# WESTLAKE ACADEMY

International Baccalaureate World School

## Adopted Operating Budget

2021-2022




## IB Education for All: Preparing Students to Thrive in a Global Society

Westlake Academy * 2600 Ottinger Road * Tarrant County * Westlake, Texas 76262

www.westlakeacademy.org

This page is intentionally blank



# BUDGET TABLE OF CONTENTS

Westlake Academy, IBO Charter School* 2600 Ottinger Road * Tarrant County, Westlake Texas 76262


## 1. INTRODUCTION SECTION

- 3 Mission, Vision, Values
- 4 Financial Budget Awards
  - ASBO Award Certificate

## 2. EXECUTIVE SECTION

- 9 Executive Summary Letter
- 14 Strategic Planning & Management
- 20 Challenges, Goals, Strategies, Initiatives, and Long-Term Financial Planning

## 3. BUDGET STRUCTURE

- 23 Budget Overview and Process
- 29 Budget Document Structure
- 31 Fund Balance Components
- Fund/Object/Function Classifications
  - 32 Fund Types and Structure
  - 34 Account Coding Structure
  - 35 Revenue Classifications
  - 36 Revenue Allocations
  - 37 Expenditure Classifications
  - 41 Shared Service Model Expenditures
  - 42 Relationship between Funds and Departments
- 43 Financial Reporting Entity Legal Autonomy

## 4. FINANCIAL ANALYSIS

- 47 Financial Forecast Assumptions
- 48 General Fund Five-Year Forecast
- General Fund
  - 49 General Fund Financial Summary

## 5. PERSONNEL & PAYROLL

- 53 Personnel Staffing & Payroll Overview
- 56 Board of Trustees
- 57 Leadership Team
- 58 Municipal Organizational Structure
- 59 Academic Organizational Structure

## 6. STUDENT DATA

- IBO Programme
  - 63 IBO Programme Overview
  - 64 IB Attitudes
  - 65 IB Learner Profile

## 7. POLICY SECTION

- Academic Policies
  - 69 Investment Policy
  - 74 Fiscal and Budgetary Policies
  - 83 Risk Management
  - 84 Future Polices to be discussed and implemented

## 8. APPENDIX SECTION

- 89 Glossary
- 97 Acronyms
- 98 Academic Calendar




Title: *Mami Wata*
By: Sarah Jiang, Senior 2021

This page is intentionally blank



# Section 1
# Introduction



This page is intentionally blank



# MISSION, VISION, & VALUES

Founded in 2003 with a vision to achieve academic excellence and develop life-long learners who become well-balanced, responsible global citizens, Westlake Academy is the first and only municipally-owned charter school in the State of Texas. The Academy was the fifth school in the United States, and the only public school, to offer the full IB curriculum for grades K-12.

During each year's budget retreat, great care and consideration is given to review the mission, vision and values of the Academy and the impact these have on both the long-term goals and its day-to-day operation. The mission, vision, and value statements represent the outcome of these discussions and confirm the Board's continued dedication to academic excellence and personal achievement.

## MISSION

*"Westlake Academy is an IB World School whose mission is to provide students with an internationally minded education of the highest quality, so they are well-balanced and respectful life-long learners."*

## VISION

*"Westlake Academy inspires college bound students to achieve their highest individual potential in a nurturing environment that fosters the traits found in the IB learner profile."*

*~ Inquirers, Knowledgeable, Thinkers, Communicators, Principled, Open-minded, Caring, Risk-takers, Balanced, and Reflective~*

## VALUES

*Maximizing Personal Development*
*Academic Excellence*
*Respect for Self and Others*
*Personal Responsibility*
*Compassion and Understanding*

## DESIRED OUTCOMES

The following desired outcomes summarize the goals and objectives established by the Board of Trustees and Leadership Staff at the Academy:

*High Student Achievement*
*Strong Parent & Community Connections*
*Financial Stewardship & Sustainability*
*Student Engagement-Extracurricular Activities*
*Effective Educators & Staff*

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

This Meritorious Budget Award is presented to

# WESTLAKE ACADEMY

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2020–2021.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.

MERITORIOUS BUDGET AWARD

**W. Edward Chabal**
**President**

**David J. Lewis**
**Executive Director**

# MERITORIOUS BUDGET AWARD

Westlake Academy has been awarded the Meritorious Budget Award by the Association of School Business Officials (ASBO) for the preparation and issuance of the 2020-2021 annual budget. The award has been received annually since September 1, 2010.

This award is the highest form of recognition and a significant achievement that reflects the commitment of the governing body and staff in meeting the highest principles of academic budgeting.

The Meritorious Budget Award (MBA) recognizes school districts that demonstrate proficiency in creating clear, sound budgets while enhancing skills in developing, analyzing, and presenting a clear and effective budget.

To receive this award, Westlake Academy must publish a budget document that meets program criteria such as

- Understanding the importance of presenting an accurate and transparent budget year after year.
- Discovering best practices in budgeting that will improve the budget's accuracy and transparency
- Developing a reader-friendly document that presents clear budget guidelines.
- Promoting communication between departments and the community.
- Encouraging short- and long-range budget goals.
- Supporting effective use of educational resources.

Congratulations to Ginger Awtry, Director of Finance; Marlene Rutledge, Academic Finance Manager; Dr. Mechelle Bryson, Executive Director, and the Instructional Leadership Team for preparing this award-winning budget for Westlake Academy.

This page is intentionally blank



# Section 2
# Executive Summary



This page is intentionally blank



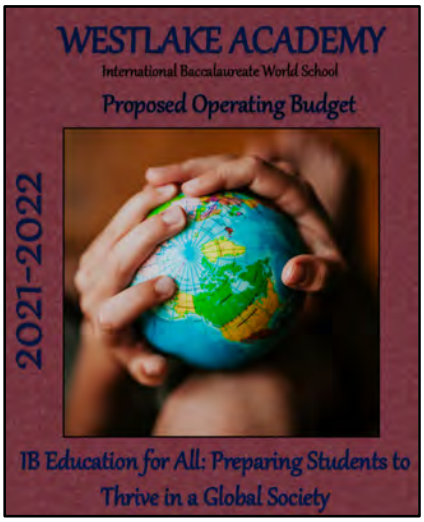
August 9, 2021

To the Honorable President and Board of Trustees of Westlake Academy,

I am pleased to present the 2021-2022 Academic Services Budget for your consideration. Our shared services team, of academic and municipal staff members, worked in tandem to prepare a comprehensive plan that evaluates the fiscal impacts of our revenue and expenditures through the factors associated with our student enrollment, the fiscal impacts of the novel coronavirus (COVID-19), and our commitment to provide an outstanding educational service to our students.

On behalf of our entire community, I would like to thank the Board for the governance, leadership, dedication, and support in making Westlake Academy so successful over the past several months. The time and attention we have all given in leading and managing a school during the current pandemic has been a challenge. Our students, staff, and parents did a tremendous job of navigating the ever-changing educational world and our Board of Trustees gave countless hours of support and governance through these uncertain times. As the Superintendent of Westlake Academy, I am grateful to you and our staff for continuing to make Westlake Academy THE 'school of choice' for students who are seeking an internationally minded education and allowing our students to attain their highest individual potential.

## I. INTRODUCTION




The proposed budget reflects Westlake Academy's (WA) continuing initiatives that support the vision, mission, and values established by the governing Board. Our vision that the school *"inspires college-bound students to achieve their highest individual potential in a nurturing environment that fosters the traits found in the IB Learner profile: Inquirers, Knowledgeable, Thinkers, Communicators, Principled, Open-minded, Caring, Risk-takers, Balanced, and Reflective"* is evident in our efforts and we are looking forward to another year of educational growth for our students. The Academy's International Baccalaureate (IB) curriculum is built to prepare our students for post-secondary success in a fast paced and knowledge-rich world. With the understanding that our graduates must compete on a global stage, we prepare them with 21st century skills to navigate an ever-changing global marketplace. Therefore, we remain a school focused on future readiness and providing students with an internationally minded education of the highest quality, so they are well-balanced and respectful life-long learners.

The proposed budget is prepared with conservative revenue projections and expenditures that are targeted to create a productive learning environment for student success. Statistical data, summaries, and charts provide a review of the proposed budget, which is a strategic guidance tool for the upcoming school year and beyond.

The proposed budget reflects the following updates:

- Slight increase in budgeted student enrollment vs. our previous year (from 865 to 875); and
- Hiring a PYP STEM Specialist position; and
- Expanding the MYP Coordinator position to full-time; and
- Hiring a SPED Teacher to allow our SPED Coordinator to work on program oversight; and
- Addressing the continuing fiscal impacts of COVID-19.

**General Fund Budget Summary**

As a public charter school, the Academy's operating budget is legally required to include General Operating, Debt Service, and Food Service Funds. Given that the Academy does not have Debt Service or Food Service, the General Fund is the only legally adopted fund. Please note that Special Revenue Funds are included in the budget for informational purposes only.

| | Amended FY 2020/21 | Adopted FY 2021/22 | $ Incr/ (Decr) | % Incr/ (Decr) |
|---|---|---|---|---|
| Revenues | $ 9,661,699 | $ 9,371,746 | $ (289,953) | -3.00% |
| Expenditures | 9,453,877 | 9,432,983 | (20,894) | -0.22% |
| Other Resources | 90,000 | 45,000 | (45,000) | -50.00% |
| Other Uses | (90,000) | (45,000) | 45,000 | 0.00% |
| **Excess Revenues Over(Under) Expenditures** | **207,822** | **(61,237)** | **(269,059)** | **-129.47%** |
| | | | | |
| FUND BALANCE BEGINNING | 1,751,177 | 1,958,999 | 207,822 | 11.87% |
| FUND BALANCE ENDING | 1,958,999 | 1,897,761 | (61,238) | -3.13% |
| Assigned | (90,621) | (111,782) | (21,161) | 23.35% |
| **FUND BALANCE ENDING (Unassigned)** | **$ 1,868,378** | **$ 1,785,979** | **$ (82,399)** | **-4.41%** |
| # Days Operating (Based on 365) | 72 | 69 | (3) | -4.20% |
| Daily Operating Expenditure | $ 25,901 | $ 25,844 | $ (57) | -0.22% |
| Students Enrolled | 856 | 875 | 19 | 2.22% |
| TEA Funding per Student | 9,244 | 8,689 | $ (555) | -6.00% |
| **Academic Operating Cost per Student** | **$ 11,044** | **$ 10,781** | **(264)** | **-2.39%** |
| Teachers | 71.01 | 70.18 | (0.83) | -1.17% |
| Student/Teacher Ratio | 12.05 | 12.47 | 0.41 | 3.43% |
| Total Faculty & Staff | 101.84 | 103.52 | 1.68 | 1.65% |

## II. CURRENT CONDITIONS AND FUTURE CONSIDERATIONS

The Town of Westlake and Westlake Academy are committed to the education, safety and wellbeing of our students, staff, and their families. We continue to address the COVID-19 public health crisis, that began for us in March of 2020, and have structured our on-campus educational opportunities so that children will continue to learn. Last year, we instituted layers of personal protection measures to help maintain a healthy school environment, as well as, offered remote learning for those families who needed this type of learning configuration. For the coming year, we will continue to deploy a variety of safety measures that support a healthy campus, and we will educate our students via face-to-face learning in the classroom. Staff will also work with our public health officials and our authorizing agency, the Texas Education Agency (TEA), to comply with the directives that impact our campus and community. As guidance continues to change and new information is available, the Town is well prepared to adjust our processes and navigate another successful school year for our families.

**Westlake Population Growth:** Over the past several years, our community has grown through the addition of new residential subdivisions and the construction of new homes within our existing neighborhoods. We are also within the heart of the Fort Worth-Dallas Metroplex, which has also experienced tremendous growth in residential units. This type of growth within our own community results in a greater enrollment of primary boundary students (those

who live in the Westlake community). The regional growth will ultimately affect the extended boundary lottery wait list as more families seek admittance through the lottery. Staff monitors our enrollment numbers on a weekly basis and works to achieve a balance in order to serve those who are on the lottery waiting list while allowing space for our primary boundary residents to enter the school when they move to the Westlake community. We have attracted families from across the world who are interested in attending the Academy and our students are enjoying great success!

**Public Education Funding:** Funding of public education continues to remain a topic of discussion across the state and during each legislative session. As we receive the majority of our funding from the state of Texas, we will work with our elected officials to spread the good news about our success and work with the Texas Public Charter Schools Association (TPCSA) to support charter schools in the state.

**Parent, Grandparent and Stakeholder Support:** We are also extremely fortunate to enjoy the support of our affiliate groups – the Westlake Academy Foundation (WAF), the House of Commons (HOC), and the Westlake Academy Athletic Club (WAAC). The Westlake Academy Foundation (WAF) raises significant operating funds for the Academy, without which the school could not offer its rich slate of IB programs, professional development, and technology-based applications. The Academy also benefits from the House of Commons (HOC) and Westlake Academy Athletic Club (WAAC) fundraising efforts. The HOC helps to provide support to our teachers and staff teams through appreciation-based events, spirit wear, and other parent/teacher events. The WAAC supports the student athletic program for both students and coaches across all sports offered on campus, which includes athletic equipment upgrades, funding for team travel, and team registration scholarships.

**Continued Emphasis on Long-Range Financial Planning:** The proposed budget also contains an updated Long-Range Financial Forecast which identifies key revenue and expenditure drivers for the Academy while assessing historical financial trends and their potential impact upon our financial stability. The forecast must be monitored and updated during the budget formulation process, as well as reviewed with the Board as one of the evaluative tools to maintain our Charter is to have sound financial management. Staff continues to produce quarterly financial reports for the Board that monitors and analyzes trends. These reports serve as a valuable tool to assist in developing a proactive, rather than reactive, approach to our changing financial position.

**Facility Planning for Today and the Future:** Staff continues to discuss the "immediate needs" that have been identified for lab space. We have entered the second phase of our facility analysis discussion through the involvement of our original architect in our efforts and will be presenting the recommendations to the Board over the next several months. Based on primary boundary enrollment projections, the facility space continues to be reviewed to help plan for educational offerings and physical space needs.

## III. SHARED SERVICES MODEL

Westlake Academy operates under a shared services model whereby the municipal operations team provides human resources, communications, financial, facilities, information technology and administrative support services to the school. Debt service for the campus buildings, general maintenance and replacement of infrastructure, and equipment for the school is expensed to the municipal budget as the school and the buildings are owned by the municipality. The shared services model was an integral part of the state charter application process, helping to support the Town's case for creating a community-based school. This model conserves resources and avoids the duplication of efforts across the municipal and academic functions.

**DEBT SERVICE** - As part of the Academy's unique financial structure, the Town of Westlake is responsible for debt service payments associated with the Academy's capital infrastructure. The Municipal Debt Service Fund is used to manage debt service payments, and the Academy debt is accounted for in the annual municipal budget.

**CAPITAL PROJECTS** - There are no major capital projects budgeted or planned through Fiscal Year (FY) 2021/22. At the Board's direction, the Town of Westlake's Capital Improvement Plan will be updated during the municipal budget preparation

### MUNICIPAL ALLOCATIONS

| | Amended FY 2020/21 | Adopted FY 2021/22 | $ Increase (Decrease) | % Increase (Decrease) |
|---|---|---|---|---|
| Municipal-Transfer to WA (for WAF staff) | 71,235 | 71,771 | 536 | 0.75% |
| Annual Debt Service (Municipal budget) | 1,829,193 | 1,825,366 | (3,827) | -0.21% |
| Major Maintenance and Replacement | 281,000 | 410,000 | 129,000 | 45.91% |
| In-direct Operating Costs (Payroll & Related) | 1,042,238 | 1,359,776 | 317,538 | 30.47% |
| **Total Municipal Costs** | **3,223,666** | **3,666,913** | **443,247** | **13.75%** |

## IV. FY2021/22 GENERAL FUND BUDGET

The proposed budget encompasses all teaching and extra-/co-curricular operating expenditures as well as State public school funding, local funds, and private donations used to support and enhance the daily operations of Westlake Academy. The FY 2021/22 General Fund budget totals $9,432,983, representing a 0.22% decrease from the prior year. The projections will decrease fund balance by $61,237 for an ending unassigned fund balance of $1,785,979. This balance represents 69 operating days.

As mentioned previously, Westlake Academy's recent enrollment increases have been mainly driven by residential developments and housing opportunities within the community. This trend will continue with the developments that are in progress - Westlake Ranch, The Knolls, Quail Hollow, Entrada, Granada, and Vaquero. Our projected enrollment numbers for the coming school year are budgeted conservatively at 875 students. We will continue to evaluate enrollment options and manage the number of students as we navigate the coming school year.



## COMBINED: GENERAL FUND ACADEMIC AND MUNICIPAL SERVICES

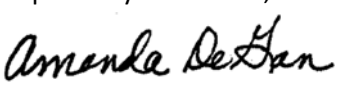
| | Amended FY 2020/21 | Adopted FY 2021/22 | $ Increase (Decrease) | % Increase (Decrease) |
|---|---|---|---|---|
| General Fund Operating Expenditures | $ 9,453,877 | $ 9,432,983 | $ (20,894) | -0.22% |
| **Total Academic Costs** | **9,453,877** | **9,432,983** | **(20,894)** | **-0.22%** |
| Municipal-Transfer to WA (for WAF staff) | 71,235 | 71,771 | 536 | 0.75% |
| Annual Debt Service (Municipal budget) | 1,829,193 | 1,825,366 | (3,827) | -0.21% |
| Major Maintenance and Replacement | 281,000 | 410,000 | 129,000 | 45.91% |
| In-direct Operating Costs (Payroll & Related) | 1,042,238 | 1,359,776 | 317,538 | 30.47% |
| **Total Municipal Costs** | **3,223,666** | **3,666,913** | **443,247** | **13.75%** |
| **Academic (General) & Municipal Expenditure Costs** | **$12,677,543** | **$ 13,099,896** | **$ 422,353** | **3.33%** |
| Number of Students | 856 | 875 | 19 | 2.22% |
| Total Expenditure Cost per Student | $ 14,810 | $ 14,971 | $ 161 | 1.09% |

Over the last year, many hours have been spent to further develop our vision of the future, determine the best methodologies that help us accomplish our mission, and truly become the school where students can reach "*their highest individual potential*". While we have many successes to celebrate, we are constantly striving to improve the Academy through multiple avenues. We further refined our administrative leadership team with the hiring of a new Primary Years Assistant Principal and the expansion of the Middle Years Coordinator position to full-time status. Those in administrative leadership will work together with the Superintendent and the Executive Director to support our staff teams, students, and parents.

This past school year of educating during the height of the COVID-19 pandemic and planning for the next school year has allowed us to count the many blessings enjoyed by the community and the school. We truly have a team of educational professionals who are dedicated to creating the best environment for students to learn, while working to keep our staff safe and productive. We are also fortunate to have a committed group of municipal staff team members who support our educational services team. To lead both groups over the past year has been a tremendous honor and I am proud of their professionalism and commitment to our school!

We have also enjoyed the support of our governing body as we navigated the previous year and have planned for this coming school year. The governing role required flexibility and patience as we expanded our knowledge on the pandemic and adjusted to our changing environments. We remain committed to being of service to our families and students and are well prepared for the next year. We would not be able to navigate these unprecedented times if it weren't for all the stakeholders working together to make our school a success. Our efforts will continue to focus on the health and safety of our students, our staff, and the commitment to offer a robust educational environment for our students.

Respectfully submitted,



Amanda DeGan
Town Manager/Superintendent Westlake Academy

# STRATEGIC PLANNING & MANAGEMENT SYSTEM

The Academy has designed a strategic planning and performance management system framework based on the Balanced Scorecard System. The Balanced Scorecard is a strategic planning and management tool that is used extensively in business and industry, government, and nonprofit organizations worldwide to align operational activities to the vision and strategy of the organization, improve internal and external communications, and monitor organization performance against strategic goals.




The Board of Trustees and staff utilize this methodology to implement and review our existing strategic framework, along with the vision, mission, and values statement of the Academy. The balanced scorecard system is designed to communicate our strategy throughout the organization/community with our stakeholders, align our daily work activities to the overall vision, serve as the framework for prioritizing services, and utilize performance measures to evaluate our successes and opportunities.

In short, it is a tool that businesses use to ensure that their work meets their goals in a measurable way by connecting organizational strategy to the work people do on a day-to-day basis, i.e. “You said…we did…”



# STRATEGIC PLANNING & MANAGEMENT SYSTEM




**The graphic to the left illustrates the Balanced Scorecard approach and the following pages of this section demonstrate how Westlake Academy has aligned with this framework.**

Each element is critical to the success of the municipality and helps us evaluate and communicate our performance.

Upon review of the existing strategic initiatives and performance measures, the Board provided feedback to the staff and requested an updated version for review. Staff updated the framework to include all the related performance measures and identified the strategic initiatives that will be goals for the entire organization this coming school year.

## MISSION

The mission statement describes what must be done to achieve the adopted vision. The Board of Trustees has adopted the following Mission statement for Westlake Academy.

Westlake Academy is an IB World School whose mission is to provide students with an internationally minded education of the highest quality, so they are well-balanced and respectful life-long learners.

## VISION

The Academy's vision statement outlines what we strive to be. Upholding such a statement is a task that requires effort on multiple levels. The balanced scorecard system will help ensure the Vision of the Academy remains true in years to come.

Westlake Academy inspires college bound students to achieve their highest individual potential in a nurturing environment that fosters the traits found in the IB Learner Profile.

## IB LEARNER PROFILE

The International Baccalaureate® (IB) learner profile describes a broad range of human capacities and responsibilities that go beyond academic success. The aim of all IB programmes is to develop internationally-minded people who, recognizing their common humanity and shared guardianship of the planet, help to create a better and more peaceful world.

| | |
|---|---|
| Inquirer | Caring |
| Knowledgeable | Balanced |
| Open-Minded | Reflective |
| Principled | Communicators |
| Thinkers | Risk-takers |

# STRATEGIC PLANNING & MANAGEMENT SYSTEM

| |
|---|
| Maximizing Personal Development |
| Academic Excellence |
| Respect for Self and Others |
| Personal Responsibility |
| Compassion and Understanding |

## VALUES

Driving how the Academy accomplishes its work are our corporate values. These are the principles we hold important and standards by which the Academy operates. These values, as adopted by the Board of Trustees, are designed to guide staff in their day-to-day work and the Board as it conducts its business.

