Docusign Envelope ID: B003A958-C08E-8D13-830E-6246E34B68FD

Charter school Challenge School, Inc
Charter name
Challenge Charter School
d.b.a. (as applicable)

County Maricopa **CTDS number** 078772000

Instructions

FY 2026

State of Arizona

Charter School Annual Budget

Adopted
Version

Charter website link of posted budget https://www.challengecharterschool.net/about-us/board-of-c

By the Governing Board

We hereby certify that the budget for the school year 2026 was

Proposed	June 26, 2025
Adopted	July 10, 2025
Revised	May 7, 2026

Date

Signed by: Pam Miller	Board President
DocuSigned by: Scot Schlund	Board Vice President
Wendy Miller	Board Secretary
Signed by: Michael Lucyata	Board Member

1. Total budgeted revenues for fiscal year 2025 $ 4,267,000

2. Estimated revenues by source for fiscal year 2026

Local	1000	$	432,033
Intermediate	2000	$	
State	3000	$	3,281,490
Federal	4000	$	222,383
TOTAL		$	3,935,906

Charter school contact employee: Challenge School, Inc. Board of Directors
Telephone: 602-938-5411 Email: info@challengecharterschool.net

The FY 2026 budget file for the version described at left will be uploaded through the School Finance Budget System on ADE's website by May 18, 2026
Type the date as MM/DD/YYYY

Signed by: Brianna Blinzler
School official signature

School official signature

Brianna Blinzler
School official (typed name)

School official (typed name)

Average teacher salary (A.R.S. §15-189.05)

☐ Check box if the school is new and will begin operations in FY 2026.

1. Average salary of all teachers employed in budget year 2026	$	55,000
2. Average salary of all teachers employed in prior year 2025	$	53,500
3. Increase in average teacher salary from the prior year 2025	$	1,500
4. Percentage increase		2.8%

Challenge Charter School greatly values our employees and this percentage increase plus our benefit package provides for continued competitive compensation packages while remaining a fiscally responsible entity. Total teacher compensation includes a rich benefit package valued at approximately 30% of base amounts in additional compensation.

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Charter school: Challenge School, Inc | County: Maricopa | CTDS number: 078772000

Expenses **1000 Schoolwide Project and 1500-1999 Other Special Projects**		Salaries 6100	Employee benefits 6200	Purchased services 6300, 6400, 6500	Supplies 6600	Other 6800	Totals: Prior year 2025	Totals: Budget year 2026	% Increase/ decrease	
100 Regular education										
1000 Instruction	1.	1,142,510	398,853	87,500	45,000		1,805,163	1,673,863	-7.3%	1.
Support services										
2100 Students	2.	43,000	13,000	16,000	11,000		79,900	83,000	3.9%	2.
2200 Instruction	3.	125,000	50,000	10,000	6,000		209,651	191,000	-8.9%	3.
2300 General administration	4.			8,000		1,000	8,500	9,000	5.9%	4.
2400 School administration	5.	201,000	60,000	5,000	10,000	1,000	271,500	277,000	2.0%	5.
2500 Central services	6.	105,000	35,000	95,000	6,000		280,000	241,000	-13.9%	6.
2600 Operation & maintenance of plant	7.	110,000	40,000	220,000	25,000		446,800	395,000	-11.6%	7.
2900 Other support services	8.						0	0		8.
3000 Operation of noninstructional services	9.	34,000	12,500	0	122,000		179,000	168,500	-5.9%	9.
4000 Facilities acquisition & construction	10.						0	0		10.
5000 Debt service	11.					134,000	138,000	134,000	-2.9%	11.
610 School-sponsored cocurricular activities	12.						0	0		12.
620 School-sponsored athletics	13.						0	0		13.
630, 700, 800, 900 Other programs	14.						0	0		14.
Subtotal (lines 1-14)	15.	1,760,510	609,353	441,500	225,000	136,000	3,418,514	3,172,363	-7.2%	15.
200 Special education										
1000 Instruction	16.	48,000	12,500		1,000		52,500	61,500	17.1%	16.
Support services										
2100 Students	17.			50,000			58,000	50,000	-13.8%	17.
2200 Instruction	18.	72,000	31,000				59,500	103,000	73.1%	18.
2300 General administration	19.						0	0		19.
2400 School administration	20.						0	0		20.
2500 Central services	21.						0	0		21.
2600 Operation & maintenance of plant	22.						0	0		22.
2900 Other support services	23.						0	0		23.
3000 Operation of noninstructional services	24.						0	0		24.
4000 Facilities acquisition & construction	25.						0	0		25.
5000 Debt service	26.						0	0		26.
Subtotal (lines 16-26)	27.	120,000	43,500	50,000	1,000	0	170,000	214,500	26.2%	27.
400 Pupil transportation	28.			70,000	4,000		93,200	74,000	-20.6%	28.
530 Dropout prevention programs	29.						0	0		29.
540 Joint career & technical ed. & vocational ed. center	30.						0	0		30.
550 K-3 Reading	31.	36,000	2,299				40,800	38,299	-6.1%	31.
Subtotal (lines 15 and 27-31)	32.	1,916,510	655,152	561,500	230,000	136,000	3,722,514	3,499,162	-6.0%	32.
1010 Classroom Site Project (from page 3, line 6)	33.	230,000	60,000	0	0		0	290,000		33.
1020 Instructional Improvement Project (from page 2, line 5)	34.						0	12,000		34.
1071 English Language Learner Project (from page 4, line 11)	35.	0	0	0	0	0	0	0		35.
1072 Compensatory Instruction Project (from page 4, line 22)	36.	0	0	0	0	0	0	0		36.
1100-1499 Federal and State projects (from page 2, line 32)	37.						0	134,744		37.
Total (lines 32-37)	38.	2,146,510	715,152	561,500	230,000	136,000	3,722,514	3,935,906	5.7%	38.

