



FISCAL YEAR 2023 BUDGET PROPOSAL

State Charter Schools Commission of Georgia



Table of Contents

Overview	3
Personnel Services	5
Contracts	5
Fiscal Year 2023 – Budgeted Revenue	7
Graph 1: Operational SCSC Schools & Students Served.....	7
Chart 1: SCSC Revenue for FY23 by Source	8
Fiscal Year 2023 – Budgeted Expenses	9
Graph 2: Budgeted Expenditures by Class	9
Chart 2: Budgeted Expenditures	10
Historical Trends	11
Graph 3: SCSC Expenditure Comparison by Fiscal Year	11
Graph 4: Total Budgeted Cost/Student by Fiscal Year	11
Graph 5: Total Actual Cost/Student by Fiscal Year*	12
Graph 6: Total Budgeted Cost/School by Fiscal Year	12
Graph 7: Total Actual Cost/School by Fiscal Year^	13
State Charter Schools Foundation Overview	14
Chart 3: State Charter Schools Foundation Budget	16
Graph 8: SCSF Budgeted Expenditures by Class.....	16
Appendix A	17

Overview

The State Charter Schools Commission of Georgia (SCSC) is Georgia's state-level, independent charter school authorizing board. The SCSC was established via constitutional referendum in 2012 after the passage of House Bill 797.

To achieve our vision, mission, and carry out our statutory charges, the SCSC conducts all business according to high standards of transparency, accessibility, objectivity, and innovation.

VISION

Innovative and superior charter schools advancing education in every community.

MISSION

The mission of the SCSC is to improve public education throughout the state by authorizing high-quality charter schools that provide students with better educational opportunities than they would otherwise receive in traditional district schools.

The SCSC is funded through an administrative withhold of state charter school state education funds, including Quality Basic Education (QBE) formula funds, state charter schools supplement formula funds, and state categorical grants. Statutorily, the SCSC is authorized to withhold up to 3% of state charter school earnings to fund agency operations. Since its inception, the SCSC has voluntarily reduced the withhold amount to 2% or less. Any unused agency funds have been returned to schools at the close of the fiscal year via a “giveback grant.”

However, in light of the COVID-19 pandemic and its impact on state revenue, the state implemented austerity reductions to state education formula funds in the FY21 and FY22 school years. To partially offset the loss of state funding, the SCSC further reduced its withhold for FY 21 – 1.48% for established schools and 0% for schools in their first year and again in FY 22 - 1.73% withhold for established schools with a 0% withhold for schools in their first year of operation. This action allowed schools to offer additional instructional programs and supports to their students, including those expenses related to pandemic response, distance learning, and specific interventions to address learning loss.

The SCSC staff requests approval from SCSC commissioners for the proposed fiscal year (FY) 2023 budget. Budget revenue is projected utilizing a 1.73% withhold for established schools and a 0% withhold for schools in their first year of operation.

To facilitate this reduced withhold, the SCSC budget presents conservative estimates of operational costs. All projected expenditures reflect the actual historical and anticipated expenses of the agency. Budgeted funds are allocated for the programs and services that most effectively support state charter schools and fulfill the SCSC mission.

The SCSC Budget Adoption and Budget Amendment are governed by the SCSC Internal Policy Manual. A copy of the Budget Policy is attached as Appendix A.

Personnel Services

Representing 43% of the proposed FY23 budget, just over \$2.5 million is allocated to Personnel Services. This amount represents an increase of approximately \$150,000 from the amount budgeted for FY22, which was nearly \$2.4 million. This difference reflects the addition of 1 new position, an additional SCSC intern, and an SCSF fellow.

Personnel Services include salaries and benefits for full-time SCSC staff, payment for part-time interns, commissioner per diem as applicable, and all other human resource-related expenses.

Contracts

Approximately 39%, or just over \$2.3 million, of the proposed FY23 budget is dedicated to Contracts, which represents an approximately \$500,000 increase from FY22.