## STRATEGIC PERSPECTIVES

A Perspective is a view of the Academy operations from a specific vantage point. Four basic perspectives are traditionally used to encompass a Balanced Scorecard organization's activity – people & facilities, operational efficiency, financial stewardship, and customer service. The Academy's business model, which encompasses vision, mission, and strategy, utilizes the four Perspectives as a framework. The four perspectives of the plan, which were customized by the Board, are as follows:

| STRATEGIC PERSPECTIVES | | | |
|---|---|---|---|
| **Citizens, Students, & Stakeholders** | **Financial Stewardship** | **Academic Operations** | **People, Facilities, & Technologies** |
| Viewed through the eyes of our customers and stakeholders | Financial oversight; effective use of resources | Focuses on processes that create value for the customers and stakeholders | Involves, work culture, innovation, leadership, governance, tools and technology necessary to provide services |

## STRATEGIC THEMES

The Academy won't have their own 'strategic themes' as they are considered a department of the Town. Therefore, under the strategic themes for the Town is a goal for "Exemplary Education" that will encompass the direction for the Academy. The Town Council (Board of Trustees) grouped this information along with the major components of our previous strategic plan and ranked the importance of the concepts per each area of concern.

| **Exemplary Education** |
|---|
| Westlake is an international educational leader where each individual's potential is maximized. |

Staff then created strategy maps, identified a strategic result, populated the maps with strategic objectives and created an objective commentary document. These were evaluated against the direction of the community and set the framework for a comprehensive Tier One map for the municipal program of services. The Town Council has worked closely with staff to adopt a management system based on the Balanced Scorecard framework. This was developed to help the Academy direct its own destiny rather than allow future events to do so. Through sound business principles the Academy can more effectively provide services to their stakeholders, increasing both efficiency and customer satisfaction. Ultimately, it guides the way the Academy does business and helps us determine how we should invest our time and resources. In the budget process, this allows for increased transparency, clarity, and accountability, providing the Academy a framework for demonstrating results. The continued quality and success of this community does not happen without the diligent effort of a committed team of residents, businesses, community leaders, and staff. Years of consistent planning and strategic thinking has brought Westlake where it is today.

# STRATEGIC PLANNING & MANAGEMENT SYSTEM

## OBJECTIVES AND PERFORMANCE MEASURES

Performance measures hold government departments accountable to their stakeholders, while allowing them to recognize their successes and adjust programs of service that are under performing. Performance measures are determined according to the strategic objectives found on the Strategy Map and help to align the goals for the department.

| PERSPECTIVES | OBJECTIVES | PERFORMANCE MEASURES |
|---|---|---|
| CITIZENS, STUDENTS, AND STAKEHOLDERS | • Increase the Future Readiness of All Students | ◦ Percentage of students who enrolled into college<br>◦ Percentage of students who were accepted into college<br>◦ Length of time students take to earn college degrees |
| | • Increase Stakeholder Satisfaction | ◦ Rate of retention for students (start/quit or K thru 12)<br>◦ Re-authorization attainment for PYP, MYP and DP<br>◦ Parents Survey Satisfaction Results (Confidence Level)<br>◦ National Rankings (TEA Performance Index) |
| | • Enhance Westlake Academy's Unique Sense of Place | ◦ Volunteer Hours<br>◦ Percentage of staff with international experience<br>◦ Percentage of students involved in club/activity through WA<br>◦ Percentage of graduations wo attend / send regrets for diploma ceremony |
| FINANCIAL STEWARDSHIP | • Increase External Revenues Sources | ◦ Number of external grant applications submitted<br>◦ Percentage of external grants received/given<br>◦ Percentage of income/gifts from new sources<br>◦ Number of days in Fund Balance<br>◦ Number of corporate volunteer experiences |
| | • Improve Financial Stewardship | ◦ Percentage of audits with unmodified opinion<br>◦ Quarterly financial report data (measure?)<br>◦ Awards from GFOA and ASBO and Texas Comptroller |
| ACADEMIC OPERATIONS | • Optimize Student Potential | ◦ STAAR, SAT, ACT, AP, DP IB exam results<br>◦ Teacher Appraisals / Reviews<br>◦ Student & Staff Annual Survey<br>◦ Student to Teacher Ratios |
| | • Improve Efficiencies of Operational Systems | ◦ Programs aligned with mission, vision, IBO & state standards (measure?)<br>◦ Per Pupil Expenditure Costs |
| | • Strengthen our Westlake Academy Culture | ◦ Parent Survey Results (listed above in Stakeholder Satisfaction)<br>◦ Exit Survey – Leavers<br>◦ Lottery Waiting lists – internal/external<br>◦ Annual Feedback – Appraisal System<br>◦ Percentage of parents who attend school hosted meetings |
| | • Strengthen IB Philosophy and Implementation | ◦ Rubric results of PYP Exhibition, MYP Personal Project, & DP Extended Essay<br>◦ Results of IB Programme evaluations |
| PEOPLE, FACILITIES, AND TECHNOLOGIES | • Attract, Recruit, Retain & Develop the Highest Quality Workforce | ◦ Time to fill positions / turnover rate (Tier One)<br>◦ Offer to acceptance ratio (Tier One)<br>◦ Number of training opportunities per year<br>◦ Employee satisfaction results |
| | • Increase the Capacity of Teachers and Staff | ◦ Teacher & Administration Feedback<br>◦ Staff Survey (linked from above objective) |
| | • Improve Technology, Facilities & Equipment | ◦ Annual number of devices available to students / staff<br>◦ School Dude requests for service / time to completion<br>◦ Number of staff members/students supported through IT / per IT staff allocations |

These performance measures also help determine the quantity and quality of our work, as identified in our plans.

# STRATEGIC PLANNING & MANAGEMENT SYSTEM

We consistently evaluate our work and review our performance quarterly because we firmly believe what gets measured gets done. As we improve our ability to gather and mine data about our work, we will be able to expand our performance measures to the departmental business plans as a gauge of success. The departmental efficiency and effectiveness measures along with the outcome-based measures will be grouped with the appropriate strategic objective to give an overall picture of the Academy's performance. As the Academy continues to develop these scorecards and measurement units, data sources, and targets will be refined. Through quarterly performance reviews, trends are also tracked over time through budget documents.

## STRATEGIC INITIATIVES

- Continuation of an updated facilities master plan
- Utilization of the unique outdoor learning center
- Creating opportunities for students & teachers to expand their international mindedness by extending learning beyond the classroom walls
- Implementation of new student/family orientation program to enculturate student/families into WA's culture of success
- Integrate a balance of assessments including high-quality standardized testing along with effective classroom formative and summative assessments
- Growth with the WA House System presence on campus through authentic learning experiences and through the Learner Profile
- Establishment of an "Angel Fund" designed to support need-based students for international travel & field trips
- Creating a new teacher mentoring program designed to support & develop teachers' pedagogical expertise
- Integration of technology into the teaching & learning in a seamless and organic design that promotes the 4 C's (creativity, critical thinking, collaboration, communication) of 21st century learning

## WESTLAKE ACADEMY'S DESIRED OUTCOMES

Five desired outcomes have been identified and linked to the Academy's strategic planning efforts:

Westlake Academy's strategic planning structure is the product of many hours of analysis, review and discussion.

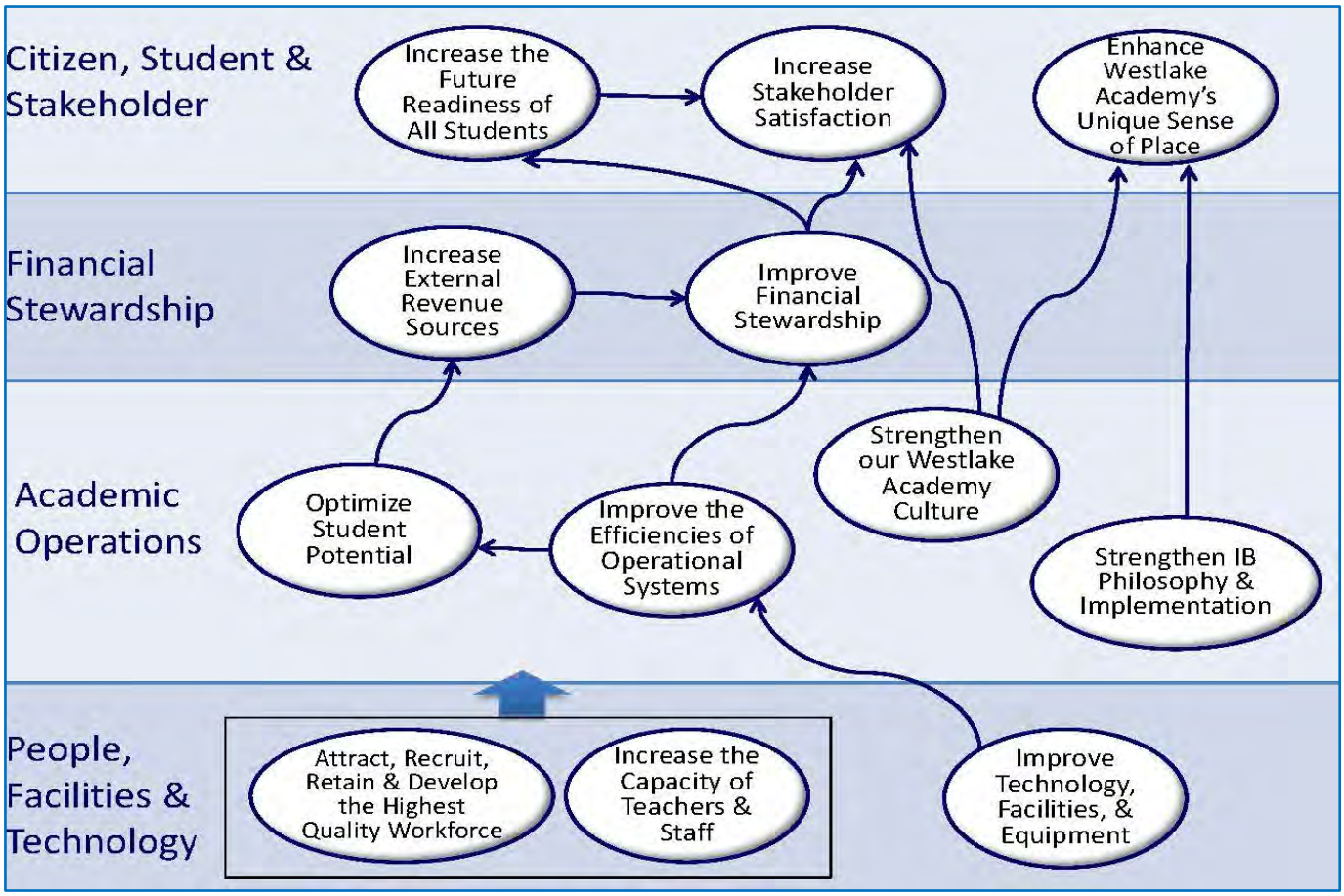
Academy staff, under the direction of the Board of Trustees,

- continually gathers information and input from stakeholders
- carefully tracks and analyzes student achievement
- considers economic and demographic trends
- formulates long-range goals
- plans for future challenges
- develops comprehensive guidelines that ensure student success.

| | |
|---|---|
| **High Student Achievement** | Develop inquiring, knowledgeable, caring and disciplined young people who use their unique talents to create a better and more peaceful world through intercultural understanding and respect. |
| **Strong Parent and Community Connections** | To involve all stakeholders in building a better Westlake Academy community. |
| **Financial Stewardship and Sustainability** | To ensure sufficient, well-managed resources to support and advance the mission of Westlake Academy. |
| **Student Engagement and Extracurricular Activities** | To ensure that all athletics, community service and extracurricular activities are held to the same standard of excellence as the curricula programs to promote well-balanced students. |
| **Effective Educators and Staff** | Recruit, develop and retain a core faculty and staff with the personal qualities, skills and expertise to work effectively with the IB inquiry-based, student-centered curricula. |

# STRATEGIC PLANNING & MANAGEMENT SYSTEM

## WESTLAKE ACADEMY – TIER TWO STRATEGY MAP




A Tier Two Strategy Map is cascaded from the Tier One map that is developed by the elected officials. The Board of Trustees worked with staff teams to identify the strategic objectives that are important to our overall success and service provision levels for the stakeholders of the Academy. The Tier One map is drafted at the municipal level of the organization and then cascaded to the educational department of the school. This ensures alignment with our values and vision throughout the Town.

## PARENT SURVEY RESULTS

In addition to monitoring these performance measures, the Academy also values the opinion of its parents. Typically every two years, Westlake undertakes a broad stakeholder survey designed to measure academic performance and to gauge the current and future needs of the students. This survey is an incredibly useful tool within the strategic management system, and it allows Academy services to be tailored based upon parent feedback. Westlake's performance measures are dynamic and undergo on-going review.

# CHALLENGES

As a charter school owned by a municipality, Westlake Academy has some unique challenges. These challenges drive and shape the budget process. The most pressing driver is the task of balancing the projected enrollment of Westlake residents; while maintaining an Academy enrollment level that generates a revenue stream that can sustain the school. It is important to note that the only requirement for admittance into the Academy is based upon student residency.

Westlake Academy admits students from two distinct geographic areas called primary and secondary boundaries:

- PRIMARY boundary: concurrent with geographic boundary of the Town of Westlake
- SECONDARY boundary: adopted by the Board of Trustees and approved by the Texas Education Agency in June 2008 and include identified Independent School Districts who are admitted through a lottery system.

The Town of Westlake is currently experiencing high growth and development. Each year, more new residents continue to move into the Town of Westlake so their children can attend Westlake Academy without having to experience the variable of the lottery system. As such, there is a goal to maintain flexibility in our classrooms so that space is available throughout the school year for the children of Westlake residents.

# GOALS, STRATEGIES, INITIATIVES AND LONG TERM FINANCIAL SUSTAINABILITY

Overall, Westlake Academy utilizes the balanced scorecard (BSC) approach to strategic planning and management. It is used to:

- Communicate what we are trying to accomplish
- Align the day-to-day work that everyone is doing with strategy
- Prioritize projects, products and services
- Measure and monitor progress towards strategic targets.

The BSC approach connects the dots between big picture strategy elements such as mission, vision and values to the Academy's actions and focus priorities. This approach leads to long term sustainability.

# Section 3
# Budget Structure



This page is intentionally blank



# BUDGET OVERVIEW AND PROCESS

Projecting the budget allocations of the Academy is a continual process that responds to the changing needs of the Academy students and staff as well as variations in the fiscal environment such as State funding. The development of the Academy budget for fiscal year 2021/22 began in January 2021, presented at a Westlake Board of Trustees meeting in June 2021 for additional input, and adopted in August 2021.

The Academy approach to balancing the combination of fast student growth in a restricted funding environment along with increasing academic standards requires that the budget process be instructionally driven and guided by the Academy's Strategic Plan. During the budget development process, the staff reviewed all revenues and expenditures and focused on aligning the allocation of resources, both personnel and financial, with the accomplishment of established goals and outcome objectives contained in our Strategy Map.

The Board of Trustees regularly receives quarterly budget updates, some of which are detailed in the trend analysis and the five-year financial forecast discussed later in this document. Upon receipt of the adopted annual budget, the Board holds budget workshops to review adopted changes, their associated outcomes for the next fiscal year, as well as their impact in a five (5) year financial forecast.

Following is a summary of the nine main steps taken in preparation of the adopted budget:

1. *Budget Preparation*
2. *Fund Types and Structure*
3. *Basis of Accounting and Budgeting*
4. *The Budget Process*
5. *Balanced Budget*
6. *Budget Amendments*
7. *Budget Adoption*
8. *Long Term Forecasting*
9. *Budget Calendar*




## BUDGET PREPARATION

As in previous years, efforts have been made to control expenditures while continuing to deliver an excellent level of service to our citizens. Concentrated efforts have been made to produce a document that clearly illustrates the uses of Academy resources in a format that may be utilized as a resource tool by the Board of Trustees, Academy staff, and the citizens of Westlake. Our budget preparation process continues to be refined on an annual basis, operating within clearly defined budget preparation guidelines.

Budgeting is an essential element of the financial planning, control and evaluation process. The "operating budget" is the Academy's annual financial operating plan. The budget includes all the operating departments of the Academy included in the General Fund and Special Revenue funds. The budget is prepared with the cooperation of all Academy departments and is submitted to the Superintendent who makes any necessary changes and transmits the document to the Board of Trustees. A budget preparation calendar and timetable are established and followed in accordance with State law.

**A "bottom-up" approach is used to solicit input from the staff leadership team as to their operations' needs with an emphasis on:**

- Identifying costs to provide the current level of services.
- Identifies additional cost increases needed to maintain the current level of service.
- Additional resources necessary to provide new or increased levels of service.
- Delineating changes in fund balance levels for each fund.

# BUDGET OVERVIEW AND PROCESS

**The following procedures, which are guided by generally accepted budgeting practices, have been established:**

- The annual operating budget presents appropriations of expenditures and estimates of revenues for all government funds. These revenues include federal, state, and local revenues.
- The annual operating budget illustrates expenditures, anticipated revenues, and the estimated impact on reserves.
- Budgets for each function are broken down into specific object codes, including payroll and payroll related, professional and contracted services, supplies and materials, other operating costs, and debt service.
- Revenue projections are prepared for each revenue source based on an analysis of historical revenue trends and current fiscal conditions.
- Goals and objectives have been developed and are incorporated into the evaluation of employees and performance of the organization.
- A budget message summarizing local financial conditions and principal budget issues is presented to the governing board along with the annual budget.

## BUDGET CALENDAR

The Budget Process covers the financial cycle starting with budget planning and ending with the audited annual financial report.

| Timeline | Description of Activities |
|---|---|
| October - December | Strategic Plan review and development occurs |
| December | Westlake Academy Instructional Leadership Team (ILT) begins planning upcoming budget |
| January | ILT meets with Westlake Academy affiliates for joint planning |
| Jan - March | Review and develop Capital Improvement Plan, Five-Year Projection, and Personnel Cost Estimates |
| April | Develop improvement plans for each grade level and department |
| May | Strategic Plan preparation process occurs; preliminary budgets developed |
| June | Board of Trustees (BOT) Budget Retreat |
| July | Current budget review; budget amendments for current year if necessary |
| August | BOT consideration and adoption of Westlake Academy Budget for Upcoming School Year |
| October | Annual financial audit |

## BALANCED BUDGET

As per State Law, current operating revenues will be sufficient to support current operating expenditures. Annually recurring revenue will not be less than annually recurring operating budget expenditures. Debt or bond financing will not be used to finance current expenditures.

## FUND TYPES AND STRUCTURE

The accounts of the Academy are organized and operated on a basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds per their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

# BUDGET OVERVIEW AND PROCESS

Academy funds are classified into the following two categories:

- **GOVERNMENTAL FUNDS -** The funds are used to account for the Academy's general government activities, including the collection and disbursement of specific or legally restricted monies. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.
  - **The General Fund** is the Academy's primary operating fund. It accounts for all financial resources of the Academy, except those required to be accounted for in another fund.
  - **Special Revenue Funds** account for the revenue sources that are legally restricted to expenditures for specific purposes.

- **FIDUCIARY FUNDS -** The fund's account for resources that are held in trust for individuals or other governments, in this case monies that are held in a custodial capacity for the benefit of student organizations

## BASIS OF BUDGETING AND ACCOUNTING

The term basis of budgeting is used to describe when events or transactions are recorded and recognized.

In the Modified Accrual Basis -

- revenues are recognized in the period when they became available and measurable
- expenditures are recognized when the liability is incurred

In the Accrual Basis -

- revenues are recorded when earned
- expenses when the liability is incurred

| The basis of budgeting and accounting is shown in the chart to the right: | Governmental Fund | Annual Operating Budget | Audited Financial Statements |
|---|---|---|---|
| | General Fund | Modified Accrual | Modified Accrual |
| | Special Revenue Funds | Modified Accrual | Modified Accrual |

Budgets are prepared on the same basis of accounting that is used in financial statements. The basis of budgeting refers to when revenues and expenditures are recognized in the corresponding accounts and reported in financial statements. Governmental fund types, including the general fund, are budgeted using the Current Financial Resources Measurement Focus and the Modified Accrual Basis of Accounting. Westlake Academy's only Fiduciary Fund (the Agency Fund, described below) is not a budgeted fund.

Under the modified accrual basis of accounting, revenue is recognized when it becomes susceptible to accrual, i.e., when it becomes measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Academy considers revenues available if they are collected within 60 days after year-end. Expenditures are recognized when the related fund liability is incurred.

- Foundation State Program (FSP) funds are susceptible to accrual.
- Miscellaneous revenue items, which are not susceptible to accrual, are recognized as revenue only as they are received in cash.
- Entitlements and grants are recognized as revenue at the time of receipt or earlier if the susceptible to accrual criteria are met.
- Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

# BUDGET OVERVIEW AND PROCESS

## THE BUDGET PROCESS

The Academy's fiscal year begins each year on September 1st and ends on August 31st of the following calendar year. Prior to the beginning of the fiscal year, the Superintendent must submit a budget to the Board of Trustees which includes:

- A budget message
- A consolidated statement of anticipated revenues and expenditures for all funds
- Resources for General Fund and Special Revenue Funds in detail
- A summary of expenditures by function and object code
- Detailed estimates of expenditures shown separately to support expenditures

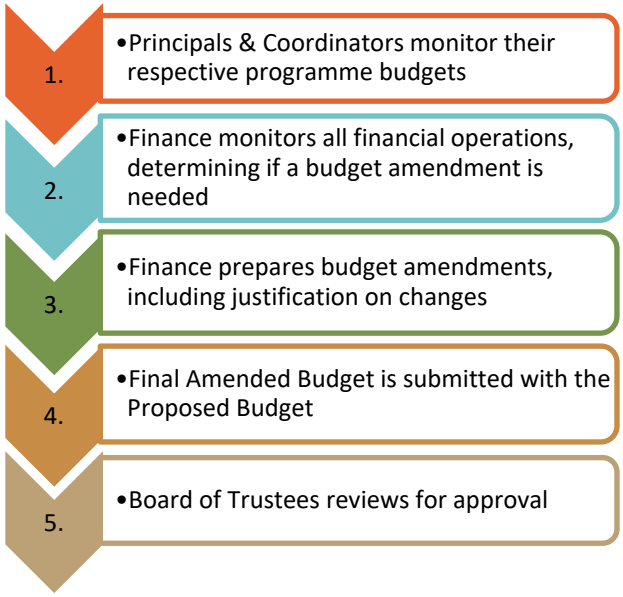
The budget preparation process begins early in the calendar year with the establishment of overall Academy goals, objectives, and analysis of current year operations compared to expenditures.

- Budget policies and procedures are reviewed at the same time to reduce errors and omissions.
- In May, the Finance Department prepares budget forms and instructions for estimating revenues and expenditures.
- Leadership Team members submit baseline expenditures for current service levels and any additional one-time or on-going request they may have for their department.
- A round-table meeting is subsequently held with the Superintendent, the finance staff and each department head for review.
- After all funding levels are established and agreed upon the budget is presented to the Board of Trustees.
- A public hearing on the budget is conducted in accordance with state and local law.
- This meeting is held after the Board has reviewed the budget during a workshop.
- The Board of Trustees approves a level of expenditure (or appropriation) for each fund to go into effect on September 1st, prior to the expenditure of any Academy funds for that budget year.

## BUDGET AMENDMENT PROCESS

The Superintendent may request that the current year budget be amended at the function level. In this process:

- Budget amendments moving funds between functions will be approved by the Board of Trustees.
- Often, these amendments influence the shaping of the current budget as actual trends in revenues and expenditures are realized and accounted for at that time. Program principals and coordinators are responsible for monitoring their respective programme budgets.
- The Finance Department will monitor all financial operations and will decide whether to proceed with a budget amendment.
- The Final Amended Budget for the Year Ending August 31, 2021 will be submitted at the August 2021 Board meeting.



# BUDGET OVERVIEW AND PROCESS

## LONG TERM FORECASTING

Most annual operating budget documents focus on a single 12-month period where spending and revenue decisions made today will have effects that extend beyond that fiscal year. Because of that, the Academy requires that long-term forecasting be made part of the Annual Operating Budget document.