Instructions

Docusign Envelope ID: B003A958-C08E-8D13-830E-6246E34B68FD

Charter school: Challenge School, Inc | County: Maricopa | CTDS number: 078772000

Federal and State projects

		Prior year 2025	Budget year 2026	
1100-1399 Federal projects				
1.	1100-1130 ESEA Title I-Helping Disadvantaged Children	59,204	48,186	1.
2.	1140-1150 ESEA Title II-Prof. Dev. And Technology	9,052	6,383	2.
3.	1160 ESEA Title IV-21st Century Schools	10,000	10,000	3.
4.	1170-1180 ESEA Title V-Promote Informed Parent Choice	0		4.
5.	1190 ESEA Title III-Limited Eng. & Immigrant Students	0		5.
6.	1200 ESEA Title VII-Indian Education	0		6.
7.	1210 ESEA Title VI-Flexibility and Accountability	0		7.
8.	1220 IDEA, Part B	71,530	52,600	8.
9.	1230 Johnson-O'Malley	0		9.
10.	1240 Workforce Investment Act	0		10.
11.	1250 AEA-Adult Education	0		11.
12.	1260-1270 Vocational Education-Basic Grants	0		12.
13.	1280 ESEA Title X-Homeless Education	0		13.
14.	1290 Medicaid Reimbursement	0		14.
15.	1300 Charter School Implementation Proj. (Stimulus)	0		15.
16.	13__ Impact Aid	0		16.
17.	1310-1399 Other Federal Projects	1,200	17,575	17.
18.	Total federal projects (lines 1-17)	150,986	134,744	18.
1400-1499 State projects				
19.	1400 Vocational Education	0		19.
20.	1410 Early Childhood Block Grant	0		20.
21.	1420 Extended School Year-Pupils with Disabilities	0		21.
22.	1425 Adult Basic Education	0		22.
23.	1430 Chemical Abuse Prevention Programs	0		23.
24.	1435 Academic Contests	0		24.
25.	1450 Gifted Education	0		25.
26.	1456 College Credit Exam Incentives	0		26.
27.	1460 Environmental Special Plate	0		27.
28.	1465 Charter School Stimulus Fund	0		28.
29.	14__ Arizona Industry Credentials Incentive	0		29.
30.	Other State Projects	0		30.
31.	Total State projects (lines 19-30)	0	0	31.
32.	Total federal and State projects (lines 18 and 31)	150,986	134,744	32.

Capital acquisitions

		Prior year 2025	Budget year 2026	
1.	0181 Intangible assets	0		1.
2.	0191 Land and land improvements	0		2.
3.	0192 Site improvements	0		3.
4.	0194 Buildings and building improvements	0		4.
5.	0196 Equipment	120,000		5.
6.	0198 Construction in progress	0		6.
7.	Total capital acquisitions (lines 1-6)	120,000	0	7.
8.	Total capital acquisitions, if any, budgeted on lines 1-6 above	0		8.

Special education programs by type

		Program 200 prior year 2025	Program 200 budget year 2026	
1.	Total all disability classifications	170,000	214,500	1.
2.	Gifted education	0		2.
3.	ELL incremental costs	0		3.
4.	ELL compensatory instruction	0		4.
5.	Remedial education	0		5.
6.	Vocational and technical ed.	0		6.
7.	Career education	0		7.
8.	Total (lines 1-7)	170,000	214,500	8.
9.	Expenses budgeted for transporting students with disabilities (as defined in A.R.S. §15-761) unique to the IEP	0		9.