The Contracts section of the budget includes contracts for all agency projects, research, training resources, and services offered to schools and related per diem and fees. Each year, the SCSC critically analyzes the supports and services provided to our schools to ensure the support is delivering increased academic, financial, and operational performance. Through diligent negotiation and cost savings in other areas, the SCSC can continue offering robust opportunities for trainings and supports to an increased number of state charter schools. A sample of services offered to SCSC schools in FY22 are listed as follows:

- Leadership Advisor Program – Educational leadership experts mentor school leaders to develop and implement an individualized growth plan designed to meet the specific needs of the school. The growth plan will build upon the school leader’s strengths and mitigate weaknesses to cultivate quality leadership practices aimed at increasing student achievement and improving operational efficiency.
- Governance Support – SCSC schools that need additional support in establishing and implementing effective governance practices will receive a Governance Support Specialist who will assist the school’s governing board to identify and implement sound governing practices.
- Implementation Support – Charter school experts will assist newly approved schools in completing the SCSC’s Pre-Opening Checklist and serve as an advisor and resource to the school in its planning year. Additionally, the Implementation Support Program will assist newly approved schools with obtaining a facility and guide schools through the facility approval process. The SCSC began offering facilities support in FY20 and found it to be extremely helpful for schools in the pre-opening process.

- Financial Management Training – Schools have the option to receive financial management training from two high-quality providers (Carl Vinson Institute of Government and the Georgia Charter Schools Association). Subject areas include financial policies, budgeting, and payroll administration.
- Independent Financial Audits – The SCSC will continue to identify high-quality auditors to provide annual financial audits to schools that choose to participate in the approved auditor program.

In addition to school services, the FY23 Contracts amount also includes:

- Money specifically allocated for activities involved in the implementation of the SCSC's Strategic Plan;
- A contract for IT Services in lieu of services previously provided through GTA; and
- Funds to facilitate an authorizer evaluation per the adopted Authorizer Standards.