The purpose of the policy is to:

- Ensure on-going financial sustainability beyond a single fiscal year or budget cycle
- Achieve the Academy's mission and vision
- Systematically link the annual budget to a multi-year master financial plan.

Should long term forecasts and analysis show that the school system does not have a "positive operating balance" over the multi-year period, the Academy shall bring this to the attention of the Superintendent. A "positive operating balance" means that the ending fund balance meets or exceeds the minimum levels prescribed in the Academy's reserve policies. The policy states the Academy shall strive to maintain the General Fund unassigned fund balance at 45 days of operation. As can be seen below, the fund balance, if as projected, will decline yet remain more than the desired 45 days.

| Fiscal Year | Positive Operating Balance | Fund Balance (unassigned) | Dollars Per Operating Day | Operating Days |
|---|---|---|---|---|
| FY 19/20 | YES | $ 1,712,087 | $ 26,379 | 65 |
| FY 20/21 | YES | $ 1,868,378 | $ 25,901 | 72 |
| FY 21/22 | YES | $ 1,785,979 | $ 25,844 | 69 |
| FY 22/23 | YES | $ 1,735,533 | $ 26,047 | 67 |
| FY 23/24 | YES | $ 1,690,856 | $ 26,253 | 64 |
| FY 24/25 | YES | $ 1,652,020 | $ 26,460 | 62 |
| FY 25/26 | YES | $ 1,599,016 | $ 26,725 | 60 |

## BUDGET ADOPTION

Legal requirements for charter school budgets are formulated by the state and the TEA. A Board typically adopts an appropriated budget on a basis consistent with GAAP for the general fund, debt service fund and child nutrition program (which is included in special revenue funds). However, **the Academy does not maintain a debt service fund or a child nutrition program; therefore, only the General Fund is required to be adopted. Special Revenue Funds are not adopted by the governing body and are shown for informational purposes only.**

At a minimum, the Academy is required to present the original and the final amended budgets for revenues and expenditures compared to actual revenues and expenditures for the General Fund. The Board of Trustees conducts the required public meeting and adopts the budget in August prior to beginning the fiscal year which runs from September 1st to August 31st.

# BUDGET OVERVIEW AND PROCESS

| | |
|---|---|
| **Annual Budget** | A budget is required to be adopted annually for the General Fund (Westlake Academy does not maintain a Debt Service Fund or child nutrition program). The budget is adopted on a basis consistent with generally accepted accounting principles. All appropriations lapse at fiscal year-end.<br><br>On or before August 31st of each year, the Superintendent submits for review by the Board of Trustees a budget for the upcoming school year. After reviewing the budget and holding public meetings as necessary, the final budget is prepared and adopted.<br><br>The appropriated budget is prepared by fund and function. The Board may make transfers between functions within a fund and may amend the total budget following the same procedures required to adopt the original budget. The legal level of budgetary control is at the fund level. |
| **Key Revenues** | Public charter schools in the State of Texas do not have taxing authority, nor do they receive facility funding. Consequently, the Academy receives most General Fund revenues via the State Funded Foundation School Program (FSP) and is disproportionately affected by changes in FSP funding levels set by the Texas legislature.<br><br>State funding of public education was decreased by the State Legislature in 2001. While it has increased somewhat since then, the allocation has not kept pace with basic cost increases. And, in the Legislature's most recent 2017 session, the per student funding for public education was not increased for the next biennium.<br><br>Note that the amount of state aid received through the Foundation School Program is a function of the total number of students enrolled at the Academy as well as the additional funding from Career and Technical Education classes. |
| **Key Expenditures** | Compensation and benefits are the largest operating cost for Westlake Academy, comprise most total operating expenditures. The current forecast assumes no further expansions of curriculum or other programme areas that would necessitate additional staff. Other costs including utilities, supplies, and professional services are held at 1% unless additional revenue sources are realized. |
| **Fund Balance** | The Superintendent and Board of Trustees are devoted to safeguarding and improving the financial condition of Westlake Academy. The Academy shall strive to maintain an unassigned General Fund Balance of 45 days of operation, and Fund Balance monies will only be used with Board approval for specific needs. Board policy stipulates that all future increases in expenditures must be offset by new or additional revenues. A full listing of Fund Balance policies can be found at the end of this section. |

# BUDGET DOCUMENT STRUCTURE

The goal of the budget document is to provide timely, transparent information concerning the past, current, and projected financial status of the Academy. The budget is a holistic planning document used in concert with our strategic plan to facilitate decisions that support the educational goals and strategic objectives of the Academy.

The budget document is but one part of a system designed to link together critical governance and management decision making tools. This system is designed to integrate:

- Strategic planning
- Five-year financial forecasting, budgeting, and performance measurement linked to priorities, objectives, and outcomes
- Reporting to monitor progress in outcome achievement and accountability for results
- Aligning human and financial resources to prioritized outcomes and objectives
- Long term approach to ensure financial sustainability
- Working within Board adopted financial policies for the Academy
- Maintaining core services

Discussion and review of the information contained in both the strategic plan and the budget document consistently leads to operational and educational improvements that impact the students and parents of Westlake Academy.

The development, review, and consideration of the Governmental Fund budgets (the General Fund and Special Revenue Funds) were completed with a detailed and exhaustive review of every revenue and expenditure item within the context of the Academy's Vision, Mission and Values statements, strategic planning efforts, and Board policy.

The Board of Trustees provides governance and policy direction, while the Superintendent, finance department and campus and administrative staff develop the budget document for the Board's review. Staff reviews each existing expenditure request and the allocations for the coming school year and asks, "is this the best use of public funds?"

The budget document and the year-end comprehensive annual financial audit are the primary vehicles through which the Academy's financial plans are presented.



# BUDGET DOCUMENT STRUCTURE

The budget document is organized into the following sections for submission to ASBO for the Meritorious Budget Award.

| | |
|---|---|
| **1. Executive Summary** | Introduces the reader to the document as a whole. It highlights important information contained in the budget. Users rely on this section to get an overview of what they can expect to find in the rest of the document. |
| **2. Organizational Section** | Provides the context and framework within which the budget is developed and managed. This section includes the Academy's organizational and financial structure as well as the controls that direct and regulate the development and administration of the budget. |
| **3. Financial Section** | Presents the heart of the Academy's budget document. The adopted budget is presented as a series of financial schedules along with past budget figures and future projections. |
| **4. Informational**<br>**5. Section** | Contains additional information about the Academy, including descriptions of the IB curriculum and programmes, enrollment and employment figures, testing and performance scores, benchmark data, academic achievements, and other miscellaneous data. |




*Working Woman in the Great Depression (1930's)*
by Lily Hansen, Senior 2021

# FUND BALANCE COMPONENTS

In February 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This Statement established five components of fund balance and because circumstances differ among governments, not everyone will report all components. GASB 54 shifts the focus of fund balance reporting from the availability of fund resources for budgeting to "the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the fund can be spent."

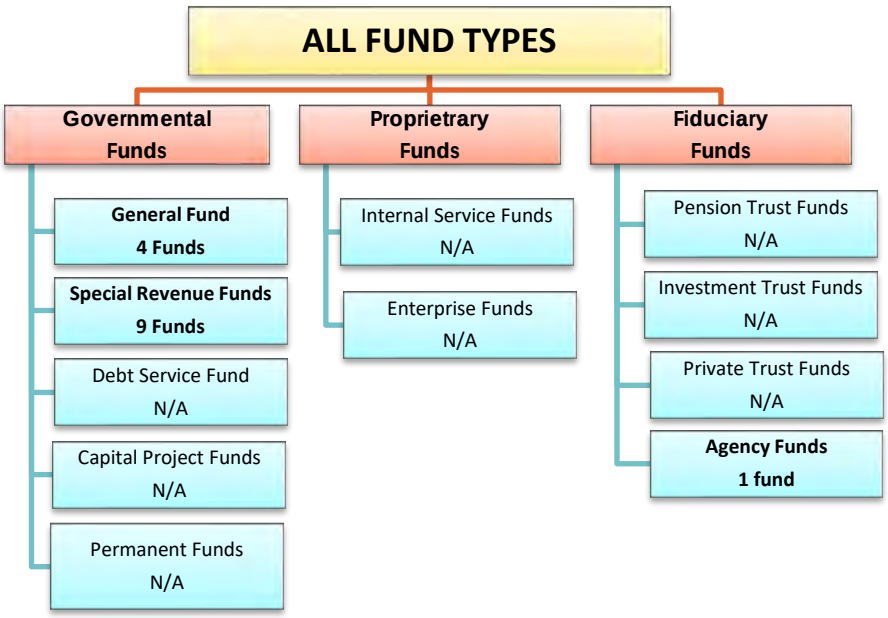
- **Fund Balance Reporting -** The Academy shall report governmental fund balances per GASB 54 definitions in the balance sheet as follows: Non-spendable, Restricted, Committed, Assigned, Unassigned
- **General Fund Unassigned Fund Balance -** The Academy shall strive to maintain the General Fund unassigned fund balance at 45 days of operation.
- **Use of Fund Balance -** Fund Balance will be targeted to only be used with Board approval and can only be used for the following: emergencies, non-recurring expenditures, such as technology/FF&E (furniture, fixtures and equipment), or major capital purchases that cannot be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective for that fund, recommendations will be made on how to restore it.
- **Approval of Commitments** - The Board of Trustees shall approve all commitments by formal action.
    - The action to commit funds must occur prior to fiscal year-end, to report such commitments in the balance sheet of the respective period, even though the amount may be determined after fiscal year-end.
    - A commitment can only be modified or removed by the same formal action.
    - The Board of Trustees delegates the responsibility to assign funds to the Superintendent or his/her designee.
    - The Board of Trustees shall have the authority to assign any number of funds.
    - Assignments may occur after fiscal year-end.
    - The Board of Trustees will utilize funds in the following spending order: Restricted, Committed, Assigned, and Unassigned.

The following items are Assigned in the Westlake Academy Budget; Technology, Furniture, Fixtures & Equipment Replacement, and Uniforms & Equipment Replacement

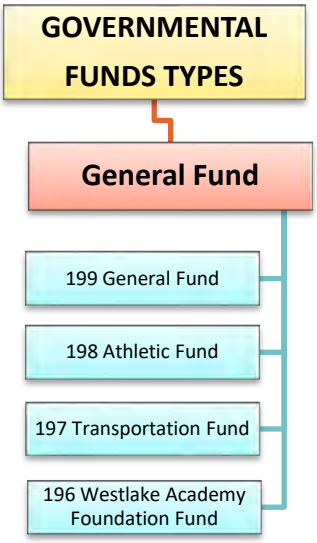
| NONSPENDABLE FUND BALANCE | RESTRICTED FUND BALANCE | ASSIGNED FUND BALANCE | UNASSIGNED FUND BALANCE | COMMITTED FUND BALANCE |
|---|---|---|---|---|
| • Portion of net resources that cannot be spent because of their form and because they must be maintained intact. | • This term will is used to describe net fund resources subject to externally enforceable legal restrictions. | • This term is used to describe the portion of fund balance that reflects a government's intended use of resources. | • The residual net resources in excess of what is properly categorized in one of the other four categories. | • The portion of fund balance constrained by limitations imposed by government at its highest level and remains binding unless removed in the same manner. |

# FUND TYPES AND STRUCTURE

Westlake Academy, along with other School Districts throughout the State of Texas, record and report all financial transactions using standard set by the Governmental Accounting Standards Board (GASB) and General Accepted Accounting Principles (GAAP). Accordingly, these standards require all School Districts to use individual funds that must be categorized into one of 11 Funds Types.




## GENERAL FUND



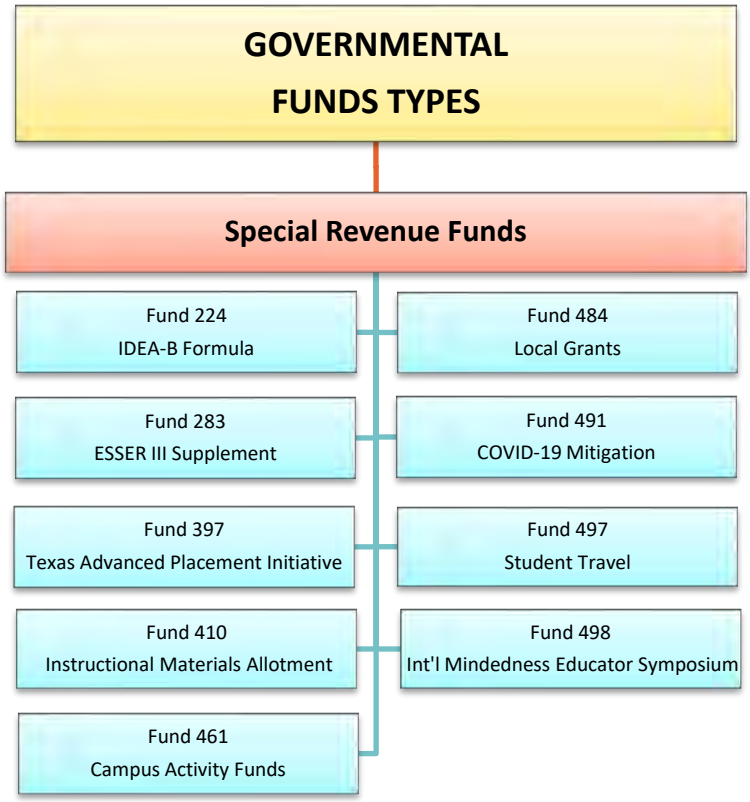

The General Fund is comprised of four subordinate funds: General, Athletic Activities, Transportation, and WA Foundation. This fund accounts for the operational activities, supported by State and local revenues, required to maintain the Academy's facilities, and pay its employees.

- **Fund 199 General Fund** - This classification must be used for funds in which the local governing board designates. The local governing board has wide discretion in their use as provided by law. This fund usually includes transactions because of revenues from local sources and State Foundation School Program Sources. Any locally defined code that is used at the local option is to be converted to Fund 199 for PEIMS reporting.
- **Fund 198 Athletic Activities** - This locally defined fund code is used to account for expenditures for athletics that normally involve competition between schools (and frequently involve offsetting gate receipts or fees such as football, baseball, volleyball, track, tennis, and golf). This fund is converted to Fund 199 for PEIMS reporting.
- **Fund 197 Transportation/Parking** - This locally defined fund code is used to account for revenues and expenditures related to transportation for students. This fund is converted to Fund 199 for PEIMS reporting.
- **Fund 196 Westlake Academy Foundation (WAF)** - This locally defined fund code was created to help Academy and Foundation leaders segregate funding received from WAF donors, providing a transparent view of the contributions' impact. The donations enable WA to provide above and beyond opportunities, which enhance the high-quality IB education students receive, and empowers them to achieve their highest individual potential. This fund is converted to Fund 199 for PEIMS reporting.

# FUND TYPES AND STRUCTURE

## SPECIAL REVENUE FUNDS

Special Revenue Funds account for local, state and federally financed programs or expenditures legally restricted for specified purposes or where unused balances are returned to the grantor at the close of a specified project period. These funds are not adopted by the governing body and shown here for informational purposes only.




- **Fund 224 IDEA-B Formula** (Federally funded) - Fund is used, on a project basis, for funds granted to operate educational programs for children with disabilities.
- **Fund 283 ESSER III Supplement** (Federally funded) - Fund is used for intensive educational supports for students not performing satisfactorily due to pandemic's effects.
- **Fund 397 Texas Advanced Placement Initiative** – A program that reimburses the Academy for a portion of the cost related to an approved teacher training program.
- **Fund 410 Material Allotment** (State funded) - Funds to purchase the instructional materials that will be used to support the Texas Essential Knowledge and Skills (TEKS).
- **Fund 461 Campus Activities** (Locally funded) - Fund is to be used to account for transactions related to a principal's activity fund if the monies generated are not subject to recall by the school district's Board of Trustees into the general fund. These funds provide after-school activities and local/international travel at Westlake Academy.
- **Fund 484 Local Grants** (Locally funded) – These funds represent grants from Westlake Academy Foundation, the House of Commons, and the Westlake Academy Athletic Club for specific purposes.
- **Fund 491 COVID-19** (State funded) – These funds represent unbudgeted expenditures made during the mandated school closure beginning in March 2020 and include such items as technology equipment for distance learning, counseling supplies, additional janitorial services and cleaning supplies. As part of the CARES Act, these expenditures will be reimbursed by TEA.
- **Fund 497 Westlake Academy Foundation Financial Assistance** (Locally funded) - This grant from the Westlake Academy Foundation provides financial assistance for student activities.
- **Fund 498 International Mindedness Educator Symposium** (Locally funded) – Fund will be used for the annual symposium hosted by Westlake Academy focusing on global collaboration.

## FIDUCIARY FUND TYPES

Westlake Academy has a single Fiduciary-type fund, called the Agency Fund, which accounts for resources held in a custodial capacity for the benefit of student organizations. The Agency Fund is not a budgeted fund.

# ACCOUNT CODING STRUCTURE

Financial transactions within funds are organized and classified through the account code system. Section 44.007 of the Texas Education Code (Code or TEC) requires that a standard school district fiscal accounting system be adopted by each school district. The system must meet at least the minimum requirements prescribed by the State Board of Education and be subject to review and comment by the state auditor.

Additionally, the accounting system must conform to Generally Accepted Accounting Principles (GAAP). This section further requires that a report be provided at the time that the school district budget is filed, showing financial information sufficient to enable the state board of education to monitor the funding process and to determine educational system costs by school district, campus and program.

The Texas Education Code, Section 44.008, requires each school district to have an annual independent audit conducted that meets the minimum requirements of the State Board of Education, subject to review and comment by the state auditor. The annual audit must include the performance of certain audit procedures for reviewing the accuracy of the fiscal information provided by the district through the Public Education Information Management System (PEIMS).

The audit procedures are to be adequate to detect material errors in the school district's fiscal data reported through the PEIMS system for the fiscal period under audit. A major purpose of the following accounting code structure is to establish the standard school district fiscal accounting system required by law.

Although certain codes within the overview may be used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are to be uniformly used by all school districts in accordance with Generally Accepted Accounting Principles (GAAP).

## ACCOUNT CODE STRUCTURE

| Fund Code XXX | Function Code XX | Object Code XXXX | Sub Object Code XX | Organization Code XXX | Year Code X | Program Intent Code XX | Local Option Code XXX |
|---|---|---|---|---|---|---|---|
| (1xxx-8xxx) Account Groups (9xx) | (11-99) | 1X – Assets<br>2X – Liabilities<br>3X – Fund Equity<br>4X – Clearing Accts<br>5X – Revenues<br>6X – Expenditures<br>7X – Other Resources<br>8X – Other Uses | (xx) | (001-999) | (0-9) | (11-99) | (xxx) |

# REVENUE CLASSIFICATIONS

## LOCAL FUNDING REVENUES




Local funding consists of the following major sources from the Town of Westlake and the Westlake Academy Foundation (WAF).

- The **Town of Westlake** provides administrative, human resources, facilities, and financial services for the Academy and is responsible for all debt service payments relating to Academy facilities and infrastructure.

- The **Westlake Academy Foundation** is an independent, non-profit organization that raises funds through donations and various fundraising efforts. The WAF conducts several annual fundraising activities, including the Blacksmith Campaign, an annual fund drive that was started to bridge the funding gap between what charter schools receive in state allocations in comparison to local ISDs. Today, funding received is used to provide above and beyond educational opportunities for students, which enhance the high-quality IB education they receive. Contributions are also used to provide professional development and appreciation opportunities for the exceptional WA staff. The Foundation mainly directs fund raising efforts towards the parents of Academy students and tries to leverage these donations with the employers who have matching programs for individuals that contribute time or money to non-profits. The Blacksmith Campaign is held each year in the month of October and each family is encouraged to contribute approximately $2,500 per student to help cover the gap between the state public education funding and what the Academy spends on each student.

## FEDERAL FUNDING

- Federal funding is received through grants supporting the special education program. In addition, the Academy is eligible to receive the ESSER III Supplemental grant, which will be used to mitigate any learning deficiencies that occurred during the COVID-19 pandemic.

## STATE FUNDING

- State funding, through the Foundation School Program (FSP), is the largest single appropriation of state general revenue funds and is the primary means of distributing state aid to Texas public schools. The funds come from state tax revenue, the state lottery, and the Permanent School Fund. This program ensures that all school districts and charter schools, regardless of property wealth, receive “substantially equal access to similar revenue per student at similar tax effort.” (TEA 2021)



# REVENUES ALLOCATED BY STAFF TYPE & FUNCTION

## REVENUES ALLOCATED BY STAFF TYPE

*Allocation process includes all available funding $9,371,746*

| Employee Type | FY 21/22 Adopted Staffing | Percent of Total | Revenue Allocation |
|---|---|---|---|
| Principals | 5.50 | 5.31% | $ 497,919 |
| Coordinators | 6.83 | 6.60% | 618,325 |
| Primary | 26.50 | 25.60% | 2,399,066 |
| Secondary | 36.69 | 35.44% | 3,321,574 |
| Support | 15.33 | 14.81% | 1,387,837 |
| Specialist | 6.17 | 5.96% | 558,575 |
| Foundation | 1.50 | 1.45% | 135,796 |
| Facilities | 3.00 | 2.90% | 271,592 |
| Technology | 2.00 | 1.94% | 181,062 |
| **TOTAL** | 103.52 | 100.00% | $ 9,371,746 |

Budgetary allocations are an integral element of financial planning for learning organizations.

As such, they indicate the level of resources an organization is committing to a department or program.

Westlake Academy and the Town of Westlake under their shared services model work in harmony to determine resource and revenue allocations.

## REVENUES ALLOCATED BY FUNCTION

*Allocation process includes all available funding $9,371,746*

The leadership of the Academy works directly with the Directors of the Finance and Human Resource departments to determine staffing needs as well as program needs.

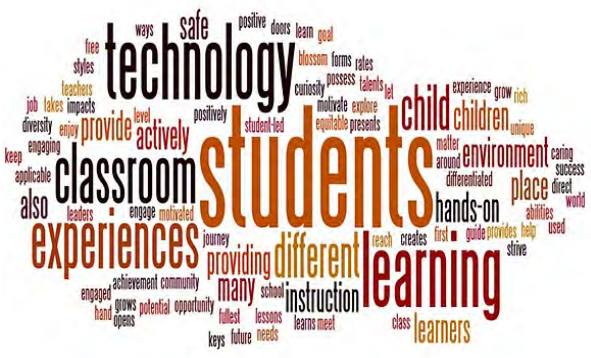
Within the scope of the Academy's strategic plan, staffing and program allocations are determined.

| | Function Description | FY 21/22 Adopted Staffing | Percent Of Total | Revenue Allocation |
|---|---|---|---|---|
| **11** | Instructional | 69.36 | 67.00% | $ 6,279,215 |
| **12** | Media/Library | 1.67 | 1.61% | 151,186 |
| **21** | Instructional Leadership | 2.50 | 2.41% | 226,327 |
| **23** | Campus Leadership | 16.32 | 15.77% | 1,477,462 |
| **31** | Guidance/Counselors | 4.00 | 3.86% | 362,123 |
| **33** | Health Service/Nurses | 1.00 | 0.97% | 90,531 |
| **36** | Extra-Curricular | 1.00 | 0.97% | 90,531 |
| **41** | General Administration | 0.50 | 0.48% | 45,265 |
| **51** | Facilities Maintenance | 3.00 | 2.90% | 271,592 |
| **53** | Information Technology | 2.67 | 2.58% | 241,717 |
| **61** | WA Foundation | 1.50 | 1.45% | 135,796 |
| | **TOTAL** | **103.52** | **100.00%** | **$9,371,746** |

# EXPENDITURE CLASSICATIONS

## OBJECT CODE GENERAL DESCRIPTIONS

The object number is a 4-digit code that describes the type of revenue or expenditure incurred and is comprised of the fifteenth through eighteenth digits in the code structure. For example:




- 61XX Payroll and Payroll Related
- 62XX Professional & Contracted Services
- 63XX Supplies and Materials
- 64XX Other Operating Costs
- 65XX Debt Service
- 66XX Capital Outlay (not applicable to charter schools)

## FUNCTION CODES – GENERAL DESCRIPTIONS

A function code represents a general operational area at the Academy and groups together related activities. The assignment and use of function numbers is based on the financial accountability standards established by the Texas Education Agency in accordance with the Texas Administrative Code.