Instructional Improvement Project

Indicate amounts budgeted in Project 1020 for the following:

		Prior year 2025	Budget year 2026	
1.	Teacher compensation increases	0		1.
2.	Class size reduction	13,996	12,000	2.
3.	Dropout prevention programs	0		3.
4.	Instructional improvement programs	0		4.
5.	Total Instructional Improvement (lines 1-4)	13,996	12,000	5.

Proposed ratios for special education

Teacher-pupil: 1 to 10.0

Staff-pupil: 1 to 10.0

Selected expenses by type

(Must be included on page 1)

Audit services	10,000
Classroom instruction	1,638,500

State equalization assistance budgeted for food service expenses

Enter the amount of State equalization assistance budgeted for food service, function 3100: 30,000

Debt service

Interest 6850	134,000
Redemption of principal	63,000

Docusign Envelope ID: B003A958-C08E-8D13-830E-6246E34B68FD

Charter school Challenge School, Inc County Maricopa CTDS number 078772000

Instructions

Expenses		Salaries 6100	Employee benefits 6200	Purchased services 6300, 6400, 6500	Supplies 6600	Totals Prior year 2025	Totals Budget year 2026	% Increase/ decrease	
Classroom Site Project 1010									
1000 Instruction	1.	230,000	60,000			380,000	290,000	-23.7%	1.
2100 Support services—students	2.					0	0		2.
2200 Support services—instruction	3.					0	0		3.
2300 Support services—general administration	4.					0	0		4.
3300 Community services operations	5.					0	0		5.
Total Classroom Site Project (lines 1-5)	6.	230,000	60,000	0	0	0	290,000		6.

Classroom Site Project 1010 budgeted property payments	
Property disbursements	
Interest 6850	
Redemption of principal	

Docusign Envelope ID: B003A958-C08E-8D13-830E-6246E34B68FD

Charter School: Challenge School, Inc | County: Maricopa | CTDS number: 078772000

Instructions

Expenses		Number of personnel: Prior year	Number of personnel: Budget year	Salaries 6100	Employee benefits 6200	Purchased services 6300, 6400, 6500	Supplies 6600	Other 6800	Totals: Prior year 2025	Totals: Budget year 2026	% Increase/ decrease	
English Language Learner Project - 1071												
260 Special education—ELL incremental costs												
1000 Instruction	1.	0.00							0	0		1.
Support services												
2100 Students	2.	0.00							0	0		2.
2200 Instruction	3.	0.00							0	0		3.
2300 General administration	4.	0.00							0	0		4.
2400 School administration	5.	0.00							0	0		5.
2500 Central services	6.	0.00							0	0		6.
2600 Operation & maintenance of plant	7.	0.00							0	0		7.
2900 Other support services	8.	0.00							0	0		8.
Program 260 subtotal (lines 1-8)	9.	0.00	0.00	0	0	0	0	0	0	0		9.
430 Pupil Transportation—ELL incremental costs												
Support services												
2700 Student transportation	10.	0.00							0	0		10.
Total expenses (lines 9 and 10)	11.	0.00	0.00	0	0	0	0	0	0	0		11.

Expenses		Number of personnel: Prior year	Number of personnel: Budget year	Salaries 6100	Employee benefits 6200	Purchased services 6300, 6400, 6500	Supplies 6600	Other 6800	Totals: Prior year 2025	Totals: Budget year 2026	% Increase/ decrease	
Compensatory Instruction Project - 1072												
265 Special education—ELL compensatory instruction												
1000 Instruction	12.	0.00							0	0		12.
Support services												
2100 Students	13.	0.00							0	0		13.
2200 Instruction	14.	0.00							0	0		14.
2300 General administration	15.	0.00							0	0		15.
2400 School administration	16.	0.00							0	0		16.
2500 Central services	17.	0.00							0	0		17.
2600 Operation & maintenance of plant	18.	0.00							0	0		18.
2900 Other support services	19.	0.00							0	0		19.
Program 265 subtotal (lines 12-19)	20.	0.00	0.00	0	0	0	0	0	0	0		20.
435 Pupil transportation—ELL compensatory instruction												
Support services												
2700 Student transportation	21.	0.00							0	0		21.
Total expenses (lines 20 and 21)	22.	0.00	0.00	0	0	0	0	0	0	0		22.