Fiscal Year 2023 – Budgeted Revenue

Graph 1: Operational SCSC Schools & Students Served

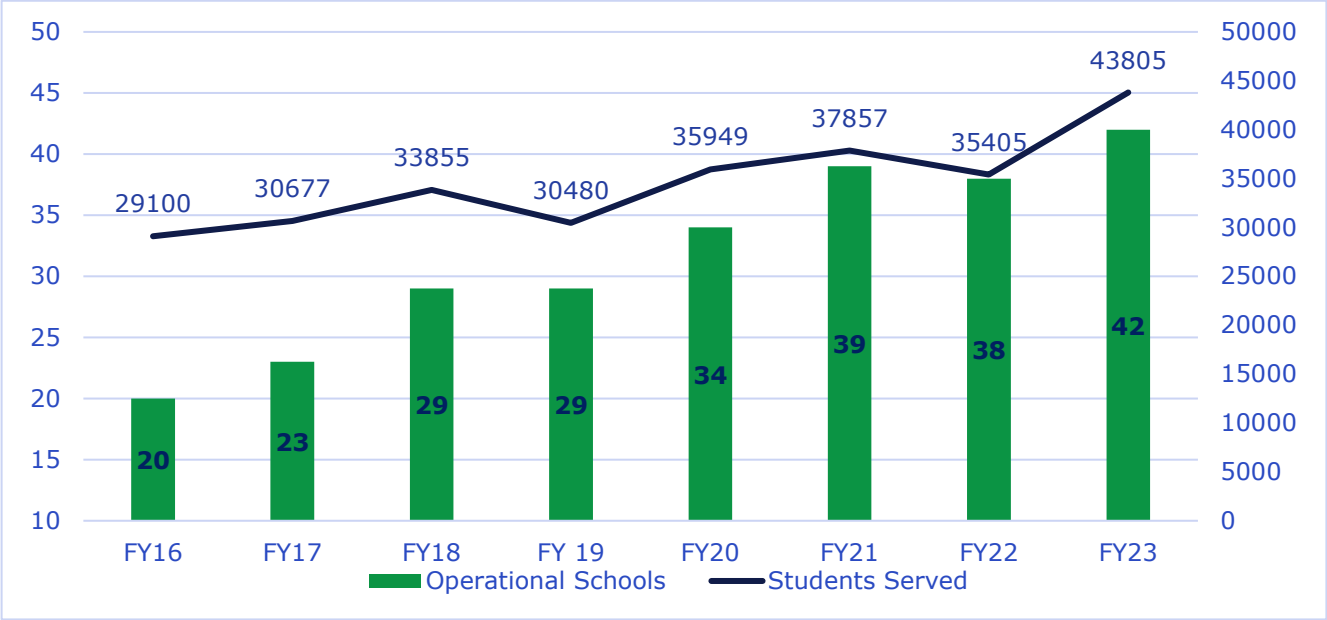


Chart 1: SCSC Revenue for FY23 by Source

School	FY22 Actuals	FY23 Projected	FY22-FY23 \$ Change
Academy for Classical Education	\$ 348,524	\$ 368,381	\$ 19,857
Atlanta Heights Charter School	\$ 139,006	\$ 143,456	\$ 4,450
Atlanta Smart Charter School	\$ -	\$ 44,835	\$ 44,835
Atlanta Unbound	\$ 39,520	\$ 39,457	\$ 63
Baconton Community Charter School	\$ 170,365	\$ 190,892	\$ 20,527
Brookhaven Innovation Academy	\$ 101,667	\$ 107,908	\$ 6,241
Cherokee Charter Academy	\$ 124,383	\$ 131,702	\$ 7,319
Cirrus Academy Charter School	\$ 100,928	\$ 105,113	\$ 4,185
Coweta Charter Academy	\$ 138,764	\$ 141,967	\$ 3,203
Delta STEAM	\$ 49,057	\$ 48,090	\$ 967
DuBois Integrity Academy	\$ 224,143	\$ 235,982	\$ 11,839
Ethos Classical	\$ 65,614	\$ 75,252	\$ 9,638
Fulton Leadership Academy	\$ 56,383	\$ 52,655	\$ 3,728
Furlow Charter School	\$ 108,831	\$ 121,596	\$ 12,765
Genesis Innovation Academy for Boys	\$ 78,569	\$ 80,794	\$ 2,225
Genesis Innovation Academy for Girls	\$ 75,442	\$ 79,343	\$ 3,901
Georgia Connections Academy	\$ 679,121	\$ 721,139	\$ 42,018
Georgia Cyber Academy	\$ 1,592,899	\$ 1,740,808	\$ 147,909
Georgia Fugees Academy	\$ 37,396	\$ 41,766	\$ 4,370
Georgia School of Innovation & the Classics	\$ 160,387	\$ 167,774	\$ 7,387
International Academy of Smyrna	\$ 68,898	\$ 72,941	\$ 4,043
International Charter School of Atlanta	\$ 155,208	\$ 161,725	\$ 6,517
International Charter Academy of Georgia	\$ 38,631	\$ 36,301	\$ 2,330
Ivy Prep Academy at Kirkwood	\$ 94,710	\$ 86,149	\$ 8,561
Liberty Tech Charter School	\$ 80,001	\$ 84,981	\$ 4,980
Northwest Classical Academy	\$ -	\$ 104,090	\$ 104,090
Odyssey School	\$ 65,514	\$ 68,285	\$ 2,771
Pataula Charter Academy	\$ 113,204	\$ 121,377	\$ 8,173
Resurgence Hall	\$ 80,588	\$ 82,959	\$ 2,371
SAIL - School for Arts-Infused Learning	\$ 103,622	\$ 111,611	\$ 7,989
Scintilla Charter Academy	\$ 107,664	\$ 114,932	\$ 7,268
SLAM Academy of Atlanta	\$ 20,132	\$ 18,866	\$ 1,266
Southwest Georgia STEM Charter	\$ 76,573	\$ 80,761	\$ 4,188
Spring Creek Charter Academy	\$ 66,265	\$ 69,934	\$ 3,669
Statesboro STEAM	\$ 31,518	\$ 34,563	\$ 3,045
Utopian Academy for the Arts	\$ 68,507	\$ 71,054	\$ 2,547
Yi Hwang Academy of Language Excellence	\$ 40,724	\$ 41,092	\$ 368
Total	\$ 5,502,758	\$ 6,000,531	\$ 497,773