The function code is a 2-digit number that follows the 3-digit fund code in the accounting number scheme.

| FUNCTION CODE | FUNCTION CODE DECRIPTION |
|---|---|
| 11 | Instruction |
| 12 | Instructional Resources & Media Sources |
| 13 | Curriculum Development & Instruction / Staff Development |
| 21 | Instructional Leadership |
| 23 | School Leadership (Principal) |
| 31 | Guidance, Counseling& Evaluation Services |
| 32 | Social Work Services |
| 33 | Health Services |
| 34 | Student (Pupil) Transportation |
| 35 | Food Services |
| 36 | Co-curricular/Extracurricular Activities |
| 41 | General Administration (Superintendent/Board) |
| 51 | Plant Maintenance and Operations |
| 52 | Security and Monitoring Services |
| 53 | Data Processing Services |
| 61 | Community Services |
| 71 | Debt Service |
| 81 | Facilities Acquisition and Construction |

# EXPENDITURE CLASSICATIONS

## 10 INSTRUCTION AND INSTRUCTIONAL RELATED SERVICES



- **Function 11- Instruction -** This function is used for activities that deal directly with the interaction between teachers and students. This function includes expenditures for direct classroom instruction and other activities that deliver, enhance, or direct the delivery of learning situations to students. Expenditures for the delivery of instruction in regular program basic skills, bilingual and ESL programs, compensatory, remedial or tutorial programs, gifted and talented education programs, and vocational education programs are classified in function 11. For example, function 11 includes classroom teachers, teacher assistants, and graders, but does not include curriculum development (function 13) or principals (function 23).




- **Function 12- Instructional Resources and Media Services -** This function is used for expenditures that are directly and exclusively used for resource centers, establishing and maintaining libraries, and other major facilities dealing with educational resources and media. For example, function 12 includes librarians, but does not include textbooks (function 11) or reference books in the classroom (also function 11).

- **Function 13 - Curriculum Development and Instructional Staff Development -** This function is used for expenditures that are directly and exclusively used to aid instructional staff in planning, developing, and evaluating the process of providing learning experiences for students. This function also includes expenditures related to research and development activities that investigate, experiment and/or follow-through with the development of new or modified instructional methods, techniques, procedures, services, etc. For example, this function includes staff that research and develop, innovative new or modified instruction and staff who prepare in-service training for instructional staff, but does not include salaries of instructional staff when attending in-service training (function 11 or 12).

## 20 INSTRUCTIONAL AND SCHOOL LEADERSHIP




- **Function 21 - Instructional Leadership -** This function encompasses those district-wide activities which have as their purpose managing, directing, and supervising the general and specific instructional programs and activities. For example, function 21 includes instructional supervisors but does not include principals (function 23).

- **Function 23 - School Leadership -** This function includes expenses for directing, managing, and supervising a school. It includes salaries and supplies for the principal, assistant principal, and other administrative and clerical staff, including attendance clerks.

## 30 SUPPORT SERVICES – STUDENT

- **Function 31 - Guidance, Counseling, and Evaluation Service -** This function includes expenses for testing and assessing student abilities, aptitudes, and interests with respect to career and educational goals and opportunities. It includes psychological services, testing, and counseling.

# EXPENDITURE CLASSICATIONS

- **Function 32 - Social Work Services -** This function includes expenditures which directly and exclusively promote and improve school attendance. Examples include social workers, non-instructional home visitors, home visitor aides, and truant officers.




- **Function 33 - Health Services -** This function embraces the area of responsibility y providing health services which are not a part of direct instruction. It includes medical, dental, and nursing services.

- **Function 34 - Student Transportation -** 

This function includes the cost of providing management and operational services for transporting students to and from school. Function 34 includes transportation supervisors and bus drivers, but does not include field trips (function 11) or student organization trips (function 36).

- **Function 35 - Food Services -** This function includes the management of the food service program at the schools and the serving of meals, lunches, or snacks in connection with school activities. Function 35 includes cooks and food purchases, but does not include concession stands (function 36).

- **Function 36 - Co-curricular/Extracurricular Activities -** This function incorporates those activities which are student and curricular related, but which are not necessary to the regular instructional services. Examples of co-curricular activities are scholastic competition, speech, debate, and band. Examples of extracurricular activities are football, baseball, etc. and the related activities (drill team, cheerleading) that exist because of athletics. Function 36 includes athletic salary supplements paid exclusively for coaching, directing, or sponsoring extracurricular athletics, but does not include salaries for teaching physical education (function 11).



**40 SUPPORT SERVICES - ADMINISTRATIVE**

- **Function 41 - General Administration -** This function includes expenses incurred for the overall administrative responsibilities of the District. It includes expenses for the school board, superintendent's office, personnel services, and financial services.

**50 SUPPORT SERVICES - NON STUDENT BASED**




- **Function 51 - Plant Maintenance -** This function deals with expenditures made to keep buildings, grounds, and equipment safe for use and in efficient working condition. This function also includes expenditures associated with warehousing services. Examples include janitors, facility insurance premiums, utilities, and warehouse personnel.

- **Function 52 - Security and Monitoring Services -** This function is used for expenditures that are for activities to keep student and staff surroundings safe, whether in transit to or from school, on a campus, or participating in school-sponsored events at another location.

# EXPENDITURE CLASSICATIONS

- **Function 53 - Data Processing Services -** This function is for non-instructional data processing services which include computer facility management, computer processing, systems development, analysis, and design. Personal computers that are stand alone are to be charged to the appropriate function. Peripherals including terminals and printers are also to be charged to the appropriate function.




## 60 ANCILLARY SERVICES

- **Function 61 - Community Services -** This function encompasses all other activities of the school district, which are designed to provide a service or benefit to the community or a portion of the community. Examples would include recreation programs, natatorium, and parenting programs.




## 70 DEBT SERVICE

- **Function 71 - Debt Service -** This function includes expenditures for bond and lease purchase principal, and all types of interest paid.

## 80 CAPITAL OUTLAY

- **Function 81 - Capital Acquisition & Construction -** This function includes expenditures that are acquisitions, construction, or major renovation of Academy facilities.



*Bridge Over a River of Words b*y Ananya Venkataramaiah

# SHARED SERVICE MODEL EXPENDITURES

The Academy operates under a shared service model with the Town of Westlake, whereby the municipal operations team provides Human Resources, Financial, Facilities, Communications and Administrative support services to the Academy. General maintenance and replacement of infrastructure and equipment for the school is also expensed to the municipal budget. These service costs were previously booked to the Westlake Academy operating budget but were removed from the operating budget in the 2012-13 school year.




The following operating costs are booked to the Town of Westlake's General Fund and Debt Service Fund.

- Municipal-Transfer to WA Operating Budget
- Municipal-Transfer to WA for WAF staff (50% between Town and WA)
- Annual Debt Service Payments
- General Major Maintenance and Replacement
- In-direct Operating Costs (Payroll and Related)

| | Amended FY 2020/21 | Adopted FY 2021/22 | $ Increase (Decrease) | % Increase (Decrease) |
|---|---|---|---|---|
| Municipal-Transfer to WA WAF Staff | 71,235 | 71,771 | 536 | 0.75% |
| Annual Debt Service (Municipal budget) | 1,829,193 | 1,825,366 | (3,827) | (0.21%) |
| Major Maintenance and Replacement | 281,000 | 410,000 | 129,000 | 45.91% |
| In-direct Operating Costs | 1,042,238 | 1,359,776 | 317,538 | 30.47% |
| **Total Municipal Costs** | **$ 3,223,666** | **$ 3,666,913** | **$ 443,247** | **13.75%** |

The support services for the Academy that generate indirect costs paid by the Town of Westlake are:

- Finance and Accounting Services
- Facility Maintenance Services
- Human Resources
- Information Technology
- Communications
- General Managerial Oversight (Superintendent)
- Town Secretary including records maintenance and election administration
- Board Support Services including policy advisement and strategic planning

As part of the Academy's unique financial structure the Town of Westlake is responsible for debt service payments associated with the Academy's capital infrastructure. The Municipal Debt Service Fund is used to manage debt service payments, and Academy debt is accounted for in the annual municipal budget.

**DEBT SERVICE** - As part of the Academy's unique financial structure the Town of Westlake is responsible for debt service payments associated with the Academy's capital infrastructure. The Municipal Debt Service Fund is used to manage debt service payments, and Academy debt is accounted for in the annual municipal budget.

**CAPITAL PROJECTS** – There are no major Academic capital projects budgeted or planned through FY 21/22.

# RELATIONSHIP BETWEEN FUNDS AND FUNCTIONS

| | Instruction | Instructional /Media Resources | Curriculum Development | Instructional Leadership | School Leadership | Guidance & Counseling | Health Services | Student Transportation | Co-curricular / Extra Curricular Activities | General Administration | Plant Maintenance and Operations | Security & Monitoring | Data Processing Services | Community Services | Debt Service |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **FUND NAME** | **11** | **12** | **13** | **21** | **23** | **31** | **33** | **34** | **36** | **41** | **51** | **52** | **53** | **61** | **71** |
| **GENERAL FUND** | | | | | | | | | | | | | | | |
| Fund 199 General Fund | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Fund 198 Athletics | ✓ | | | | | | | | ✓ | | | | | | |
| Fund 197 Transportation | ✓ | | | | | | | ✓ | ✓ | | | | | | |
| Fund 196 WA Foundation | ✓ | | ✓ | | | | | | | | | | | | ✓ |
| | | | | | | | | | | | | | | | |
| **SPECIAL REVENUE FUNDS** | | | | | | | | | | | | | | | |
| **FUND NAME** | **11** | **12** | **13** | **21** | **23** | **31** | **33** | **34** | **36** | **41** | **51** | **52** | **53** | **61** | **71** |
| Fund 224 IDEA-B Formula | ✓ | | | | | | | | | | | | | | |
| Fund 283 ESSER III Supplement | ✓ | | | | | | | | | | | | | | |
| Fund 397 TX Adv Placement | ✓ | | | | | | | | | | | | | | |
| Fund 410 Instr Materials | ✓ | | | | | | | | | | | | | | |
| Fund 461 Campus Activity | | | | | | | | | ✓ | ✓ | | | | | |
| Fund 484 Local Grants | ✓ | | ✓ | | | | | | ✓ | | | | ✓ | | |
| Fund 491 Covid-19 | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | | ✓ | | ✓ | | ✓ | | |
| Fund 497 Student Travel | ✓ | | | | | | | | ✓ | | | | | | |
| Fund 498 IMES | | | ✓ | | ✓ | | | | | | | | | | |
| | | | | | | | | | | | | | | | |

# FINANCIAL REPORTING ENTITY
# LEGAL AUTONOMY

The Board of Trustees consists of six trustees (five trustees and the Board President) that also serve as the Town Council for the Town of Westlake, the entity that owns and operates the Academy.

The Academy prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Government Accounting Standards Board (the "GASB") and other authoritative sources identified in *Statement on Auditing Standards No. 69* of the American Institute of Certified Public Accountants, and it complies with the requirements of the appropriate version of the Texas Education Agency (TEA) *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

The Board has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. **Therefore, the Academy is a financial reporting entity as defined by the GASB in its Statement No. 14, *"The Financial Reporting Entity*."**

The Academy's basic financial statements include a separate entity that is controlled by or dependent on the Academy. The determination to include separate entities is based on the criteria of GASB Statement No. 24, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units." GASB defines the reporting entity as the primary government and those component units for which the primary government is financially accountable.

To be financially accountable, a voting majority of the component unit's ruling body must be appointed by the primary government, and either

- the primary government can impose its will, or
- the primary government may potentially benefit financially or be financially responsible for the component unit.

## Westlake Academy Foundation

The Westlake Academy Foundation (the "Foundation") is a 501(c)3 nonprofit organization which was established exclusively for the purposes of supporting the Academy. This includes fundraising for and contributing raised funds to the Academy. The Foundation is discretely presented in the Westlake Academy financial statements and reported in a separate column to emphasize that it is legally separate from the Academy. Separate audited financial statements of the Foundation are prepared annually.



This page is intentionally blank



# Section 4
# Financial Analysis



This page is intentionally blank



# FINANCIAL FORECAST ASSUMPTIONS

Student Enrollment Assumptions:

- Increase of 9 students in FY 2021-22
- Student enrollment is expected to increase in future years due to continued residential growth.
- Average Daily Attendance rate of 97%.




**Revenues:**

- 100% use of Westlake Academy Foundation (WAF) Annual Program revenues (proposed $1.03 million).
- Future revenue projections are based on the student average daily attendance (ADA), which is used to calculate the cost of public education for the next biennium. With the ongoing pandemic, revenues are expected to remain flat for FY 2021-22 and are calculated based on the ADA from the prior year.
- Charter schools do not have taxing authority, making them reliant upon state and local funding sources.
- As an open enrollment charter school, all State funding is determined each legislative session and channeled to Westlake Academy through the Foundation School Program (FSP).

Charter schools are funded based on their weighted average daily attendance (WADA). A school's WADA is determined not only by the number of students attending, but by their participation in special programs, such as special education and career and technology

- Most Academy General Fund revenue is derived from the Foundation School Program.
- Secondary sources include the Westlake Academy Foundation and the Blacksmith Campaign.
- Growth in local revenues has been significant and is a result of strong parent and community support of the Academy.

**Expenditures:**

- Personnel costs are estimated to increase by an average 2% for teachers & administrators with 3% for support staff.
- Due to the uncertainty of state funding professional services, supplies and other operating expenditures are being held flat in outer years and will only increase if revenues increase to offset additional expenditures.
- House Bill 3 mandates remain in effect as the grade kindergarten through 3rd Reading Academy training continues in FY 2021-22 and will conclude in FY 2022-23.
- ESSER III-Supplement funds will be granted to the Academy in FY 2021-22 and 2022-23 are to be used for intensive education supports for students not performing satisfactorily due to the pandemic. Supplemental funds will also be used to address accelerated instruction for lost instructional time. Funding needed after FY23 will need to be absorbed in the General Fund, if needed.



# Westlake Academy - General Fund - Five Year Financial Forecast
## Fiscal Years 2018/2019 through 2025/2026

| | Audited FY 18/19 | Audited FY 19/20 | Adopted FY 20/21 | Amended FY 20/21 | Adopted FY 21/22 | Amount Inc/(Dec) | Projected FY 22/23 | Projected FY 23/24 | Projected FY 24/25 | Projected FY 25/26 |
|---|---|---|---|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | | | | | |
| Transportation | $ 21,725 | $ 7,000 | $ 10,500 | $ 10,500 | $ 10,500 | $ - | $ 10,500 | $ 10,500 | $ 10,500 | $ 10,500 |
| Parking | 18,277 | 1,820 | 15,000 | 15,000 | 15,000 | - | 15,000 | 15,000 | 15,000 | 15,000 |
| Athletic Activities | 104,378 | 75,095 | 88,100 | 88,100 | 88,100 | - | 88,100 | 88,100 | 88,100 | 88,100 |
| Interest Earned | 22,558 | 17,293 | 10,000 | 5,000 | 5,000 | - | 5,000 | 5,000 | 5,000 | 5,000 |
| WAF Blacksmith Donation | 1,059,860 | 1,031,311 | 1,030,000 | 1,030,000 | 1,030,000 | - | 1,030,000 | 1,030,000 | 1,030,000 | 1,030,000 |
| Salary Reimbursement (liaison to WAF) | 67,054 | 71,431 | 71,235 | 71,235 | 71,771 | 536 | 72,489 | 73,214 | 73,946 | 74,685 |
| Municipal Transfer | 224,806 | 219,750 | - | - | - | - | - | - | - | - |
| Other Local Revenue (sub, tech, prnt, misc) | 39,812 | 31,349 | 47,300 | 32,200 | 35,000 | 2,800 | 35,000 | 35,000 | 35,000 | 35,000 |
| Technology Equipment Sale Proceeds | 79,683 | - | - | - | - | - | - | - | - | - |
| Food Services | 7,000 | 7,000 | 7,000 | 4,000 | 7,000 | 3,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| **Total Local Revenues** | 1,645,153 | 1,462,048 | 1,279,135 | 1,256,035 | 1,262,371 | 6,336 | 1,263,089 | 1,263,814 | 1,264,546 | 1,265,285 |
| ***Percent of total revenues*** | ***18%*** | ***16%*** | ***14%*** | ***13%*** | ***13%*** | | ***13%*** | ***13%*** | ***13%*** | ***13%*** |
| TEA - Available School Funds | 384,031 | 270,996 | 212,000 | 423,750 | 336,158 | (87,592) | 339,520 | 342,915 | 346,344 | 349,807 |
| TEA - Foundation School Funds (incl HH) | 6,053,789 | 6,613,138 | 7,024,142 | 6,865,155 | 6,646,293 | (218,862) | 6,712,756 | 6,779,883 | 6,847,682 | 6,916,159 |
| CTE Funding (addt'l TEA-FSP Funds) | 239,000 | 495,800 | 263,366 | 472,503 | 466,175 | (6,328) | 470,837 | 475,545 | 480,301 | 485,104 |
| Facilities Allotment (addt'l TEA-FSP Funds) | 180,300 | 160,500 | 160,500 | 151,421 | 154,507 | 3,086 | 154,507 | 154,507 | 154,507 | 154,507 |
| TEA - Advanced Placement Training | 4,800 | 6,750 | 6,750 | 6,750 | 6,750 | - | 6,750 | 6,750 | 6,750 | 6,750 |
| SB-500 SPED Services | - | 5,172 | - | - | - | - | - | - | - | - |
| TRS On-behalf/Medicare Part B | 442,267 | 405,627 | 486,085 | 486,085 | 499,492 | 13,407 | 504,487 | 509,532 | 514,627 | 519,773 |
| **Total State Revenues** | 7,304,187 | 7,957,983 | 8,152,843 | 8,405,664 | 8,109,375 | (296,289) | 8,188,856 | 8,269,132 | 8,350,211 | 8,432,100 |
| ***Percent of total revenues*** | ***82%*** | ***84%*** | ***86%*** | ***87%*** | ***87%*** | | ***87%*** | ***87%*** | ***87%*** | ***87%*** |
| **TOTAL REVENUES** | **$ 8,949,340** | **$ 9,420,030** | **$ 9,431,978** | **$ 9,661,699** | **$ 9,371,746** | **$ (289,953)** | **$ 9,451,945** | **$ 9,532,946** | **$ 9,614,757** | **$ 9,697,386** |
| **EXPENDITURES by FUNCTION** | | | | | | | | | | |
| Function 11 - Instructional | $ 4,843,246 | $ 5,566,302 | $ 5,141,964 | $ 5,108,409 | $ 4,884,668 | $ (223,741) | | | | |
| Function 12 - Resources & Media | 90,039 | 88,513 | 95,802 | 95,802 | 135,797 | 39,995 | | | | |
| Function 13 - Curriculum & Staff Development | 92,192 | 57,790 | 64,045 | 55,595 | 55,795 | 200 | | | | |
| Function 21 - Instructional Leadership | 154,969 | 154,252 | 191,240 | 191,240 | 225,326 | 34,086 | | | | |
| Function 23 - School Leadership | 948,814 | 1,060,501 | 1,117,395 | 1,121,368 | 1,258,754 | 137,386 | | | | |
| Function 31 - Guidance & Counseling | 479,388 | 569,417 | 604,282 | 613,976 | 618,426 | 4,450 | | | | |
| Function 33 - Health Services | 71,810 | 77,264 | 82,673 | 84,867 | 81,257 | (3,610) | | | | |
| Function 36 - Co/Extracurricular Activities | 256,287 | 253,652 | 272,047 | 282,547 | 228,089 | (54,458) | | | | |
| Function 41 - Administrative | 211,992 | 244,889 | 241,995 | 242,579 | 241,964 | (615) | | | | |
| Function 51 - Maintenance & Operations | 990,511 | 976,930 | 983,676 | 1,043,676 | 967,763 | (75,913) | | | | |
| Function 52 - Security & Monitoring | 35,753 | 20,150 | 26,800 | 26,800 | 26,800 | - | | | | |
| Function 53 - Data Processing | 210,088 | 213,941 | 221,565 | 236,625 | 356,879 | 120,254 | | | | |
| Function 61 - Community Services | 130,014 | 136,790 | 142,471 | 142,471 | 143,543 | 1,072 | | | | |
| Function 71 - Debt Service | 166,005 | 207,922 | 207,922 | 207,922 | 207,922 | - | | | | |
| **TOTAL EXPENDITURES by FUNCTION** | **$ 8,681,108** | **$ 9,628,313** | **$ 9,393,877** | **$ 9,453,877** | **$ 9,432,983** | **$ (20,894)** | | | | |
| **EXPENDITURES by OBJECT** | | | | | | | | | | |
| Object Code 61XX - Salaries | $ 6,616,165 | $ 7,164,320 | $ 7,425,791 | $ 7,443,096 | $ 7,424,725 | $ (18,371) | $ 7,498,972 | $ 7,573,962 | $ 7,649,702 | $ 7,726,199 |
| Object Code 62XX - Contracted Services | 1,047,450 | 1,000,956 | 932,785 | 980,005 | 999,529 | 19,524 | 999,529 | 999,529 | 999,529 | 1,009,524 |
| Object Code 63XX - Supplies & Materials | 350,509 | 836,953 | 362,074 | 352,019 | 368,920 | 16,901 | 368,920 | 368,920 | 368,920 | 372,609 |
| Object Code 64XX - Other Operating Costs | 500,979 | 418,162 | 465,305 | 470,835 | 431,887 | (38,948) | 431,887 | 431,887 | 431,887 | 436,206 |
| Object Code 65XX - Debt Service | 166,005 | 207,922 | 207,922 | 207,922 | 207,922 | - | 207,922 | 207,922 | 207,922 | 210,001 |
| **TOTAL EXPENDITURES by OBJECT** | **$ 8,681,108** | **$ 9,628,313** | **$ 9,393,877** | **$ 9,453,877** | **$ 9,432,983** | **$ (20,894)** | **$ 9,507,230** | **$ 9,582,220** | **$ 9,657,960** | **$ 9,754,539** |
| Other Resources - Local | $ - | $ 585,623 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Transfer in - Athletics (198) | 85,000 | 90,000 | 90,000 | 90,000 | 45,000 | (45,000) | 45,000 | 45,000 | 45,000 | 45,000 |
| Transfer out - General Fund (199) | (85,000) | (90,000) | (90,000) | (90,000) | (45,000) | 45,000 | (45,000) | (45,000) | (45,000) | (45,000) |
| Transfer out - SRF Covid-19 (491) | - | - | - | - | - | - | - | - | - | - |
| **NET OTHER RESOURCES & USES** | **-** | **585,623** | **-** | **-** | **-** | **-** | - | - | - | - |
| **EXCESS REVENUES OVER(UNDER) EXP** | **$ 268,232** | **$ 377,340** | **$ 38,101** | **$ 207,822** | **$ (61,237)** | **$ (269,059)** | **$ (55,285)** | **$ (49,274)** | **$ (43,203)** | **$ (57,154)** |
| **FUND BALANCE BEGINNING** | 1,105,605 | 1,373,837 | 1,751,177 | 1,751,177 | 1,958,999 | 207,822 | 1,897,761 | 1,842,476 | 1,793,202 | 1,749,999 |
| **FUND BALANCE ENDING** | 1,373,837 | 1,751,177 | 1,789,278 | 1,958,999 | 1,897,761 | (61,238) | 1,842,476 | 1,793,202 | 1,749,999 | 1,692,845 |
| Less: Assigned for Bus Maintenance | (24,090) | (24,090) | (19,000) | (19,000) | (17,000) | 2,000 | (16,150) | (15,343) | (14,575) | (13,847) |
| Less: Assigned for Technology R & M | - | - | (54,000) | (56,621) | (79,782) | (23,161) | (75,793) | (72,003) | (68,403) | (64,983) |
| Less: Assigned for Ath Uniform/Equip Rplcmnt | (15,000) | (15,000) | (15,000) | (15,000) | (15,000) | - | (15,000) | (15,000) | (15,000) | (15,000) |
| **FUND BALANCE ENDING (Unassigned)** | **$ 1,334,747** | **$ 1,712,087** | **$ 1,701,278** | **$ 1,868,378** | **$ 1,785,979** | **$ (82,399)** | **$ 1,735,533** | **$ 1,690,856** | **$ 1,652,020** | **$ 1,599,016** |
| **Number of Operating Days (*unassigned*)** | **56** | **65** | **66** | **72** | **69** | **(3)** | **67** | **64** | **62** | **60** |
| Dollars per Operating Day | $ 23,784 | $ 26,379 | $ 25,737 | $ 25,901 | $ 25,844 | (57) | $ 26,047 | $ 26,253 | $ 26,460 | $ 26,725 |
| Total Students Enrolled | 856 | 869 | 885 | 856 | 875 | 19 | 885 | 885 | 885 | 890 |
| TEA Funding per Student | $ 7,800 | $ 8,492 | $ 8,655 | $ 9,244 | $ 8,689 | (555) | $ 8,675 | $ 8,760 | $ 8,846 | $ 8,883 |
| Operating Cost per Student (Academic Only) | $ 10,141 | $ 11,080 | $ 10,615 | $ 11,044 | $ 10,781 | (264) | $ 10,743 | $ 10,827 | $ 10,913 | $ 10,960 |
| Teachers | 66.26 | 70.30 | 70.30 | 71.01 | 70.18 | (0.83) | 70.18 | 70.18 | 70.18 | 70.18 |
| Student/Teacher Ratio | 12.92 | 12.36 | 12.59 | 12.05 | 12.47 | 0.41 | 12.61 | 12.61 | 12.61 | 12.68 |
| ALL Faculty & Staff | 93.76 | 101.13 | 100.25 | 101.84 | 103.52 | 1.68 | 103.52 | 103.52 | 103.52 | 103.52 |

