

Annual Budget/Budget Priorities

The Annual Budget is the financial plan for the operation of Twin Peaks Charter Academy. It provides the framework for both expenditures and revenues for the fiscal year and is based upon the educational programs and priorities of the TPCA Board. The TPCA Board of Directors retains primary responsibility and authority for establishing the TPCA budget and a final budget must be formally adopted by the TPCA Board of Directors.

Budget Process

Public school budgeting is regulated and controlled by statutes and requirements of the State Board of Education that prescribe the form of school budgets in order to ensure uniformity throughout the state.

The TPCA Board shall approve a budget, established by the Director, Financial Administrator and Finance Committee. Such budget shall conform to the funding parameters found in the contract between TPCA and the Saint Vrain Valley School District (SVVSD). Insofar as possible, the budget adopted by the TPCA Board shall be sufficient to implement the programs and policies that the TPCA Board has approved.

Multiple budgets are required each fiscal year this typically includes a Proposed Budget, Adopted Budget and Amended Budget. The deadlines are stipulated in the SVVSD Charter School Contract.

The budget shall be prepared in both a detailed format in conformance with the CDE chart of accounts codes and a summary format which is understandable by any lay person reviewing the summary budget and shall include budget assumptions. The budget shall include a uniform summary sheet for each fund administered by the school that details the beginning fund balance and anticipated ending fund balance for the budget year; the anticipated fund revenues for the budget year; the anticipated transfers and allocations that will occur to and from the fund during the budget year; the anticipated expenditures that will be made from the fund during the budget year; and the amount of reserves in the fund.

The budget shall disclose planned compliance with spending limitations outlined in Article X, Section 20, of the Colorado Constitution, including holding TABOR reserve funds in an unrestricted general fund or in cash funds.

The Academy shall avoid reliance on inconsistent funding sources, such as one-time grants and donations, to fund ongoing expenditures, such as salary, mortgage/leasing, and utility costs

As required by Twin Peaks Charter Academy by-laws, the Director and Financial Administrator shall provide the TPCA Board of Directors with financial reports including but not limited to a Balance Sheet and a Statement of Revenues, Expenditures and Change in Funds Balance and shall inform the Board of any anticipated modifications to budgeted revenues and expenditures which may be required.

Annually, the Director and Financial Administrator shall provide the TPCA Board with an audited financial report including but not limited to a Statement of Net Assets and a Statement of Activities.

Operating Reserves

Budgeting for and maintaining a fiscal year-end fund balance as an operating reserve in the general fund is a beneficial and sound financial management practice. The Board of Directors requires that the annual non-appropriated operating reserves be in excess of 70 days operating reserves. Operating reserves shall be defined as 70 days of PPR revenue as adopted in the annual budget. Such reserve position shall include TABOR and unrestricted operating reserves. The calculation shall be: $365 * (\text{Non-appropriated Operating Reserves} + \text{TABOR Reserves}) / \text{Annual PPR}$.

It is the intent of the Board of Directors that the Reserve budget should maintain an additional non-appropriated balance in excess of \$500,000 to be used for expenses as forecasted in the Five Year Plan as well as emergencies or other extraordinary or unforeseen expenses that may be incurred from time to time.

Following Board approval and within SVVSD deadlines, the budget will be provided to SVVSD in the required format.

Five-Year Plan

The director, through the financial administrator and finance committee, shall develop a five-year plan that projects the future financial viability of the school and achievement of the school's priorities. This budget will take into account specific operating assumptions related to future revenue and increases in operating expenses. The five-year budget plan is subject to annual approval by the Board.

Revised: December 7, 2017

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