Fiscal Year 2023 – Budgeted Expenses

Graph 2: Budgeted Expenditures by Class

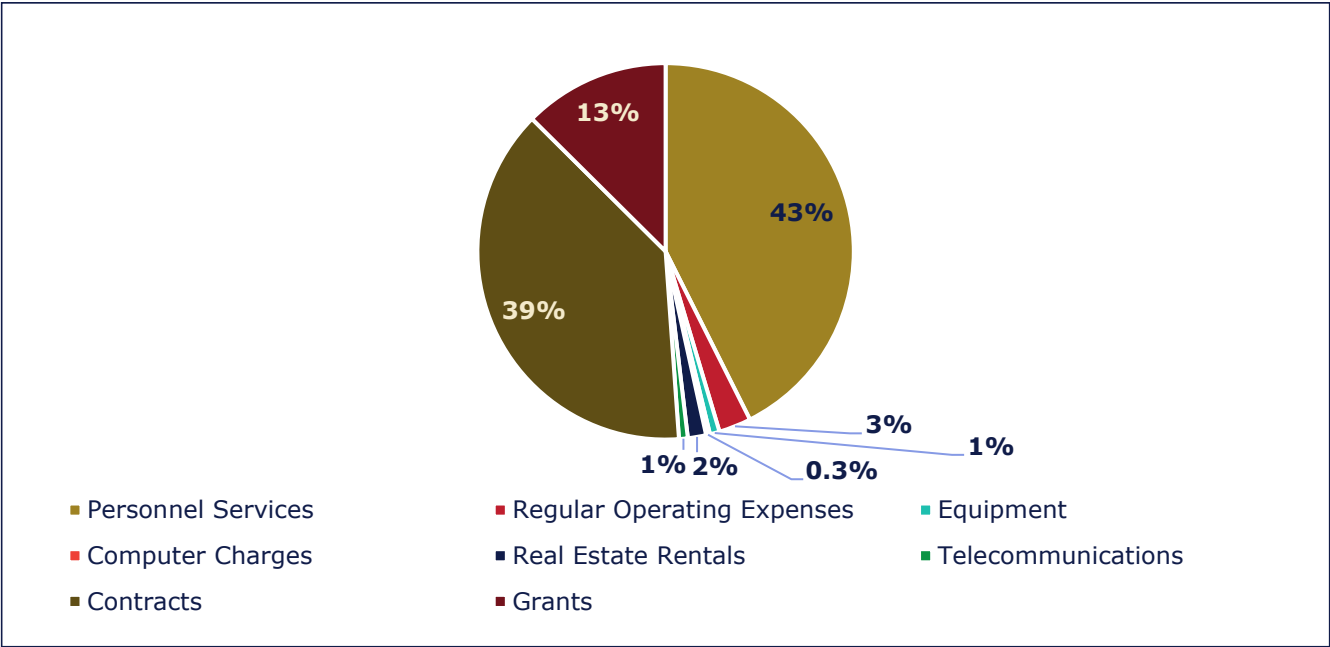
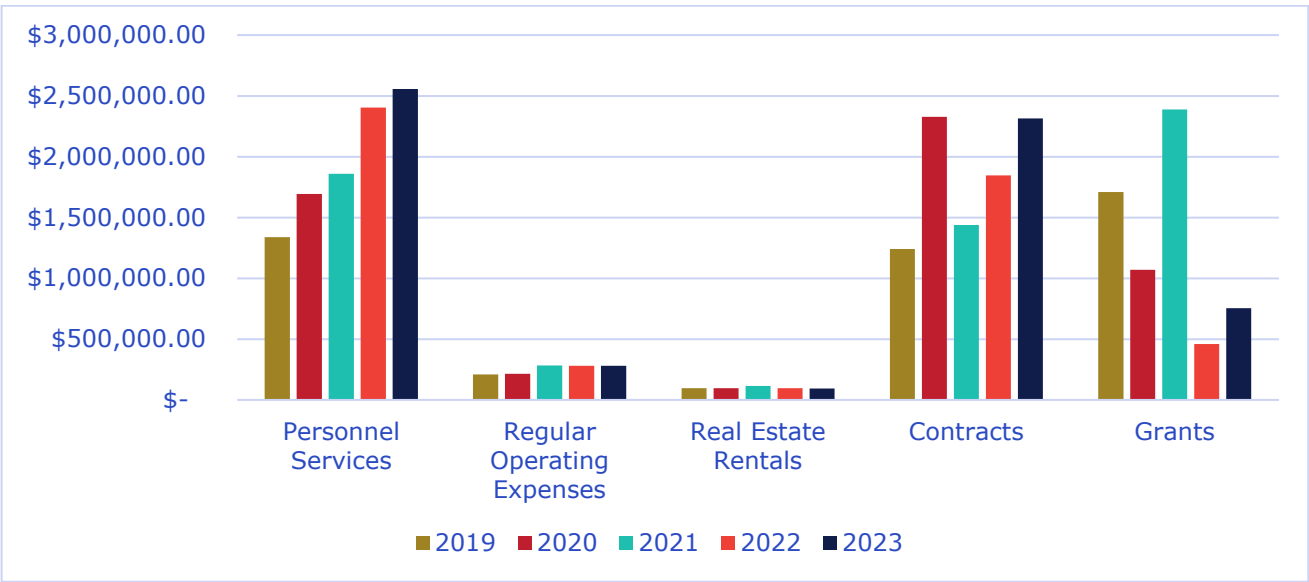