Docusign Envelope ID: B003A958-C08E-8D13-830E-6246E34B68FD

FY 2026 Summary of charter school adopted budget

CTDS number 078772000

1000 Schoolwide Project	Totals		%
	Prior year 2025	Budget year 2026	Increase/ decrease
100 Regular education			
1000 Instruction	1,805,163	1,673,863	-7.3%
Support services			
2100 Students	79,900	83,000	3.9%
2200 Instruction	209,651	191,000	-8.9%
2300 General administration	8,500	9,000	5.9%
2400 School administration	271,500	277,000	2.0%
2500 Central services	280,000	241,000	-13.9%
2600 Operation & maintenance of plant	446,800	395,000	-11.6%
2900 Other support services	0	0	
3000 Operation of noninstructional services	179,000	168,500	-5.9%
4000 Facilities acquisition & construction	0	0	
5000 Debt service	138,000	134,000	-2.9%
610 School-sponsored cocurricular activities	0	0	
620 School-sponsored athletics	0	0	
630, 700, 800, 900 Other programs	0	0	
Regular education subtotal	3,418,514	3,172,363	-7.2%
200 Special education			
1000 Instruction	52,500	61,500	17.1%
Support services			
2100 Students	58,000	50,000	-13.8%
2200 Instruction	59,500	103,000	73.1%
2300 General administration	0	0	
2400 School administration	0	0	
2500 Central services	0	0	
2600 Operation & maintenance of plant	0	0	
2900 Other support services	0	0	
3000 Operation of noninstructional services	0	0	
4000 Facilities acquisition & construction	0	0	
5000 Debt service	0	0	
Special education subtotal	170,000	214,500	26.2%
400 Pupil transportation	93,200	74,000	-20.6%
530 Dropout prevention programs	0	0	
540 Joint career & tech. ed. & voc. ed. center	0	0	
550 K-3 Reading	40,800	38,299	-6.1%
Total	3,722,514	3,499,162	-6.0%

The budget of Challenge School, Inc (d.b.a. Challenge Charter School) for fiscal year 2026 was officially proposed by the Governing Board on June 26, 2025. The complete budget may be reviewed by contacting Challenge School, Inc. Board of Directors at 6029385411 or info@challengecharterschool.net.

Special education programs	Totals		%
	Prior year 2025	Budget year 2026	Increase/ decrease
Total all disability classifications	170,000	214,500	26.2%
Gifted education	0	0	
ELL incremental costs	0	0	
ELL compensatory instruction	0	0	
Remedial education	0	0	
Vocational and technical ed.	0	0	
Career education	0	0	
Total	170,000	214,500	26.2%

Expenses by project			
	Totals		%
	Prior year 2025	Budget year 2026	Increase/ decrease
Schoolwide	3,722,514	3,499,162	-6.0%
Classroom Site Project	0	290,000	
Instructional Improvement	0	12,000	
English Language Learner	0	0	
ELL Compensatory Instruction	0	0	
Federal projects	150,986	134,744	-10.8%
State projects	0	0	
Capital acquisitions	120,000	0	-100.0%
Total expenses	3,993,500	3,935,906	-1.4%

Average teacher salary	
Average salary of all teachers employed in the budget year 2026	55,000
Average salary of all teachers employed in the prior year 2025	53,500
Increase in average teacher salary from the prior year 2025	1,500
Percentage increase	2.8%

Challenge Charter School greatly values our employees and this percentage increase plus our benefit package provides for continued competitive compensation packages while remaining a fiscally responsible entity. Total teacher compensation includes a rich benefit package valued at approximately 30% of base amounts in additional compensation.

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Charter school Challenge School, Inc **County** Maricopa **CTDS number** 078772000

This tab presents information on the amount and planned use of the Charter's project balances to increase transparency and provide decision-makers, other stakeholders, and the public more complete financial information. Other than the FY 2024 ending project balance amounts, all amounts included on this tab are estimates.

Instructions

Estimated FY 2025 project balances and planned uses in FY 2026 and thereafter

	All Projects
1. FY 2024 final ending project balance	2,458,100
If the final ending project balance does not agree with the submitted FY 202 4 AFR, revise the AFR and resubmit to ADE	
2. **FY 2025 activity, year-to-date and estimated through June 30**	
(a) FY 2025 revenues	4,190,000
(b) FY 2025 expenses, indirect costs, reversions, capital acquisitions, and redemption of principal	4,190,000
3. **Estimated FY 2025 ending project balance**	2,458,100
(a) With donor restrictions/Restricted	372,707
(b) Without donor restrictions/Unrestricted	2,085,393
(c) Total (must agree to line 3 above)	2,458,100
4. **Estimated FY 2025 ending project balance and planned uses**	
(a) Deficit balance	0
(b) Planned to be spent in FY 2026	0
(c) Planned to be spent in FY 2026 to support operations of other school sites within the same charter management organization	0
(d) Maintained for spending after FY 2026	2,458,100
(e) Total project balance (should agree to amount on line 3)	2,458,100

5. Comments (optional)

Challenge School, Inc. is a fiscally responsible entity and its Board members hold the trust and responsibility provided to them through this leadership with the highest regard. The Board's priority is to always put kids first with continued innovation, education excellence, and sustainability.