# GENERAL FUND
# FINANCIAL SUMMARY

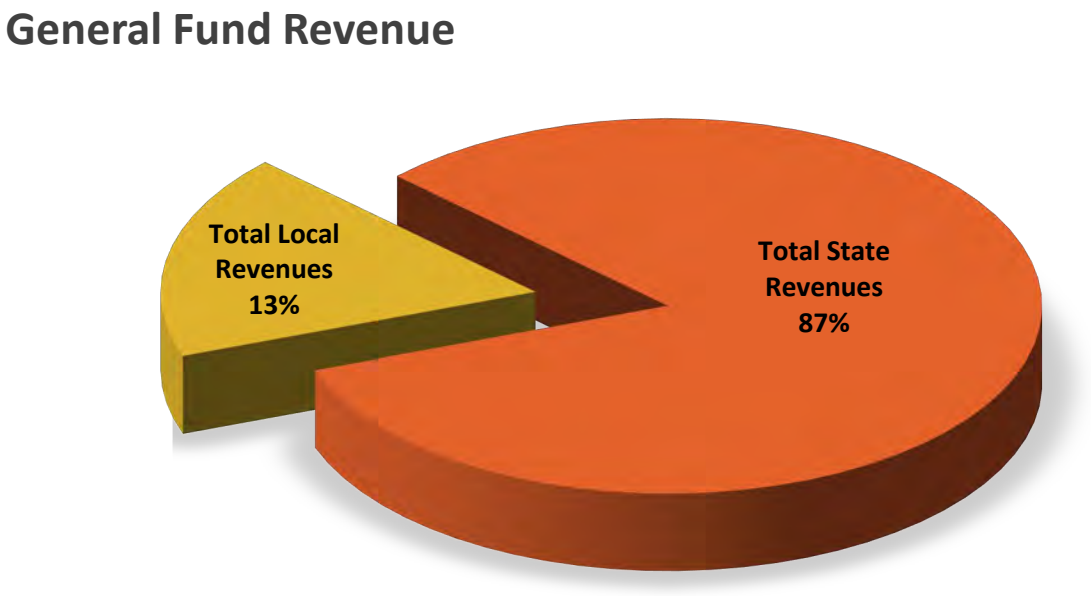
The General Fund is a governmental fund with budgetary control which is used to show transactions resulting from operations of on-going organizations and activities from a variety of revenue sources.

## BUDGET SUMMARY

| | Amended FY 2020/21 | Adopted FY 2021/22 | $ Increase (Decrease) | % Increase (Decrease) |
|---|---|---|---|---|
| Total Revenues | $ 9,661,699 | $ 9,371,746 | $ (289,953) | -3.00% |
| Total Expenditures | 9,453,877 | 9,432,983 | (20,894) | -0.22% |
| Other Resources | 90,000 | 45,000 | (45,000) | -50.00% |
| Other Uses | (90,000) | (45,000) | 45,000 | -50.00% |
| **Excess Revenues Over(Under) Expenditures** | **207,822** | **(61,237)** | **(269,059)** | **-129.47%** |
| FUND BALANCE BEGINNING | 1,751,177 | 1,958,999 | 207,822 | 11.87% |
| FUND BALANCE ENDING | 1,958,999 | 1,897,761 | (61,238) | -3.13% |
| Assigned | 90,621 | 111,782 | (21,161) | -23.35% |
| **FUND BALANCE ENDING (Unassigned)** | **$ 1,868,378** | **$ 1,785,979** | **$ (82,399)** | **-4.41%** |
| # Days Operating (Based on 365) | 72 | 69 | 3 | 4.16% |

## GENERAL FUND REVENUES

| | Amended FY 2020/21 | Adopted FY 2021/22 | $ Increase (Decrease) | % Increase (Decrease) | Revenue Percent |
|---|---|---|---|---|---|
| Local Revenues | $ 1,256,035 | $ 1,262,371 | $ 6,336) | 0.50% | 13% |
| State Program Revenues | 8,405,664 | 8,109,375 | (296,289) | -3.52% | 87% |
| **TOTAL REVENUES** | **$ 9,661,699** | **$ 9,371,746** | **$ (289,953)** | **-3.00%** | **100%** |



# GENERAL FUND
# FINANCIAL SUMMARY

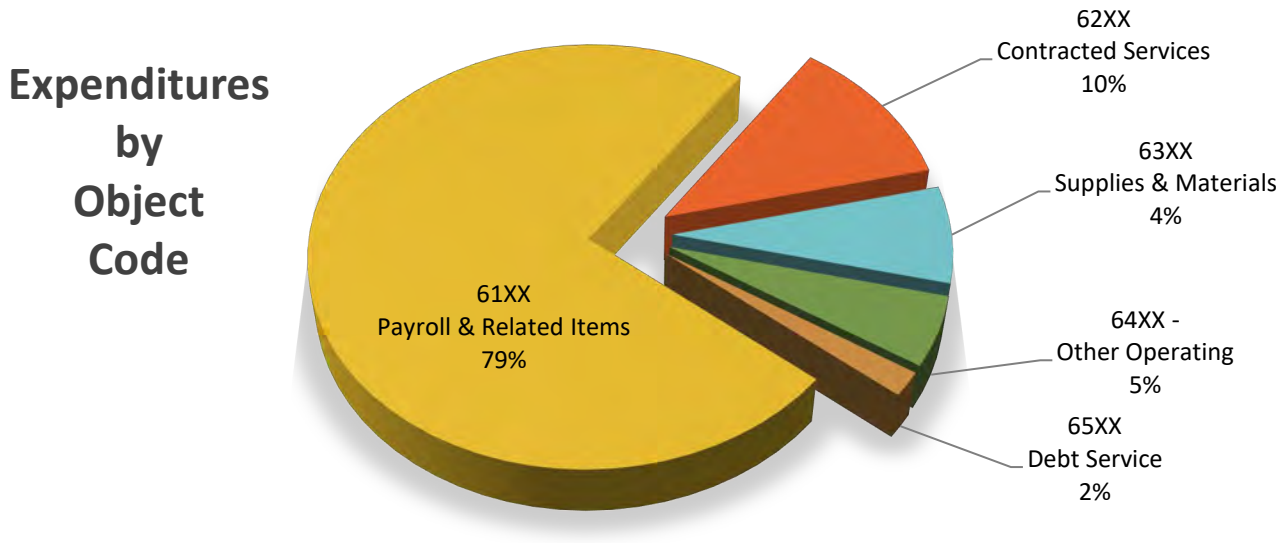
## STATE FUNDING REVENUES

With the current legislative session, public school funding is expected to remain a topic of discussion given the shortfall in state revenue due to the COVID-19 public health crisis. Currently, state funding for FY 2021-22 is expected to stabilize based on the Texas Education Agency funding template and past attendance rates. Any directives or other information from the state will provided to the Board of Trustees throughout the year.

In order to maintain the high level of service delivery, the Academy is dependent upon private donations for operating costs and the shared services model support from Town of Westlake. Funding ongoing operating costs with one-time dollars raised through private donations places the Academy in a potentially tenuous situation. If private donations do not meet the levels necessary to offset expenditures, the Town of Westlake must increase financial support or consider reducing the associated service levels.

## GENERAL FUND EXPENDITURES

| Expenditures (by Object Code) | Amended FY 2020/21 | Adopted FY 2021/22 | $ Increase (Decrease) | % Increase (Decrease) | Expenditure Percent |
|---|---|---|---|---|---|
| 61XX - Salaries | $ 7,443,096 | $ 7,424,725 | $ (18,371) | -0.25% | 79% |
| 62XX - Contracted Services | 980,005 | 999,529 | 19,524 | 1.99% | 10% |
| 63XX - Supplies & Materials | 352,019 | 368,920 | 16,901 | 4.80% | 4% |
| 64XX - Other Operating Costs | 470,835 | 431,887 | (38,948) | -8.27% | 5% |
| 65XX - Debt Service | 207,922 | 207,922 | 0 | 0.00% | 2% |
| **TOTAL EXPENDITURES** | **$ 9,453,877** | **$ 9,432,983** | **$ (20,894)** | **-0.22%** | **100%** |



# Section 5
# Personnel & Payroll



This page is intentionally blank



# PERSONNEL STAFFING & PAYROLL OVERVIEW

Given the funding constraints we are facing, accurate expenditure projections are more important than ever. Since salaries make up the greatest portion of the expenditure budget, it is logical to apply forecasting techniques that can provide a true picture of where payroll dollars are headed.

Personnel staffing levels for Westlake Academy are presented in full-time equivalents (FTE) positions. For example, a position staffed for 40 hours per week for 52 weeks per year (2,080 hours) equals one full-time equivalent position. An FTE position of .50 refers to a position that is funded for 1,040 hours per year (2,080 x .50). The personnel count includes vacant positions.

## PAYROLL AND RELATED COSTS (GENERAL FUND ONLY)

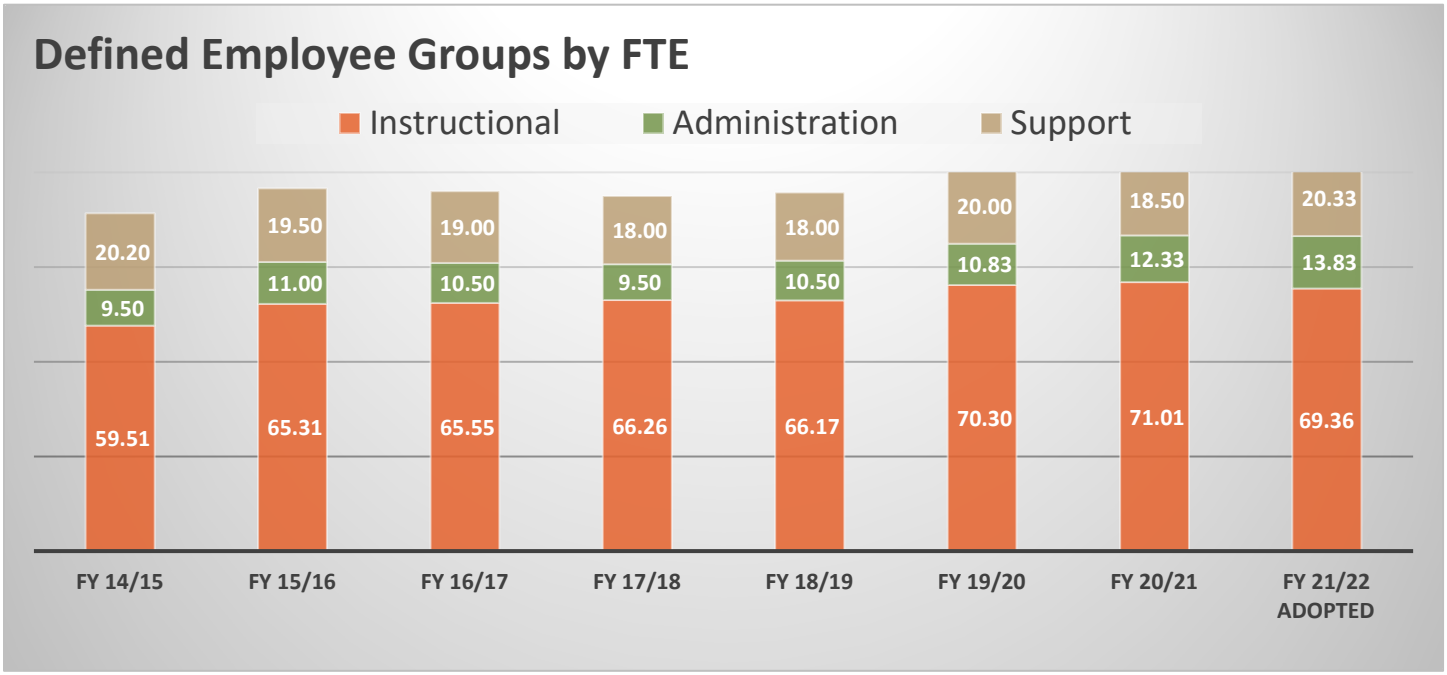
| | FY 20/21 Amended | FY 2/22 Adopted | Change Amount | Change Percent |
|---|---|---|---|---|
| Payroll Wages | $ 6,272,167 | $ 6,171,427 | $ (100,740) | (1.60%) |
| Social Security/Medicare | 93,034 | 109,366 | 16,332 | 17.50% |
| Health Insurance | 358,289 | 411,347 | 53,058 | 14.80% |
| Workers' Compensation | 19,147 | 19,745 | 598 | 3.10% |
| TRS On-Behalf | 443,114 | 403,227 | (39,887) | (9.00%) |
| Unemployment Taxes | 19,225 | 32,924 | 13,699 | 71.20% |
| Retirement (TRS) | 238,120 | 276,689 | 38,569 | 16.10% |
| GRAND TOTAL | $ 7,443,096 | $ 7,424,725 | $ (18,371) | (0.20%) |

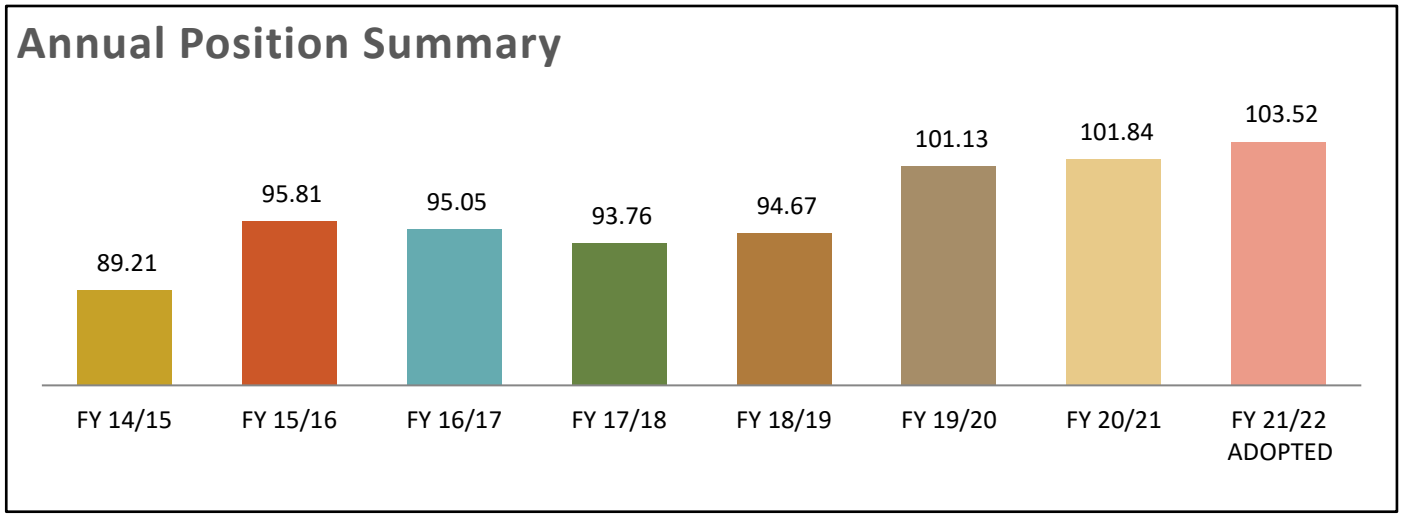
## EMPLOYEE POSITIONS BY TYPE

| Employee Type | FY 16/17 Actual | FY 17/18 Actual | FY 18/19 Actual | FY 19/20 Actual | FY 20/21 Actual | FY 21/22 Adopted | Change |
|---|---|---|---|---|---|---|---|
| **Principals** | 4.50 | 4.50 | 4.75 | 4.75 | 5.50 | 5.50 | 0.00 |
| **Coordinators** | 4.50 | 3.50 | 4.25 | 4.58 | 5.33 | 6.83 | 1.50 |
| **Primary** | 27.00 | 27.00 | 26.5 | 27.50 | 27.50 | 26.50 | (1.00) |
| **Secondary** | 32.55 | 34.26 | 34.92 | 37.55 | 37.51 | 36.69 | (0.82) |
| **Support** | 15.00 | 14.00 | 14.00 | 14.00 | 13.50 | 15.33 | 1.83 |
| **Specialist** | 6.00 | 5.00 | 4.75 | 5.25 | 6.00 | 6.17 | 0.17 |
| **WA Foundation** | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | - |
| **Facilities** | 2.00 | 2.00 | 2.00 | 4.00 | 3.00 | 3.00 | - |
| **Technology** | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | - |
| **Total Staff** | **95.05** | **93.05** | **93.76** | **101.13** | **101.84** | **103.52** | **1.68** |
| **Total Teachers** | 65.55 | 66.26 | 66.26 | 70.30 | 71.01 | 70.18 | (0.83) |

# PERSONNEL STAFFING & PAYROLL OVERVIEW

The following charts break down the number of employees by job function (Instructional, Administration and Support). Employee growth has been driven by Academy expansions as the school matured into a full K-12 campus.



# PERSONNEL STAFFING & PAYROLL OVERVIEW

**Fair Labor Standards Act (FLSA)**

The Fair Labor Standards Act established minimum wage, overtime, recordkeeping, and child labor standards and applies to all full-time and part-time employees. As amended in 1985, the FLSA provides the option for compensatory time in lieu of overtime compensation for non-exempt employees. Executive, administrative, and professional employees meeting Department of Labor exemption guidelines are exempt from FLSA overtime requirements. The Town will comply with the FLSA for all employees.

**Non-Exempt Positions**

All non-exempt (hourly) positions are eligible for overtime compensation. Bi-weekly wages are based on a 40-hour work week (2,080 hours per year), equaling one full-time equivalent (FTE) position. There are 26 pay periods per year.

**Exempt Positions**

Exempt (salaried) positions are not eligible for overtime compensation. Salary amounts are not calculated or based on the number of hours worked. Exempt positions include managers and directors, and classifications are determined by Department of Labor guidelines.

**Vacancy Adjustments**

Not all positions will be filled 52 weeks per year, and so these expected vacancies are addressed in the salary budgeting process.

1. **Start Dates** - Expected start dates for open positions may vary. Keeping track of those assumptions is important because a large dollar variance may result when an actual start date differs from the budgeted date.

2. **Attrition (Planned Retirements)** - Budget consideration should be given for those positions where employees have indicated specific retirement dates. Payouts need to be budgeted.

3. **Impact of Inflation** - Inflation can have a significant impact on payroll forecasting. Cost-of-living adjustments often are used when forecasting personnel costs. The Consumer Price Index (CPI), a broad measure of consumer inflation, is the cost-of-living index used most often for determining salary increases. The U.S. Bureau of Labor Statistics' Employment Cost Index might be a better index for this purpose, as it measures the change in the cost of labor, free from the influence of employment shifts among occupations and industries.



4. **Seasonal and Temporary Positions** - Some divisions or jurisdictions use part-time or seasonal employees.

5. **Other Considerations** - Some governments make more use of overtime as an option instead of hiring fulltime workers. The use of retired employees for contractual services is another alternative to adding headcount.

# BOARD OF TRUSTEES

Westlake Academy is governed by a President and a five-member Board of Trustees. Each of the members is elected for a two-year term, and members currently serve on the Town Council for the Town of Westlake. The Board of Trustees establishes school policy, approves the Academy's annual operating budget, and serves as the legislative body of the Academy.



Laura Wheat, President
Term expires May 2022



Carol Langdon
Term expires May 2023



Alesa Belvedere
Term expires May 2022



Rajiv Trivedi
Term expires May 2022



Chandrika Dasgupta
Term expires May 2023



Anna White
Term expires May 2023

The Board holds regular meetings on one Monday of each month. These meetings typically begin with an executive session or a work session at 4 p.m. and the regular meeting follows at 5 p.m.