Chart 2: Budgeted Expenditures

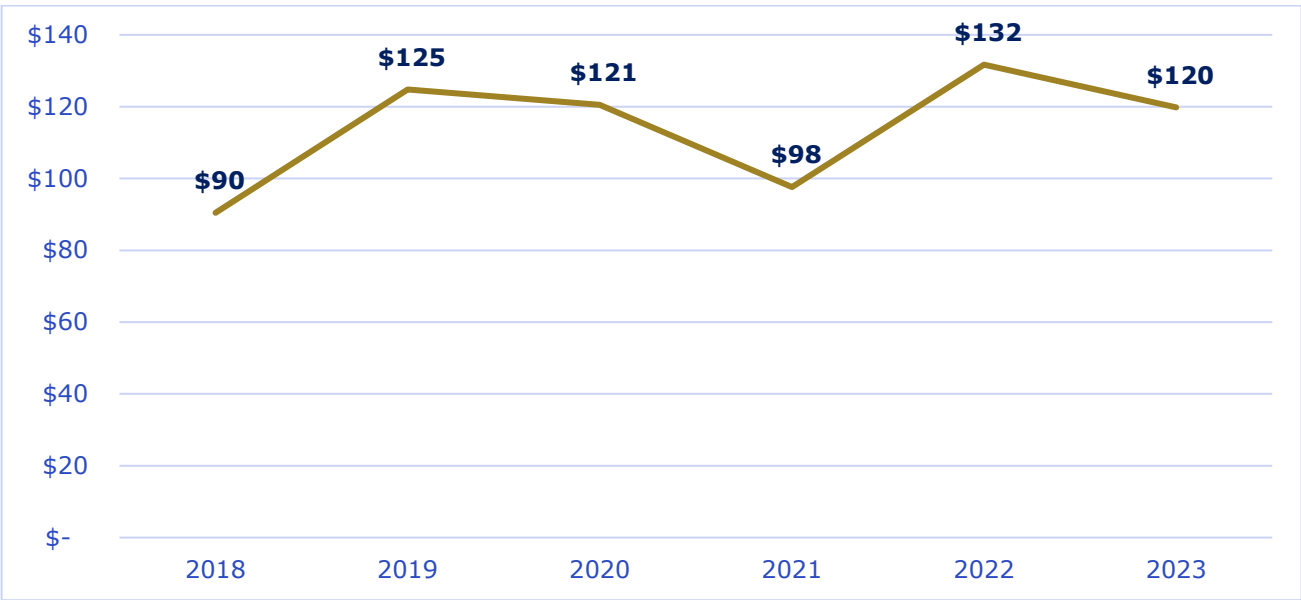
<u>Expenditure Area</u>	<u>FY23 Budget</u>	<u>FY22 Budget</u>	<u>% Change</u>	<u>Change (\$)</u>
Personnel Services				
Regular Salaries	\$ 1,489,959.45	\$ 1,417,500.00	5%	\$ 72,459.45
Annual Leave Pay	\$ 29,799.19	\$ 28,350.00	5%	\$ 1,449.19
Other Supplemental Pay	\$ 14,000.00	\$ 14,000.00	0%	\$ -
Temporary/Casual Labor	\$ 102,492.00	\$ 69,888.00	47%	\$ 32,604.00
FICA	\$ 104,297.16	\$ 99,225.00	5%	\$ 5,072.16
Retirement	\$ 357,590.27	\$ 340,200.00	5%	\$ 17,390.27
Health Insurance	\$ 446,987.84	\$ 425,250.00	5%	\$ 21,737.83
Unemployment Insurance	\$ 1,489.96	\$ 1,417.50	5%	\$ 72.46
Worker's Compensation	\$ 8,194.78	\$ 7,796.25	5%	\$ 398.53
Assessments Merit System	\$ 1,500.00	\$ 1,500.00	0%	\$ -
Total Personnel Services	\$ 2,556,310.64	\$ 2,405,126.75	6%	\$ 151,183.89
Agency Operations				
Printing & Publications	\$ 1,500.00	\$ 2,850.00	-47%	\$ (1,350.00)
Supplies & Materials	\$ 4,000.00	\$ 12,000.00	-67%	\$ (8,000.00)
Repairs & Maintenance	\$ 3,000.00	\$ 3,000.00	0%	\$ -
Insurance & Bonding	\$ 5,000.00	\$ 3,100.00	61%	\$ 1,900.00
Other Operating Expenses	\$ 98,805.00	\$ 85,291.50	16%	\$ 13,513.50
Travel	\$ 54,291.30	\$ 46,416.30	17%	\$ 7,875.00
Software Not Capitalized	\$ 15,000.00	\$ 7,500.00	100%	\$ 7,500.00
Infra/Telecom - GTA	\$ 36,101.15	\$ 126,760.50	-72%	\$ (90,659.35)
Voice/Data – non GTA	\$ 9,250.00	\$ 8,700.00	6%	\$ 550.00
Equipment Under Cap Thr.	\$ 5,000.00	\$ 5,000.00	0%	\$ -
Equipment	\$ 50,000.00	\$ 15,000.00	233%	\$ 35,000.00
Total Agency Operations	\$ 281,947.45	\$ 315,618.30	-11%	\$ (33,670.85)
Real Estate Rentals				
Real Estate Rentals	\$ 94,000.00	\$ 95,300.00	-1%	\$ (1,300.00)
Total Real Estate Rentals	\$ 94,000.00	\$ 95,300.00	-1%	\$ (1,300.00)
Contracts				
Per Diem & Fees	\$ 5,000.00	\$ 5,000.00	0%	\$ -
Per Diem & Fees - Expenses	\$ 65,756.00	\$ 58,256.00	13%	\$ 7,500.00
Contracts	\$ 2,115,177.10	\$ 1,606,254.10	32%	\$ 508,923.00
Contracts - State Orgs	\$ 128,492.50	\$ 177,417.50	-28%	\$ (48,925.00)
Total Contracts	\$ 2,314,425.60	\$ 1,846,927.60	25%	\$ 467,498.00
Grants				
Grants	\$ 753,847.31	\$ 460,108.35	64%	\$ 293,738.96
Total Grants	\$ 753,847.31	\$ 460,108.35	64%	\$ 293,738.96
Total Expenditures	\$ 6,000,531	\$ 5,123,08	17%	\$ 877,450

