the Vacancy Report.

Budgeted FTE: Enter the full time equivalent amount for the separated position. This should be a value between 0.00 and 1.00. For a full time position enter 1.00, for a half time position enter 0.50, etc. If the normal hours for the position you are entering as a full time position are 37.5 hours per week and the position was less than full time, to calculate the FTE use the actual number of hours of the position divided by 37.5.

Budgeted Salary: Enter the amount budgeted in 2009-10 for this position. Actual FTE: If the actual FTE differed from the budgeted FTE enter the actual FTE. IF the budget and actual FTEs are the same, enter the same number as the budgeted FTE. Actual FTE may differ if the position was created as a full time position yet you were only able to find an employee willing to work part-time.

Actual Salary: Enter the actual salary paid in 2010-11 through November 30, 2010.

BU Code: Enter the bargaining unit code for the position (e.g. BU Code for teachers is 5, BU Code 3 is for clerical positions, BU Code 6 is for Educational Officers, BU Code 4 is for White Collar Supervisory – Admin Assistants and SASAs). If you have a question on which BU Code to use call Mary Jane Munoz in the CSAO office.

SR Level: This is the code for the salary range for the position. The salary range code can be found in the collective bargaining unit's salary schedule. Next to each salary on the salary schedule is an alpha-numeric code, enter the appropriate code for the position you are reporting as a separation. If you are not compensating your employees based on the salary schedule in the collective bargaining agreement enter the SR code that most closely approximates the amount of the salary that you are paying for the position.

Table 12 New Hires: The purpose of this table is to report to the legislature Use this table to report new hires at your charter school during the period between July 1, 2009 and November 30, 2010. This table is very similar to Table 11 so these instructions will only cover those elements that are different than Table 11. Refer to the Table 11 instructions for columns that are the same.

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New Hire Effective Date: Enter the date that the new hire was employed by your school. This date should be somewhere during the period between July 1, 2009 and November 30, 2010.

Appendix A

Means of Financing Table:

Code	Description	Use
A	General Funds	State General Funds
B	Special Funds	Donations, funds from other agencies, etc.
N	Federal Funds	Federal Program Funds
T	Trust Funds	Student activity funds, Funds provided per a trust agreement
V	Federal ARRA Funds	Federal ARRA Part A funds
W	Revolving funds	Payments from parents/students for transportation, food services, etc.

Organization Code (ORGID) Table:

School Name	ORGID #
Connections-PCS	396
Educ Lab: A Hawaii NC-PCS	543
Hakipu'u Learning Ctr-PCS	546
Halau Ku Mana-PCS	540
Halau Lokahi NC-PCS	542
Hi Academy of A&S-PCS	561
Hawaii Technology Academy	551
Innovations-PCS	548
Ka 'Umeke Ka'eo-PCS	562
Ka Waihona O Ka Naauao-PCS	545
Kamaile	275
Kawaikini	565
Kanu O Ka'aina-PCS	397
Kanuikapono-PCS	564
Ke Ana La'ahana-PCS	549
Ke Kula Nawahi Iki Lab-PCS	563
Ke Kula O Kamakau Lab-PCS	547
Ke Kula Ni'ihau Kekaha-PCS	556
Kihei-PCS	554
Kona Pacific	566
Kualapuu-PCS	411
KANAKA - PCS	466
Kua O Ka La-PCS	557
Lanikai-PCS	320
Myron Thompson Acad-PCS	544
Volcano Sch of A&S-PCS	560
Voyager-PCS	541
Waialae-PCS	149
Waimea Mid-PCS	394
Waters of Life-PCS	398
West Hi Explor-PCS	399

Appendix A