All meetings are held at Westlake Town Hall, 1500 Solana Blvd, Bldg 7 in the Council Chambers/Municipal Courtroom.

THE TOWN OF WESTLAKE
DISTINCTIVE BY DESIGN

# WESTLAKE ACADEMY LEADERSHIP TEAM

| *AMANDA DEGAN<br>SUPERINTENDENT OF SCHOOLS | | DR. MECHELLE BRYSON<br>EXECUTIVE DIRECTOR |
|---|---|---|
| ***Noah Simon**<br>Deputy<br>Town Manager | | **Gary Ponder**<br>Interim Director of Athletics |
| ***Jarrod Greenwood**<br>Assistant Town Manager | | **Rod Harding**<br>PYP Principal |
| ***Ginger Awtry**<br>Director of Finance | | **Carolyn Anderson**<br>PYP Assistant Principal |
| ***Troy Meyer**<br>Director of Facilities<br>& Public Works | | **Alison Schneider**<br>PYP Coordinator |
| ***Jason Power**<br>Director of<br>Information Technology | | **Kaylene Rudd**<br>MYP Principal |
| ***Sandy Garza**<br>Director of Human Resources | | **Maxwell Ituah**<br>MYP Assistant Principal |
| ***Todd Wood**<br>Town Secretary and Organizational Performance Manager | | **Sarah Stack**<br>MYP Coordinator |
| **Dr. Shelly Myers**<br>Executive Director of the WAF<br>& Director of Development | | **Dr. James Owen**<br>DP Principal/Coordinator |
| **Asterisk denotes shared services personnel between the academic and municipal service teams of the Town of Westlake.* | | |

# ORGANIZATIONAL STRUCTURE
# MUNICIPAL OVERSIGHT

Westlake Academy is a municipally owned, open enrollment K-12 charter school that is accredited by the Texas Education Agency.

- The Academy is governed by a six-member Board of Trustees that also serves as the Town Council for the Town of Westlake.
- The Board of Trustees appoints a Superintendent to oversee the Academy's management and operations. The Superintendent also serves as Westlake's Town Manager.
- The Academy's organizational structure is based on research into management of municipally owned charter schools.
- The current structure was adopted by the Board in Resolution 09-23 on December 7, 2009.

The Superintendent is responsible for the implementation of the Board's policy agenda for Westlake Academy, facilitating the Board's strategic plan, formulating policy recommendations for Board consideration, and providing managerial oversight of the Academy's budget administration, finances, and budget preparation.

| | |
|---|---|
| **Town Manager / Superintendent** | Executing the Board of Trustees adopted policies and hiring and managing all employees and department directors |
| **Deputy and Assistant Town Managers** | Supporting the Town Manager / Superintendent in assigned duties, overseeing departmental directors, and working on special projects as assigned |
| **Finance Department** | Financial oversight of accounts payable, accounts receivable, payroll, general ledger, journal entries, capital projects, fixed assets, depreciation, revenues, expenditures, assets, liabilities, and coordinating the annual budget and audit processes for both Municipal and Academic. |
| **Human Resource Department** | Managing personnel needs for both the Municipal and Academic staff |

The Academy's Superintendent oversees the Westlake Academy Executive Leadership Team which is charged with the responsibility of managing the school's on-going academic and extracurricular operations. Each principal is responsible, with advisement from the Superintendent, for selection and evaluation of the faculty and staff involved in providing their Programme's academic services.

# ORGANIZATIONAL STRUCTURE
# ACADEMIC MANAGEMENT

## Executive Director

- The Executive Director is the instructional leader for the whole school as well as administrative head.
- This position is responsible for implementing board policies and direction from the Superintendent, and heads the instructional leadership team (ILT) which focuses on whole school issues.

## Primary Years Principal (PYP)

- The Primary Years Principal is the instructional leader for the Primary Years Programme (PYP).
- The PYP is a curriculum framework for children aged 3-12 that prepares students for the intellectual challenges and focuses on the development of the whole child as an inquirer, in and beyond the classroom walls.
- The PYP Principal is responsible for ensuring proper implementation of the IB curriculum, student achievement as well as recruiting, mentoring, and retaining talented faculty.
- The Primary Years Principal is a member of the ILT.

## Primary Assistant Principal

- The PYP Assistant Principal is also an instructional leader for the PYP.
- The PYP Assistant Principal supports the efforts of the Primary Principal in carrying out the duties of the programme.
- The PYP Assistant Principal also supports the proper implementation of the IB curriculum, student achievement as well as supports the positive culture and climate of the programme.
- The PYP Assistant Principal is a member of the ILT.

## Primary Years Curriculum Coordinator

- The PYP Curriculum Coordinator is primarily responsible for the vertical and horizontal articulation of curriculum.
- The position supports the efforts of the Primary Principal in ensuring the proper implementation of the PYP IB curriculum.
- The main responsibility is to work with staff to develop, maintain and review curriculum, while developing and delivering effective staff development to support the IB mission.
- The PYP Curriculum Coordinator is a member of the ILT.

## Secondary Principal (MYP & DP Principals)

- The MYP Principal is the instructional leader for the Middle Years Programme (MYP) and the DP Principal is the instructional leader for the Diploma Programme (DP).
- The MYP is a curriculum framework for children in grades six through ten that prepares students to make connections between their studies and the real world. It is designed to prepare students for the Diploma Programme.
- The DP is a challenging two-year curriculum for students in grades 11 and 12 that provides an inquiry based, college preparatory education.
- These positions are responsible for ensuring proper implementation of the IB curriculum, student achievement as well as recruiting, mentoring, and retaining talented faculty.
- The Secondary Principals are members of the ILT.

# ORGANIZATIONAL STRUCTURE
# ACADEMIC MANAGEMENT

## Secondary (MYP) Assistant Principal

- The Secondary MYP Assistant Principal is also an instructional leader for the MYP programme.
- The Secondary MYP Assistant Principal supports the efforts of the MYP and DP Principals by carrying out the duties of the programme.
- The Secondary MYP Assistant Principal also supports the proper implementation of the IB curriculum, student achievement as well as supports the positive culture and climate of the programme.
- The Secondary MYP Assistant Principal is a member of the ILT.

## Secondary (MYP) Curriculum Coordinator

- The MYP Curriculum Coordinator is primarily responsible for the vertical and horizontal articulation of curriculum and support the efforts of the Secondary Principal in ensuring the proper implementation of the MYP IB curriculum.
- The main responsibility is to work with staff to develop, maintain and review curriculum, while developing and delivering effective staff development to support the IB mission.
- The Secondary Curriculum Coordinators are members of the ILT.

## Secondary (DP) Curriculum Coordinator

- The Secondary Curriculum Coordinators are primarily responsible for the vertical and horizontal articulation of curriculum.
- The positions support the efforts of the Secondary Principal in ensuring the proper implementation of the DP IB curriculum.
- The main responsibility is to work with staff to develop, maintain and review curriculum, while developing and delivering effective staff development to support the IB mission.
- The DP Curriculum Coordinators are members of the ILT.

## Athletic Director and Student Life Coordinator

- The Athletic Director/Student Life Coordinator is primarily responsible for the development of the co-curricular and extra-curricular activities of the Academy.
- The Athletic Director/Student Life Coordinator designs, implements and supports activities that build the student's leadership capacity and enriches their social and emotional growth.
- The position interfaces with principals in scheduling events that enrich the learning environment.
- The Athletic Director/Student Life Coordinator is a member of the ILT.

## Director of Development

- The Director of Development and Westlake Academy Foundation Executive Director is primarily responsible for the fundraising activities of the Academy.
- The Director creates, implements, and manages donor activities, including the annual Westlake Academy Blacksmith Drive, Baja, Gallery Night, grant applications, and other Academy or Foundation related solicitations.
- The Executive Director of the Education Foundation is a member of the ILT.

# Section 6
# Student Data



This page is intentionally blank



International Baccalaureate® (IB) programmes aim to do more than other curricula by developing inquiring, knowledgeable and caring young people who are motivated to succeed.

We strive to develop students who will build a better world through intercultural understanding and respect.

IB programme frameworks can operate effectively with national curricula at all ages; more than 50% of IB World Schools are state-funded.

The International Baccalaureate (IB) offers a continuum of international education. The programmes encourage both personal and academic achievement, challenging students to excel in their studies and in their personal development.

All IB programmes are flexible, enabling teachers to respond to local requirements.

The Academy prepares students for all standardized testing required by the State of Texas but endeavors to do so in a much more transdisciplinary manner and without "teaching to the test."

# IBO PROGRAMME OVERVIEW

## WESTLAKE ACADEMY IS AUTHORIZED BY THE INTERNATIONAL BACCALAUREATE (IB) TO OFFER:

- Primary Years Programme (PYP) – grades K-5
- Middle Years Programme (MYP) – grades 6-10
- Diploma Programme (DP) – grades 11-12

These three linked curricula form the **IB Continuum** and all three programmes are consistent in their pedagogical approach.

- The PYP gives students an excellent foundation for the IB's other programmes, providing the essential elements that young students need to equip themselves for successful lives, both now and in the future.
- The MYP builds on the knowledge, skills, and attitudes developed by the Primary Years Programme and prepares students for the demanding requirements of the Diploma Programme.
- All three programmes are philosophically aligned, each centered on developing attributes of the IB learner profile, described below.




When schools implement the full continuum of IB programmes, students realize several benefits including:

- Improved standardized test scores.
- An understanding and appreciation of the world's cultures and histories among their students.
- A sense of community and shared goals among parents, students, teachers, and administrators.
- Graduates complete college faster than their peers, feel more prepared for college-level coursework involving research, and are better able to cope with demanding workloads and time-management challenges.

# IB ATTITUDES

- **Appreciation -** Appreciating the wonder and beauty of the world and its people.
- **Commitment -** Being committed to their own learning, persevering and showing self-discipline and responsibility.
- **Confidence -** Feeling confident in their ability as learners, having the courage to take risks, applying what they have learned and making appropriate decisions and choices.
- **Cooperation -** Cooperating, collaborating, and leading or following as the situation demands.
- **Creativity -** Being creative and imaginative in their thinking and in their approach to problems and dilemmas.
- **Curiosity -** Being curious about the nature of learning, about the world, its people and cultures.
- **Empathy -** Imagining themselves in another's situation in order to understand his or her reasoning and emotions, so as to be open-minded and reflective about the perspectives of others.
- **Enthusiasm -** Enjoying learning and willingly putting the effort into the process
- **Independence -** Thinking and acting independently, making their own judgments based on reasoned argument, and being able to defend their judgments
- **Integrity -** Being honest and demonstrating a considered sense of fairness.
- **Respect -** Respecting themselves, others and the world around them.
- **Tolerance -** Being sensitive about differences and diversity in the world and being responsive to the needs of others.



# IB LEARNER PROFILE

The IB learner profile represents 10 attributes valued by IB World Schools. We believe these attributes, and others like them can help to develop internationally minded people, who recognizing their common humanity and shared guardianship of the planet, will help to create a better and more peaceful world.

---

- **Inquirers –** We nurture our curiosity, developing skills for inquiry and research. We know how to learn independently and with others. We learn with enthusiasm and sustain our love of learning throughout life.

- **Knowledgeable –** We develop and use conceptual understanding, exploring knowledge across a range of disciplines. We engage with issues and ideas that have local and global significance.

- **Thinkers –** We use critical and creative thinking skills to analyze and take responsible action on complex problems. We exercise initiative in making reasoned, ethical decisions.

- **Communicators** – We express ourselves confidently and creatively in more than one language and in many ways. We collaborate effectively, listening carefully to the perspectives of other individuals and groups.

- **Principled** – We act with integrity and honesty, with a strong sense of fairness and justice, and with respect for the dignity and rights of people everywhere. We take responsibility for our actions and their consequences.

- **Open-minded** – We critically appreciate our own cultures and personal histories, as well as the values and traditions of others. We seek and evaluate a range of points of view, and we are willing to grow from the experience.

- **Caring** – We show empathy, compassion and respect. We have a commitment to service, and we act to make a positive difference in the lives of others and in the world around us.

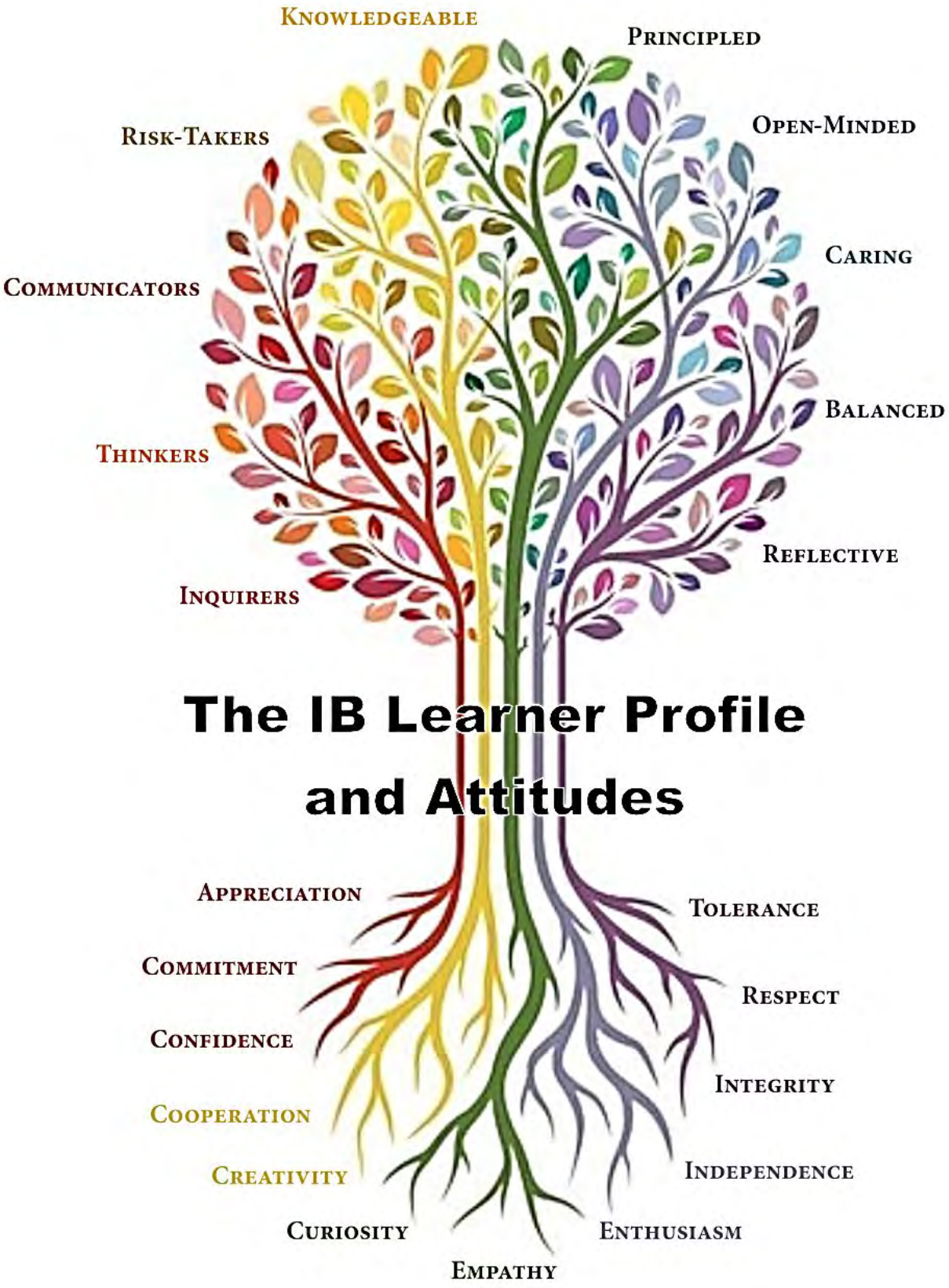
- **Risk-takers** – We approach uncertainty with forethought and determination, and we work independently and cooperatively to explore new ideas and innovative strategies. We are resourceful and resilient in the face of challenges and change.




- **Balanced** – We understand the importance of balancing different aspects of our lives – intellectual, physical, and emotional – to achieve well-being for ourselves and others. We recognize our interdependence with other people and with the world in which we live.

- **Reflective** – We thoughtfully consider the world and our own ideas and experience. We work to understand our strengths and weaknesses to support our learning and personal development.

# IB LEARNER PROFILE



# Section 7
# Policies



This page is intentionally blank



# INVESTMENT POLICY

## I. POLICY STATEMENT

It is the policy of Westlake Academy (the “Academy") that the administration of its funds and the investment of those funds shall be handled as its highest public trust.

Investments shall be made in a manner which will provide the maximum security of principal invested through limitations and diversification while meeting the daily cash flow needs of the Academy and conforming to all applicable state and Academy statutes governing the investment of public funds.

The receipt of a market rate of return will be secondary to the requirements for safety and liquidity. It is the intent of the Academy to be in complete compliance with local law and the Texas Public Funds Investment Act (the "Act", Texas Government Code 2256).

The earnings from investments will be used in a manner that best serves the public trust and interests of the Academy.

## II. SCOPE

This Investment Policy applies to all the financial assets and funds held of the Academy.
Any new funds created by the Academy will be managed under the provisions of this Policy unless specifically exempted by the Academy Board of Trustees and this Policy.

## III. OBJECTIVES AND STRATEGY

It is the policy of the Academy that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification and yield. These objectives encompass the following.

- **Safety of Principal** - Safety of principal is the foremost objective of the Academy. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. The suitability of each investment decision will be made on the basis of safety.

- **Liquidity** - The Academy's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements which might be reasonably anticipated. Investment decisions will be based on cash flow analysis of anticipated expenditures.

- **Diversification** - Diversification is required in the portfolio's composition. Diversification will include diversification by maturity and market sector and will include the use of a number of broker/dealers or banks for diversification and market coverage. Competitive bidding will be used on each sale or purchase.

- **Yield** - The Academy's investment portfolio shall be designed with the objective of attaining a reasonable market yield, considering the Academy's risk constraints and cash flow needs. A reasonable market yield for the portfolio will be defined as the six-month (180 day) U.S. Treasury Bill which compares to the portfolio's maximum weighted average maturity of six months.

The authorized investment purchased will be of the highest credit quality and marketability supporting the objectives of safety and liquidity. Securities, when not matched to a specific liability, will be short term to provide adequate liquidity. The portfolio shall be diversified to protect against market and credit risk in any one sector.

The maximum weighted average maturity of the portfolio will be no more than 180 days and the maximum stated maturity of any security will not exceed two years. The funds are combined for investment purposes but the unique needs of all the funds in the portfolio are recognized and represented.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies to ensure maximum cash availability. The Academy shall maintain a cash management program which includes timely collection of accounts receivable, prudent investment, disbursement of payments within invoice terms and the management of banking services.

## IV. LEGAL LIMITATIONS, RESPONSIBILITIES AND AUTHORITY

Specific investment parameters for the investment of public funds in Texas are stipulated in the Public Funds Investment Act, Chapter 2256, Texas Government Code, (the "Act"). The Act is attached as Exhibit A.

The Public Funds Collateral Act, Chapter 2257, Texas Government Code, specifies collateral requirements for all public funds deposits. The Collateral Act is attached as Exhibit B.

The Interlocal Cooperation Act, Chapter 791, Texas Government Code, authorizes local governments in Texas to participate in a Texas investment pool established thereunder.

## V. DELEGATION OF INVESTMENT AUTHORITY

The Finance Director of the Town of Westlake, acting on behalf of the Board of Trustees, is designated as the Investment Officer of the Academy and is responsible for all investment management decisions and activities.

The Board of Trustees is responsible for considering the quality and capability of staff, investment advisors, and consultants involved in investment management and procedures. All participants in the investment process shall seek to act responsibly as custodians of the public trust.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this Investment Policy. Procedures will include safekeeping, wire transfers, banking services contracts, and other investment related activities.

The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and staff.

The Investment Officer shall designate a staff person as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available.

# INVESTMENT POLICY

No officer or designee may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the Investment Officer and approved by the Superintendent.

## VI. PRUDENCE

The standard of prudence to be used in the investment function shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio. This standard states:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

- **Limitation of Personal Liability** - The Investment Officer and those delegated investment authority, when acting in accordance with the written procedures and this Policy and in accord with the Prudent Person Rule, shall be relieved of personal liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change are reported in a timely manner and that appropriate action is taken to control adverse market effects.

## VII. INTERNAL CONTROLS

The Investment Officer shall establish a system of written internal controls which will be reviewed annually with the independent auditor of the Academy. The controls shall be designed to prevent loss of public funds due to fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees of the Academy.

## VIII. AUTHORIZED INVESTMENTS

Acceptable investments under this policy shall be limited to the instruments listed below. The choice of high-grade government investments and high-grade, money market instruments are designed to assure the marketability of those investments should liquidity needs arise.

- Obligations of the United States Government, its agencies and instrumentalities, not to exceed two (2) years to stated maturity and excluding mortgage backed securities;

- Fully insured or collateralized certificates of deposit from a bank doing business in the State of Texas and under the terms of a written depository agreement with that bank, not to exceed one year to stated maturity;

- No-load, SEC registered money market mutual funds. No more than 80% of the entity's monthly average balance may be invested in money market funds and;

- Constant dollar, AAA-rated Texas Local Government Investment Pools as defined by the Public Funds Investment Act.

If additional types of securities are approved for investment by public funds by state statute, they will not be eligible for investment until this Policy has been amended and the amended version adopted by the Board of Aldermen.

- **Delivery versus Payment** - All investment security transactions shall be conducted on a delivery versus payment (DVP) basis to assure that the Academy has control of its assets and/or funds at all times.

## IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

Securities broker/dealers may be primary or regional broker/dealers and will meet other criteria as determined by the Investment Officer including state registration and completion of an Academy Broker/Dealer questionnaire (attached as Exhibit D). The following criteria must be met by authorized firms.

- annual provision of an audited financial statement,
- proof of certification by the National Association of Securities Dealers (NASD)
- proof of current registration with the Texas State Securities Commission, and
- completion of the Academy's broker/dealer questionnaire.

Every bank and broker/dealer with whom the Academy transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the investment program. The firm will be required to return a signed copy of the Certification Form certifying that the Policy has been received and reviewed and only those securities approved by the Policy will be sold to the Academy.

## X. DIVERSIFICATION AND MATURITY LIMITATIONS

It is the policy of the Academy to diversify its investment portfolio. Invested funds shall be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. Diversification strategies shall be established and periodically reviewed.

## XI. SAFEKEEPING AND COLLATERALIZATION

The laws of the State and prudent treasury management require that all purchased securities be bought on a delivery versus payment (DVP) basis and be held in safekeeping by either an approved, independent third party financial institution or the Academy's designated depository.

**Securities Owned by the Academy** - All safekeeping arrangements shall be approved by the Investment Officer and an agreement of the terms executed in writing. The safekeeping bank may not be within the same holding company as the bank from which the securities are purchased. The custodian shall be required to issue original safekeeping receipts to the Academy listing each specific security, rate, description, maturity, cusip number, and other pertinent information.

**Collateral** - Collateralization shall be required on all bank time and demand deposits for principal and accrued interest amounts over the FDIC insurance coverage of $100,000 (by tax identification number). In order to anticipate market changes and provide a level of additional security for all funds, collateral with a market value equal to 102% of the total deposits are required. The pledging bank will always be made contractually liable for monitoring and maintaining the

collateral levels . All collateral will be held by an independent third-party bank outside the holding company of the bank, pledged to the Academy.

Authorized collateral will include only:

- Obligations of the US Government, its agencies and instrumentalities to include mortgage backed securities which pass the bank test,
- Municipal obligations rated at least A by two nationally recognized rating agencies.

The custodian shall be required to provide original safekeeping receipts clearly marked that the security is pledged to the Academy.

## XII. REPORTING

The Investment Officer shall submit quarterly reports to the Board of Trustees containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program and in full compliance with the Act. At a minimum the report shall contain:

- Beginning and ending market value of the portfolio by market sector and total portfolio
- Beginning and ending book value of the portfolio by market sector and total portfolio
- Change in market value during the period
- Detail on each asset (book, market, description, par ad maturity date)
- Earnings for the period
- Overall weighted average maturity of the portfolio

The report will be prepared jointly by all involved in the investment activity and be signed by the Investment Officer. It will contain all elements as required by the Act and be signed by the Investment Officers as in compliance with the Act and this Policy. Market prices for assignment of market values will be obtained from an independent source.

## XIII. DEPOSITORIES

The Academy will designate one banking institution through a competitive process as its central banking services provider at least every five years. This institution will be used for normal banking services including disbursements, deposits, and safekeeping of Academy owned securities. Other banking institutions from which the Academy may purchase only certificates of deposit will also be designated as a depository.

All banking arrangements will be in written form in accordance with FIRREA which requires a resolution of approval of the agreement by the Bank Council or Bank Loan Committee.

## XIV. INVESTMENT POLICY ADOPTION BY BOARD

The Academy's Investment Policy and its incorporated strategies shall be adopted by resolution annually by the Board. The approval and any changes made to the Policy will be noted in the approving resolution.

# FISCAL AND BUDGETARY POLICIES

## I. STATEMENT OF PURPOSE

The broader intent of the following Fiscal and Budgetary Policy Statements is to enable the Academy to achieve a long-term stable and positive financial condition. The watchwords of the Academy's financial management include integrity, prudent, stewardship, planning, accountability, and full disclosure.

The more specific purpose is to provide guidelines to the Finance Director in planning and directing the Academy's day-to-day financial affairs and in developing recommendations to the Academy Superintendent or his designate and Academy Board of Trustees.

The scope of these policies generally span, among other issues, accounting, purchasing, auditing, financial reporting, internal controls, operating budgeting, revenue management, cash and investment management, expenditure control, asset management, debt management, and planning concepts, to:

- Present fairly and with full disclosure the financial position and results of the financial operations of the Academy in conformity with generally accepted accounting principles (GAAP), and
- Determine and demonstrate compliance with finance related legal and contractual issues in accordance with provisions of the Texas Local Government Code and other pertinent legal documents and mandates.

The Academy Board of Trustees will annually review and approve the Fiscal and Budgetary Policy Statements as part of the budget process.

## II. SUMMARY OF POLICY INTENDED OUTCOMES

This policy framework mandates pursuit of the following fiscal objectives:

1. **Operating Budget**: Prepare conservatively, estimate revenues, present and adopt the Academy's annual operating plan.

2. **Revenues Management**: Design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired Academy services.

3. **Expenditure Control**: Identify priority services, establish appropriate service levels and administer the expenditure of available resources necessary to assure fiscal stability and the effective and efficient delivery of services.

4. **Fund Balance**: Maintain the fund balance of the various operating funds at levels sufficient to protect the Academy's creditworthiness as well as its financial position from emergencies.

5. **Intergovernmental Relationships:** Coordinate efforts with other agencies to achieve common policy objectives, share the cost of providing governmental services on an equitable basis and support favorable legislation at the State and Federal level.

6. **Grants:** Seek, apply for and effectively administer Federal, State, and foundation grants-in-aid which address the Academy's current priorities and policy objectives.

7. **Fiscal Monitoring**: Prepare and present regular reports that analyze, evaluate, and forecast the Academy's financial performance and economic condition.

8. **Financial Consultants**: With available resources, seek out and employ the assistance of qualified financial advisors and consultants in the management and administration of the Academy's financial functions.

9. **Accounting, Auditing, and Financial Reporting**: Comply with prevailing Federal, State and local statues and regulations. Conform to generally accepted accounting principles as promulgated by the Government Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).

10. **Internal Controls**: To establish and maintain an internal control structure designed to provide reasonable assurances that the Academy's assets are safeguarded and that the possibilities for material errors in the Academy's financial records are minimized.

## III. OPERATING BUDGET

1. **Preparation** – Budgeting is an essential element of the financial planning, control, and evaluation process. The "operating budget" is the Academy's annual financial operating plan related to educational service instructional costs.

   The Academy operating budget is legally required to include the Academy's General, Debt Service, and Food Service Funds. Currently, Westlake Academy only has one fund, the General Fund, which must be legally adopted annually. The Academy budgets the Special Revenue Funds for informational purposes only.

   Information to be prepared includes documentation related to Service Level Adjustments (SLAs) for increases to existing service levels or additional services, position control schedules, general and administrative cost implications, etc. will be submitted and reviewed during the budget process. SLA's related to new position requests will include an assessment of their impact on additional internal services necessary to support these positions as it relates to General & Administrative (G&A) charges in the Academy budget (subject to funding availability) to fund these costs. A budget preparation calendar and timetable will be established and followed in accordance with State law.

2. **Revenue Estimates for Budgeting** - To maintain a stable level of services, the Academy shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, number of students, and trends in revenues. It will also include an assessment of the State legislative environment related to public charter school funding levels. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should avoid mid-year service reductions.

3. **Balanced Budget –** A balanced budget is a budget with total expenditures not exceeding total revenues and monies available in the fund balance within an individual fund.

4. **Proposed Budget Content and Process** – A proposed budget shall be prepared by the Superintendent or his designate with the participation of the Academy's Leadership Team, Finance Director and Academy staff, and then submitted to the Superintendent for review. Following the Superintendent's review, the proposed budget will be presented to the Board for its consideration.

The proposed budget shall include five basic segments for review and evaluation:

- personnel costs,
- base budget for operations and maintenance costs,
- service level adjustments for increases of existing service levels or additional services,
- revenues, and
- General Administrative (G&A) costs.

The proposed budget review process shall include Board of Trustees review of each of the five segments of the proposed budget and a public hearing to allow for citizen participation in the budget preparation process. Concurrent with the Academy budget preparation, Town staff will identify and provide to the Board all direct Academy expenses contained in the Town's municipal budget. The proposed budget process shall allow sufficient time to provide review as well as address policy and fiscal issues by the Board of Trustees. A copy of the proposed budget shall be filed with the Town Secretary when it is submitted to the Board of Trustees as well as placed on the Academy's website.

5. **Budget Adoption** - Upon the determination and presentation of the final iteration of the proposed budget document as established by the Board of Trustees, a public hearing will be set and publicized. The Board will subsequently consider a resolution which, if adopted, such budget becomes the Academy's Annual Budget. The adopted budget will be effective for the fiscal year beginning September 1.

6. **Budget Amendments** – The Superintendent or his designate and Finance Department will monitor all financial operations. A school district must amend the official budget before exceeding a functional expenditure category, i.e., instruction, administration, etc. in the total budget. The budget team will decide whether to proceed with the budget amendment and, if so, will then present the request to the Board of Trustees. If the Board decides a budget amendment is necessary, the amendment is adopted in resolution format and the necessary budgetary changes are then made.

7. **Planning** – The budget process will be coordinated to identify major policy issues for the Board of Trustees by integrating it into the Board's overall strategic planning process for the Academy.

8. **Reporting** - Monthly financial reports will be prepared by the Finance Department and distributed to the Superintendent or his designate. Information obtained from financial reports and other operating reports is to be used by personnel to monitor and control the budget. Summary financial reports will be presented to the Board quarterly.

## IV. REVENUE MANAGEMENT

**A. REVENUE DESIGN PARAMETERS**. The Academy will strive for the following optimum characteristics in its revenue system:

1. **Simplicity** - The Academy, where possible and without sacrificing accuracy, will strive to keep the revenue system simple to reduce costs, achieve transparency, and increase parent and citizen understanding of Academy revenue sources.

2. **Certainty** - A thorough knowledge and understanding of revenue sources increases the reliability of the revenue system.

3. **Administration** - The benefits of a revenue source will exceed the cost of administering that revenue. Every effort will be made for the cost of administration to be reviewed annually for cost effectiveness as a part of the indirect cost and cost of service analysis.

4. **Equity** - The Academy shall make every effort to maintain equity in its revenue system: i.e. the Academy shall seek to minimize or eliminate all forms of subsidization between entities.

5. **Adequacy, Diversification and Stability** – To the extent practical, the Academy shall attempt to achieve a balance in its revenue system. The Academy shall also strive to maintain a balanced and diversified revenue system to protect the Academy from fluctuations in any one source due to changes in local economic conditions which adversely impact that source.

**B. REVENUE CLASSIFICATION AND SOURCES.** The revenues received by Westlake Academy are classified into one of three broad categories: Federal, State or Local and come from the following sources:

1. State Education Funding
2. State and Federal Grants
3. General Donations – The Academy recognizes that private donations comprise a significant part of the Westlake Academy budget. All funds received will become part of the budget and be subject to appropriation for Academy general operations.
    - Westlake Academy Foundation
    - House of Commons
    - Westlake Academy Athletic Club
    - Local Merchants
    - Specific Purpose Donations – Funds donated for a specific purpose

**C. REVENUE MONITORING**. Revenues as they are received will be regularly compared to budgeted revenues and variances will be investigated. This process will be summarized in the appropriate budget report.

## V. EXPENDITURE CONTROL

1. **Appropriations** – The point of budgetary control is at the function level in the General Fund and Special Revenue Funds. When budget adjustments among functions are necessary, they must be approved by the Board of Trustees.

2. **Current Funding Basis** - The Academy shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balance accumulated through prior year savings. (The use of fund balance shall be guided by the Fund Balance/Retained Earnings Policy Statements.)

3. **Avoidance of Operating Deficits** - The Academy shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit (i.e., projected expenditures more than projected revenues) is projected at year-end. Corrective actions can include a hiring freeze, expenditure reductions, or use of fund balance within the Fund.

Use of fund balance must be recommended by the Superintendent and approved by the Board of Trustees.

- Expenditure deferrals into the following fiscal year, short-term loans, or use of one-time revenue sources shall be avoided to balance the budget.
- All service level adjustments that result in increases to the operating budget must be aligned with offsetting increases in operating revenues (FSP, Local Sources, etc.).

4. **Periodic Program Reviews** - The Superintendent or his designate shall undertake periodic staff and third-party reviews of Academy programs for both efficiency and effectiveness. Where appropriate, privatization and contracting with other governmental agencies will be evaluated as alternative approaches to service delivery. Service delivery which is determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.

5. **General and Administrative (G&A) Charges** – To the extent practical, an annual analysis of G&A charges will be performed and, if available, funding may be allocated at the Board's discretion. The analysis shall involve an objective consideration of the service demands currently being met by municipal staff to support Academy operations and a determination of factors that will continue to affect and increase the time needed for the performance of these services.

   For example, new Academy staff requires additional support staff time to perform tasks related to insurance, payroll, etc. Where feasible, G&A costs will be charged to all funds for services of indirect general overhead costs, which may include general administration, finance, facility use, personnel, technology, engineering, legal counsel, and other costs as deemed appropriate.

   If funding is not available, these costs will be shown below the line of the financial statement in the five-year financial forecast to promote transparency and provide the Board with a full cost accounting of services. The charges will be determined through an indirect cost allocation study following accepted practices and procedures.

6. **Purchasing** - The Academy shall make every effort to maximize any discounts offered by creditors/vendors. Staff shall also use purchasing cooperatives as well as competitive bidding in accordance with State law to attain the best possible price on goods and services.

7. **Prompt Payment** - All invoices will be paid within 30 days of receipt in accordance with the prompt payment requirements of State law.

8. **Salary -** The Academy shall strive to maintain competitive salary levels for faculty and staff. A salary survey will be conducted annually, sampling surrounding Independent School Districts and Charter Schools, to create a comparison. The Academy will strive to maintain salary levels within three percent (3%) of the median of surveyed schools.

## VI. FUND BALANCE

1. **Fund Balance Reporting -** The District shall report governmental fund balances per GASB 54 definitions in the balance sheet as follows: Non-spendable, Restricted, Committed, Assigned, and Unassigned.

2. **General Fund Unassigned Fund Balance (General Fund Reserve) -** The Academy shall strive to maintain the General Fund unassigned fund balance at 45 days of operation.

3. **Use of Fund Balance -** Fund Balance will be targeted to only be used with Board approval and can be only be used for the following: emergencies, non-recurring expenditures, such as technology/FF&E (furniture, fixtures and equipment), or major capital purchases that cannot be accommodated through current year savings. Should such use reduce the balance below the appropriate level set as the objective for that fund, recommendations will be made on how to restore it.

4. The Board of Trustees shall approve all commitments by formal action. The action to commit funds must occur prior to fiscal year-end, to report such commitments in the balance sheet of the respective period, even though the amount may be determined after fiscal year-end. A commitment can only be modified or removed by the same formal action. The Board of Trustees delegates the responsibility to assign funds to the Superintendent or his/her designee. The Board of Trustees shall have the authority to assign any number of funds. Assignments may occur after fiscal year-end.

5. The Board of Trustees will utilize funds in the following spending order: Restricted, Committed, Assigned, and Unassigned.

## VII. INTERGOVERNMENTAL RELATIONSHIPS

1. **Inter-local Cooperation in Delivering Services -** To promote the effective and efficient delivery of services, the Academy shall actively seek to work with other local entities in joint purchasing consortium, sharing facilities, sharing equitably the costs of service delivery, and developing joint programs to improve service to its students.

2. **Legislative Program -** The Academy shall cooperate with other entities to actively oppose any state or federal regulation or proposal that mandates additional Academy programs or services and does not provide the funding to implement them. Conversely, as appropriate, the Academy shall support legislative initiatives that provide additional funding.

## VIII. GRANTS

1. **Grant Guidelines -** The Academy shall apply, and facilitate the application by others, for only those grants that are consistent with the objectives and high priority needs previously identified by Academy Board of Trustees. The potential for incurring ongoing costs, to include the assumption of support for grant funded positions from local revenues, will be considered prior to applying for a grant.

2. **Grant Review** - All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the Academy's policy objectives. If there are cash match requirements, the source of funding shall be identified prior to application. Staff will focus on one-time grants to avoid long-term implications related to additional expenditures in future years.

3. **Grant Program Termination** - The Academy shall terminate grant funded programs and associated positions when grant funds are no longer available unless alternate funding is identified and obtained.

## IX. FISCAL MONITORING

1. **Financial Status and Performance Reports** - Quarterly reports comparing expenditures and revenues to current budget, noting the status of fund balances to include dollar amounts and percentages, and outlining any remedial actions necessary to maintain the Academy's financial position shall be prepared for review by the Superintendent and the Board of Trustees. Student roster information will also be included in the quarter reports submitted to the Board of Trustees.

2. **Compliance with Board Policy Statements** - The Fiscal and Budgetary Policies will be reviewed annually by the Board of Trustees and updated, revised or refined as deemed necessary. Policy statements adopted by the Board of Trustees are guidelines, and occasionally, exceptions may be appropriate and required. However, exceptions to stated policies will be specifically identified, and the need for the exception will be documented and fully explained.

## X. FINANCIAL CONSULTANTS

The Academy employs the assistance of qualified financial advisors and consultants as needed in the management and administration of the Academy's financial functions. These areas include but are not limited to investments, debt administration, financial accounting systems, program evaluation, and financial impact modeling. Advisors shall be selected on a competitive basis using objective questionnaires and requests for proposals based on the scope of the work to be performed.

## XI. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

1. The Academy strives to comply with prevailing local, state, and federal regulations relative to accounting, auditing, and financial reporting. Accounting practices and financial reporting shall conform to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants, (AICPA), and the Government Finance Officers Association (GFOA). The Board shall select an independent firm of certified public accountants to perform an annual audit of all operations. Required Texas Education Agency (TEA) account coding will be used for all revenue and expenditure reporting.

2. **Accounting** - Currently, the Education Service Center (Region 11) books all revenues and expenditures, and prepares bank reconciliations. Academy staff is responsible for all coding and approval of expenditures and revenues. Documentation and coding of deposits are forwarded to the Town's Finance Department for review and preparation of deposit slips. Town's Finance Director and staff are responsible for review and transfer of invoices and other documentation to the Service Center for processing as well as the physical deposit of funds. It is the responsibility of the Superintendent or his designate and Academy staff to review the monthly reports for any discrepancies and report to the Town's Finance Director for analysis and re-class of questioned bookings, if appropriate.

3. **External Auditing** - Academy will be audited annually by outside independent accountants (auditors). The auditors must be a CPA firm and must demonstrate significant experience in the field of local government auditing. They must conduct the Academy's audit in accordance with generally accepted auditing standards. The auditors' report on Academy's financial statements will be completed within a timely period of the Academy's fiscal year-end.
   The auditor will jointly review the management letter with the Academy Board of Trustees, if necessary. In conjunction with this review, the Finance Director shall respond in writing to the Academy Board of Trustees regarding the auditor's Management Letter, addressing the issued contained therein. The Academy will not require auditor rotation, but will circulate request for proposal for audit services on a periodic basis as deemed appropriate.

4. **Responsibility of Auditor to Academy Board of Trustees** - The auditor is retained by and is accountable directly to the Academy Board of Trustees and will have access to direct communication with the Academy Board of Trustees if the Academy Staff is unresponsive to auditor recommendations or if the auditor considers such communication necessary to fulfill its legal and professional responsibilities.

5. **Internal Financial Reporting** - The Finance Department will prepare internal financial reports sufficient for management to plan, monitor, and control Academy's financial affairs.

## XII. INTERNAL CONTROLS

1. **Written Procedures** - Whenever possible, written procedures will be established and maintained by the Finance Director and utilized by all Academy personnel for all functions involving purchasing, cash handling and/or accounting throughout the Academy. These procedures will embrace the general concepts of fiscal responsibility set forth in this policy statement.

2. **Academy Staff Responsibilities** - The Superintendent or his designate, in consultation with the Finance Director, will be responsible for ensuring that appropriate internal controls are followed throughout the Academy, that all directives or internal controls are implemented, and that all independent auditor internal control recommendations are addressed. Staff will develop and periodically update written internal control procedures.

## XIII. ASSET MANAGEMENT

1. **Investments** – The Finance Director shall promptly invest all Academy funds with the depository bank in accordance with the provisions of the current Bank Depository Agreement or in any negotiable instrument authorized by the Academy Board of Trustees. The Academy Board of Trustees has formally approved a separate Investment Policy for Westlake Academy that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local Government Code. The Academy's investment practices will be conducted in accordance with this policy. The Finance Director will issue quarterly reports on investment activity to the Academy Board of Trustees.

# FISCAL AND BUDGETARY POLICIES

2. **Cash Management** - Academy's cash flow will be managed to maximize the cash available to invest. Such cash management will entail the centralization of cash collections, where feasible, including field trips, and other collection offices as appropriate. Periodic review of cash flow position will be performed to determine performance of cash management and conformance to investment policies. The underlying theme will be that idle cash will be invested with the intent to (1) safeguard assets, (2) maintain liquidity, and (3) maximize return.

3. **Capital Assets and Inventory** - Such assets will be reasonably safeguarded, properly accounted for and prudently insured. The capital assets inventory will be updated regularly.

4. **Capital Assets** – Currently all capital assets of Westlake Academy are owned and purchased by the Town of Westlake. In subsequent years, additional asset purchases may be paid with Westlake Academy funds.

5. **Capitalization Criteria –** For purposes of budgeting and accounting classification, the following criteria must be capitalized:
    - The asset is owned by Westlake Academy
    - The expected useful life of the asset must be longer than one year, or extend the life on an identifiable existing asset by more than one year
    - The original cost of the asset must be at least $5,000
    - The asset must be tangible
    - On-going repairs and general maintenance are not capitalized
    - New Purchases – All costs associated with bringing the asset into working order will be capitalized as a part of the asset cost. This includes startup costs, engineering or consultant type fees as part of the asset cost once the decision or commitment to purchase the asset is made. The cost of land acquired should include all related costs associated with its purchase
    - Improvements and Replacement – Improvement will be capitalized when they extend the original life of an asset or when they make the asset more valuable than it was originally. The replacement of assets components will normally be expensed unless they are a significant nature and meet all the capitalization criteria.

6. **Computer System/Data Security** – The Academy shall provide security of its computer/network system and data files through physical and logical security systems that will include, but are not limited to: network user authentications, firewalls, content filtering, spam/virus protection, and redundant data backup.

# RISK MANAGEMENT

Westlake Academy is insured through the private market for property, liability, and workers' compensation coverage.

- Bids for all insurance programs are obtained on an annual basis, and selection is based on price, quality of coverage, financial strength of carrier(s), and level of service provided by brokers.
- Property and Workers' Compensation coverage is underwritten through Travelers Insurance.
- General liability, auto, crime, and umbrella coverage is provided by Utica. The Academy also has obtained specialized policies for student accident and international travel.

These policies are carefully selected to meet the needs of our operations and for the 2021-2022 school year.

- Westlake Academy has a combined insurable property value of $51,849,600.
- This is a blanket policy, inclusive of contents and business income coverage.
- Two 71-passenger buses and two 17-passenger vans are insured on the automobile policy.
- Student data indicates 875 students will be enrolled for the 2021-2022 school year, a 2.2% increase of 19 students from the prior year.

**Insurance Coverage Summary (September 1, 2021 – August 31, 2022)**

| Insurance Type | Provider | Amount |
|---|---|---|
| Commercial Property | Crum Forster | $ 103,995 |
| Workers Compensation | Accident Fund | 18,492 |
| Crime | Travelers | 2,850 |
| General Liability (Education Suite) | Utica | 15,347 |
| Umbrella – Liability | Utica | 7,505 |
| Business Auto | Utica | 5,394 |
| Student Accident | Allen J. Flood | 5,943 |
| International Travel | Chubb | 2,000 |
| Cyber Liability | Utica | 400 |
| | | $ 161,926 |

# FUTURE POLICIES TO BE DISCUSSED & IMPLEMENTED

Westlake Academy has several relevant financial policies to preserve and enhance the fiscal health of the Academy. We also identify acceptable and unacceptable courses of action, and provide a standard to evaluate the school's fiscal performance.

GFOA is recommending that all school districts include the following policies that guide the development of their budget and that are central to a strategic long-term approach to financial management.

Westlake Academy is in the process of reviewing these policies.

1. **Operating Budget Policy**
   This section of the Fiscal and Budgetary Policies should include the following policies that guide the development of the budget and are central to a strategic approach to our financial management.

   These components will need to be reviewed, updated if necessary, and/or added and approved by the Board of Trustees in subsequent years.

   1. Basis of Budgeting
   2. Budget Adoption
   3. Budget Classification and Format
   4. Organization of the Budget
   5. Budget Message Requirement
   6. Funds Budgeted
   7. Length of the Budget Year
   8. Presentation of Proposed Budget
   9. Revenue Forecasting Requirements
   10. Expenditure Forecasting Requirements
   11. Performance Measurements
   12. Line-Item Transfer Authority
   13. Retention of Budget Records



2. **Budget Crisis Procedures**
   This policy is intended to provide Westlake Academy with options when responding to unexpected fiscal issues that can and do arise. Should budget problems materialize, these procedures will support comprehensive risk analysis and contingency plans.

3. **Long Term Forecasting**
   The annual operating budget focuses on a single 12-month period. However, spending and revenue decisions made today have effects that extend beyond a 12-month period. The purpose of this policy is to
   - Ensure on-going financial sustainability beyond a single fiscal year or budget cycle
   - Achieve the Academy's mission and vision
   - Systematically link the annual budget to a multi-year master financial plan.

# FUTURE POLICIES TO BE DISCUSSED & IMPLEMENTED

4. **Reserve Policy in Other Funds**

While the General Fund Reserve is the most important for the Westlake Academy, reserves in other funds are just as important. For that reason, the funds listed in this policy shall have reserves that are restricted or committed for specific purposes.

5. **General Fund Budget Reserves**

The General Fund is the primary fund used by the Westlake Academy to account for revenues and expenditures. Accordingly, the General Fund Reserve Policy is intended to provide the Academy with options when responding to unexpected issues and to afford a buffer against shocks and other forms of risk.

One of two things must happen in the future if we cannot spend equal to or less than the revenues received:

(1) increase future revenues

(2) make future expenditure reductions.

6. **Capital Asset Management** (already incorporated into the Fiscal and Budgetary Policies)

Westlake Academy operates an extensive amount of buildings, equipment, furniture and vehicles. The purpose of this policy is to:

- provide a management framework to ensure that all capital assets are repaired, maintained and replaced and,
- identify the responsible parties who shall protect, oversee and report needed repairs.



This page is intentionally blank



# Section 8
# Appendix



This page is intentionally blank



# GLOSSARY

*This glossary contains definitions of terms used in this document with additional terms as seems necessary to common understandings concerning financial accounting procedures for schools. Several terms which are not primarily financial accounting terms have been included because of their significance for school financial accounting.*

- **Account:** A descriptive heading under which are recorded financial transactions that are similar in terms of a given frame of reference, such as purpose, object or source.

- **Accounting Period:** A period of the end of which, and for which, financial statements are prepared; for example, September 1 through August 31. See also FISCAL PERIOD.

- **Accounting Procedure:** The arrangement of all processes which discover, record, and summarize financial information used to produce financial statements and reports and to provide internal control.

- **Accounting System:** The total structure of records and procedures which discover record, classify and report information on the financial position and operations of a school district or any of its funds, balanced account groups, and organizational components.

- **Accrual Basis of Accounting:** The basis of accounting, under which revenues are recorded when earned, and expenditures are recorded as soon as they result in liabilities, regardless of when revenue is received or a payment is made.

- **Accrue:** To record revenues when earned or when levies are made and to record expenditures as soon as they result in liabilities, regardless of when the revenue is received or the payment is made. Sometimes, the term is used in a restricted sense to denote the recording of revenues earned but not yet due, such as accrued interest on investments and the recording of expenditures which result in liabilities that are payable in another accounting period, such as accrued interest on bonds.

- **ADA:** Average Daily Attendance is based on the number of days of instruction in the school year. The aggregate day's attendance is divided by the number of days of instruction to compute average daily attendance. ADA is used in the formula to distribute funding to Texas public school districts.

- **Administration:** Those activities which have as their purpose the general regulation, direction, and control of the affairs of the local education agency that are system-wide and not confined to one school subject, or narrow phase of school activity.

- **Appropriation:** An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

- **Academic Excellence Indicators System (AEIS):** A system of indicators established by the Legislature and adopted by the State Board of Education to help determine the quality of learning on a campus and in a school district. The indicators include passing rates on the state assessment tests, attendance, graduation rates, dropout rates, and scores on college entrance exams. The state will assess district and school performance compared with state-level standards. AEIS is the foundation for a school district's accountability rating.

- **Accountability Ratings:** The Accountability Ratings System ranks campuses and districts as exemplary, recognized, acceptable, and low performing based on the percentage of students who pass the state assessment instruments and the dropout rate.

- **Assigned Fund Balance:** Reports amount that are constrained by the government's intent that they will be used for specific purposes. Decision making

# GLOSSARY

*This glossary contains definitions of terms used in this document with additional terms as seems necessary to common understandings concerning financial accounting procedures for schools. Several terms which are not primarily financial accounting terms have been included because of their significance for school financial accounting.*

about these amounts may be made by a committee or other governmental official. Compared to *Committed* Fund Balance, the resources represented by the Assigned Fund Balance can be more easily redeployed and the constraints are not as stringent. Except for the General Fund, fund balance amounts that are not labeled as non-spendable, restricted or committed would be reported in the Assigned Fund Balance category. Therefore, the Assigned Fund Balance becomes the residual amount for the Special Revenue Fund, Capital Project Fund and Debt Service Funds.

- **Association of School Business Officials International (ASBO):** The Association of School Business Official' International, founded in 1910, is a professional association which provides programs and services to promote the highest standards of school business management practices, professional growth, and the effective use of educational resources.

- **Audit:** A comprehensive review of the way the government's resources were utilized. A certified public accountant issues an opinion over the presentation of financial statements, tests the controls over the safekeeping of assets and makes recommendations for improvements for where necessary.

- **Balanced Budget:** A balanced budget is a budget with total expenditures not exceeding total revenues and monies available in the fund balance within an individual fund.

- **Balance Sheet:** A summarized statement, as of a given date, of the financial position of a local education agency per fund and/or all funds combined showing assets, liabilities, reserves, and fund balance.

- **Budget:** A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them. The budget usually consists of three parts. The first part contains a message from the budget-making authority together with a summary of the proposed expenditures and the means of financing them. The second part is composed of drafts of the appropriation, revenue, and borrowing measures necessary to put the budget into effect. The third part consists of schedules supporting the summary. These schedules show in detail the proposed expenditures and means of financing them together with information as to past years' actual revenues and expenditures and other data used in making the estimates.

- **Budgetary Control:** The control management of the business affairs of the school district in accordance with an approved budget with a responsibility to keep expenditures within the authorized amounts.

- **Basic Allotment:** The basic allotment is the initial or starting number that, after adjustment, is used to calculate foundation program costs and state aid to school districts and charters.

- **Budgetary Basis of Accounting:** The method used to determine when revenues and expenditures are recognized for budgetary purposes.

- **Capital Expenditures:** Capital expenditures are defined as charges for the acquisition at the delivered price including transportation, costs of equipment, land, buildings, or improvements of land or buildings, fixtures, and other permanent improvements with a value more than $5,000 and a useful life expectancy of greater than 1 year.

# GLOSSARY

*This glossary contains definitions of terms used in this document with additional terms as seems necessary to common understandings concerning financial accounting procedures for schools. Several terms which are not primarily financial accounting terms have been included because of their significance for school financial accounting.*

- **Career and Technical Education (CTE):** The costs incurred to evaluate, place and provide educational and/or other services to prepare students for gainful employment, advanced technical training or for homemaking. This may include apprenticeship and job training activities.

- **Classification, Function:** A function represents a general operational area in a school district and groups together related activities; for example, instruction, campus administration, maintenance and operations, etc.

- **Classification, Object:** An object has reference to an article or service received; for example, payroll costs, professional and contracted services, supplies and materials, and other operating expenses.

- **Co-curricular Activities:** Direct and personal services for public school pupils such as interscholastic athletics, entertainments, publications, clubs, and strings, which are managed or operated by the student body under the guidance and direction of an adult and are not part of the regular instructional program.

- **Coding:** A system of numbering, or otherwise designating, accounts, entries, invoices, vouchers, etc., in such a manner that the symbol used reveals quickly certain required information.

- **Consultant:** A resource person who aids the regular personnel through conference, demonstration, research, or other means.

- **Contracted Services:** Labor, material and other costs for services rendered by personnel who are not on the payroll of the Academy.

- **Committed Fund Balance:** Represents amounts that have internally imposed restrictions mandated by formal action of the government's highest level of decision-making authority. The committed amounts cannot be redeployed for other purposes unless the same type of formal action is taken by the highest level of decision-making authority to reserve or modify the previously imposed restriction.

- **Comprehensive Annual Financial Report (CAFR):** A financial report that encompasses all funds and component units of the government. The CAFR should contain (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed. The CAFR is the governmental unit's official annual report and should contain introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, and statistical data.

- **Cost of Education Index (CEI) or Adjustment:** An index the state uses to adjust the basic allotment to account for geographic or other cost differences beyond local school district control. The current index has not been updated since 1990.

- **Current Budget:** The annual budget prepared for and effective during the present fiscal year.

- **Current Expenditures per Pupil:** Current expenditures for a given period divided by a pupil unit of measure (average daily attendance, etc.)

- **Debt:** An obligation resulting from the borrowing of money or from the purchase of goods and

# GLOSSARY

*This glossary contains definitions of terms used in this document with additional terms as seems necessary to common understandings concerning financial accounting procedures for schools. Several terms which are not primarily financial accounting terms have been included because of their significance for school financial accounting.*

services. Debts of local education agencies include bonds, leases, etc.

- **Diploma Programme (DP):** A challenging two-year curriculum for students in grades 11 and 12 that provides an inquiry-based, college preparatory education. By emphasizing knowledge, skills, critical thinking and the fostering and development of universal human values, students learn the valuable skills of construction and deconstruction knowledge.

- **Education Service Center (ESC):** Twenty intermediate education units located in regions throughout Texas that assist and provide services for local school districts.

- **Estimated Revenue:** This term designates the amount of revenue expected to be earned during a given period.

- **Expenditures:** This includes total charges incurred, whether paid or unpaid, for current expense, capital outlay, and debt service. (Transfers between funds, encumbrances, exchanges of cash for other current assets such as the purchase stores and investment of cash in U.S. Bonds, payments of cash in settlement of liabilities already accounted as expenditures, and the repayment of the principal of current loans are not considered as expenditures.)

- **Fiduciary Funds:** Fiduciary Funds account for assets held in a trustee or agent capacity for outside parties, including individuals, private organizations, and other governments.

- **Fiscal Period:** Any period at the end of which a local education agency determines its financial position and the results of its operations. The period may be a month, or a year, depending upon the scope of operations and requirements for managerial control and reporting.

- **Fiscal Year:** A twelve-month period to which the annual budget applies and at the end of which a local education agency determines its financial position and the results of its operations. The District's fiscal year is July 1 through June 30.

- **Foundation School Program (FSP):** A program for the support of a basic instructional program for all Texas school children. Money to support the program comes from the Permanent School Fund, Available School Fund, Foundation School Fund, state general revenue, and local property taxes. Currently, the FSP described in the Texas Education Code consists of three parts or tiers. The first tier provides funding for a basic program. The second tier provides a guaranteed-yield system so that school districts have substantially equal access to revenue sufficient to support an accredited program. The third tier equalizes debt service requirements for existing facilities debt.

- **Fund:** An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, together with all related liabilities, obligations, reserves, and equities which are segregated for carrying on in accordance with special regulations, restrictions, or limitations.

- **Fund Balance:** It is the resources remaining from prior years and which are available to be budgeted in the current year.

- **General Fund:** A fund group with budgetary control used to show transactions resulting from operations of ongoing organizations and activities

# GLOSSARY

*This glossary contains definitions of terms used in this document with additional terms as seems necessary to common understandings concerning financial accounting procedures for schools. Several terms which are not primarily financial accounting terms have been included because of their significance for school financial accounting.*

from a variety of revenue sources for which fund balance is controlled by and retained for the use by the local education agency. The General Fund is used to finance the ordinary operations of a governmental unit except those activities required to be accounted for in another fund.

- **Government Finance Officers Association (GFOA):** A professional association of state/provincial and local finance officers in the United States and Canada and has served the public finance profession since 1906. The association's nearly 15,000 members are dedicated to the sound management of government financial resources.

- **Governmental Funds:** Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds and permanent funds.

- **Grant:** A contribution by one governmental unit to another. The contribution is usually made to aid in the support of specified function (for example, job training), but it is sometimes also for general purposes.

- **House Bill 3:** School finance bill that was passed by the 86th Texas Legislature. The bill provides more money for Texas classrooms, increases teacher compensation, reduces recapture and cuts local property taxes for Texas taxpayers.

- **Independent Audit:** An audit performed by an independent auditor.

- **Individual Education Plan (IEP):** A document required by federal law that details the special education requirements for each disabled student and explains how the school intends to address the student's needs. An IEP is intended to help ensure that disabled students have equal access to public education in the least restrictive environment.

- **Individuals with Disabilities Education Act (IDEA):** The 1997 IDEA strengthens academic expectations and accountability for the nation's 5.4 million children with disabilities.

- **International Baccalaureate Program (IB):** A non-profit foundation whose mission is to help students "develop the intellectual, personal, emotional, and social skills to live, learn and work in a rapidly globalizing world." It was founded in 1968 and runs in over 3,000 schools in 141 countries. Its Diploma Program (DP) is designed for high school juniors and seniors, and offers classes in the same areas as traditional schools: math, science, English, foreign language, social studies, and the arts. Additionally, students have three extra requirements: a class about the theory of knowledge, a community service obligation, and an extended essay on a research topic of their choice. Along the way, students complete assessments that help them prepare for the final written exams, which are graded by external examiners. Upon graduation, students earn a diploma that is respected worldwide.

- **Middle Years Programme (MYP):** A curriculum framework for children in grades six through ten that encourages students to make practical connections between their studies and the real world. The MYP builds on the knowledge; skills and attitudes developed by the Primary Years Programme (PYP) and prepare the students for the demanding requirements of the Diploma Programme (DP).

# GLOSSARY

*This glossary contains definitions of terms used in this document with additional terms as seems necessary to common understandings concerning financial accounting procedures for schools. Several terms which are not primarily financial accounting terms have been included because of their significance for school financial accounting.*

- **Modified Accrual Basis of Accounting:** Basis of accounting per which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

- **Non-spendable Fund Balance:** Includes amounts that cannot be spent and are, therefore, not included in the current year appropriation. Two components: 1) *Not in spendable form* – previously recorded disbursements and include items that are not expected to be converted into cash, i.e. inventories, pre-paid items, etc. and 2) *Legally or contractually required to be maintained intact* – refers to an amount that has been received that must be invested indefinitely, i.e. a donation received by the government from a citizen, the principal of which is to be invested in a permanent fund and the earnings used for general governmental purposes.

- **Object Code:** As applied to expenditures, this term has reference to an article or service received; for example, payroll costs, purchased and contracted services, materials and supplies.

- **Open-Enrollment Charters:** Open-enrollment charter schools may be established by private nonprofit organizations, colleges and universities, and other governmental entities that apply to the State Board of Education. The law authorizes the State Board to approve up to 215 open-enrollment charter schools. Law also provides for creation of college or university charter schools at "public senior colleges and universities." There is no limit on the number of these charter schools that may be granted. Other charter programs include home-rule school district charters and campus or campus program charters.

- **Personnel, Full-Time:** Academy employees who occupy positions with duties which require them to be on the job on school days throughout the school year, or at least the number of hours the school is in session.

- **Personnel, Part-Time:** Personnel who occupy positions with duties which require less than full-time service.

- **Primary Years Programme (PYP):** A curriculum framework for children aged 3-12 that prepared students for the intellectual challenges of future education and their future careers, focusing on the development of the whole child as an inquirer, both in the classroom and in the world outside.

- **Proprietary Funds:** Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

- **Public Education Information Management System (PEIMS):** A data management system that includes information on student demographics, performance, teacher salaries, etc. The information for PEIMS is transmitted from local school districts to the Texas Education Agency by the education service centers.

- **Public Information Act (PIA):** PIA defines public information as information collected, assembled, or maintained under a law or about a governmental body's transaction of official business. PIA provides

# GLOSSARY

*This glossary contains definitions of terms used in this document with additional terms as seems necessary to common understandings concerning financial accounting procedures for schools. Several terms which are not primarily financial accounting terms have been included because of their significance for school financial accounting.*

that public information must be made available to the public upon request during the normal business hours of the district, unless an exception applies that allows or requires that the information not be made public.

- **Restricted Fund Balance:** Reports on resources that have spending constraints that are either: 1) externally imposed by creditors, grantors, contributors or laws and regulations of other governments, i.e. grants, etc. -or- 2) imposed by law through constitutional provision or enabling legislation. The amounts represented by this fund balance category have very stringent conditions imposed by external parties or by law. Therefore, the amounts are restricted to very specific purposes and cannot be redeployed for other purposes. The government can be compelled by an external party to undertake the spending requirements represented by the Restricted Fund Balance.

- **Refined ADA:** Refined Average Daily Attendance is based on the number of days of instruction in the school year. The aggregate eligible day's attendance is divided by the number of days of instruction to compute the refined average daily attendance. See also ADA.

- **School Board Authority:** Statute gives local school boards the exclusive power and duty to govern and oversee the management of the public schools. Powers and duties not specifically delegated to the Texas Education Agency or the State Board of Education are reserved for local trustees.

- **School FIRST Rating:** The purpose of the financial accountability rating system, known as the School Financial Integrity Rating System of Texas (FIRST), is to ensure that open-enrollment charter schools are held accountable for the quality of their financial management practices and that they improve those practices. The system is designed to encourage Texas public schools to better manage their financial resources to provide the maximum allocation possible for direct instructional purposes.

- **Special Revenue Funds:** Funds that are used to account for funds awarded to the Academy for accomplishing specific educational tasks as defined by grantors in contracts or other agreements.

- **State Board for Educator Certification (SBEC):** SBEC is a quasi-independent body that gives educators more authority to govern the standards of their profession. SBEC regulates and oversees all aspects of the certification, continuing education, and standards of conduct of public school educators. As a state agency, SBEC is responsible for certification testing, accountability programs for educator preparation programs, and certification of teachers and administrators.

- **State Board of Education (SBOE):** A 15-member body elected by general election (staggered, four-year terms) from various regions statewide to provide leadership and to adopt rules and policies for public education in the state. The board's primary responsibility is to manage the Permanent School Fund.

- **Statutory Minimum Salary (Stat Min):** HB3 requires that open enrollment charter schools begin paying the state's contribution on the portion of a member's salary that exceeds the statutory minimum salary for members entitled to the minimum salary schedule and for members who would be entitled to the minimum salary for certain school personnel under Section 21.402.

# GLOSSARY

*This glossary contains definitions of terms used in this document with additional terms as seems necessary to common understandings concerning financial accounting procedures for schools. Several terms which are not primarily financial accounting terms have been included because of their significance for school financial accounting.*

- **Teacher Retirement System (TRS):** TRS delivers retirement and related benefits authorized by law for members and their beneficiaries.

- **Technology Allotment:** This allotment is part of the state textbook fund and can be used to purchase electronic textbooks or technological equipment that contributes to student leaning or teacher training. The allotment is $30 per ADA.

- **Texas Assessment of Academic Skills (TAAS):** A state-developed test administered each year to students in grades 3 through 8 and 10 (exit-level) to determine student achievement levels on state-established leaning objectives. Replaced by the Texas Assessment of Knowledge and Skills (TAKS) effective for the 2002-03 school year.

- **Texas Assessment of Knowledge and Skills (TAKS):** TAKS replaces the Texas Assessment of Academic Skills (TAAS), a criterion-referenced test used in Texas schools for 12 years. TAKS began in spring 2003, with tests in reading in grades 3 through 9; language arts in grades 10 and 11; mathematics in grades 3 through 11. The 11th grade exit-level test will assess English Ill, algebra I, geometry, biology, integrated chemistry and physics, early American and U.S. history, world geography, and world history. TAKS will be a more challenging examination for Texas students, per the results of field tests.

- **Texas Education Agency (TEA):** The administrative and regulatory unit for the Texas public education system managed by the commissioner of education. TEA is responsible for implementing public education policies as established by the Legislature, State Board of Education, and commissioner of education.

- **Texas Education Code (TEC):** This code applies to all educational institutions supported in whole or in part by state tax funds.

- **Texas Essential Knowledge and Skills (TEKS):** Subject-specific state leaning objectives adopted by the State Board of Education. The State's academic tests. [see Texas Assessment of Knowledge and Skills (TAKS)] are aligned with the TEKS.

- **Texas Open Meetings Act (TOMA):** TOMA makes school board meetings to discuss and decide public business accessible. The TOMA Decision requires governmental entities to provide prior public notice of what is to be discussed and where and when discussion will take place. Closed meetings are permitted only when specifically authorized by law. Civil and criminal penalties can result when a board violates provisions of this act.

- **Unassigned Fund Balance:** The residual fund balance for the General Fund. It represents the amount of fund balance remaining after allocation to the Non-spendable, restricted, committed and assigned fund balances. This amount reflects the resources that are available for further appropriation and expenditure for general governmental purposes.

- **Weighted Students in Average Daily Attendance (WADA):** In Texas, students with special educational needs are weighted for funding purposes to help recognize the additional costs of educating those students. Weighted programs include special education, career and technical, bilingual, gifted and talented, and compensatory education. A weighted student count is used to distribute guaranteed-yield funding and establish Chapter 41 thresholds.

# ACRONYMNS

| TERM | STANDS FOR | TERM | STANDS FOR |
|---|---|---|---|
| ACCT | Account | GL | General Ledger |
| ADA | Average Daily Attendance | GO'S | General Obligation Bonds |
| AEIS | Academic Excellence Indicators System | HR | Human Resources |
| AP | Accounts Payable | IB | International Baccalaureate Program |
| AR | Accounts Receivable | IEP | Individual Education Plan |
| ASBO | Association of School Business Officials | IDEA | Individuals with Disabilities Education Act |
| BS | Balance Sheet | IT | Information Technology |
| CAFR | Comprehensive Annual Financial Report | LTL | Long-term Liability |
| CEI | Cost of Education Index | MYP | Middle Years Programme |
| CIP | Capital Improvement Plan | PIA | Public Information Act |
| CO'S | Certificates of Obligations | PYP | Primary Years Programme |
| CPA | Certified Public Accountant | R&M | Repair and Maintenance |
| CTE | Career and Technical Education | S&P | Standard and Poor's |
| DP | Diploma Years | SBOE | State Board of Education |
| DS | Debt Service | SLA | Service Level Adjustment |
| EF | Enterprise Fund | SRF | Special Revenue Fund |
| ESC | Education Service Center (ESC) | TAKS | Texas Assessment of Knowledge and Skills |
| FTE | Full-Time Equivalent | TEA | Texas Education Agency |
| FY | Fiscal Year | TEKS | Texas Essential Knowledge and Skills |
| G&O | Goals and Objectives | TOMA | Texas Open Meetings Act |
| GAAP | Generally Accepted Accounting Principles | TRS | Teacher Retirement System |
| GASB | Government Accounting Standards Board | WA | Westlake Academy |
| GF | General Fund | WADA | Weighted Average Daily Attendance |
| GFOA | Government Finance Officers Association | XFR | Transfer |

# Westlake Academy
## Academic Calendar 2021-2022