Historical Trends

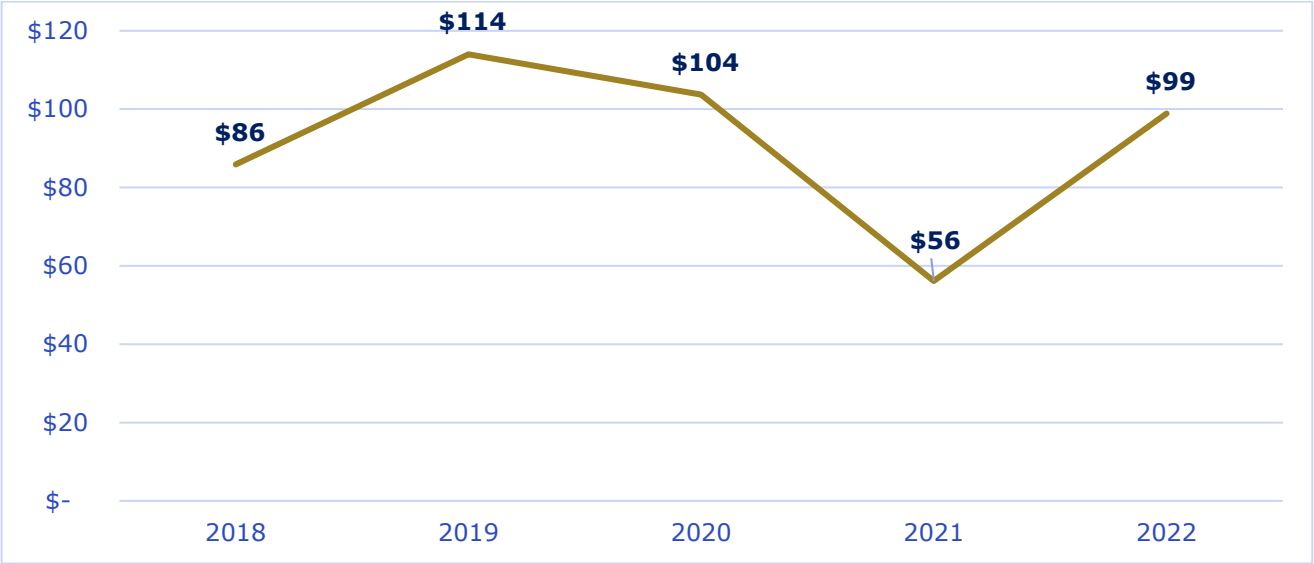
Graph 3: SCSC Expenditure Comparison by Fiscal Year



Graph 4: Total Budgeted Cost/Student by Fiscal Year

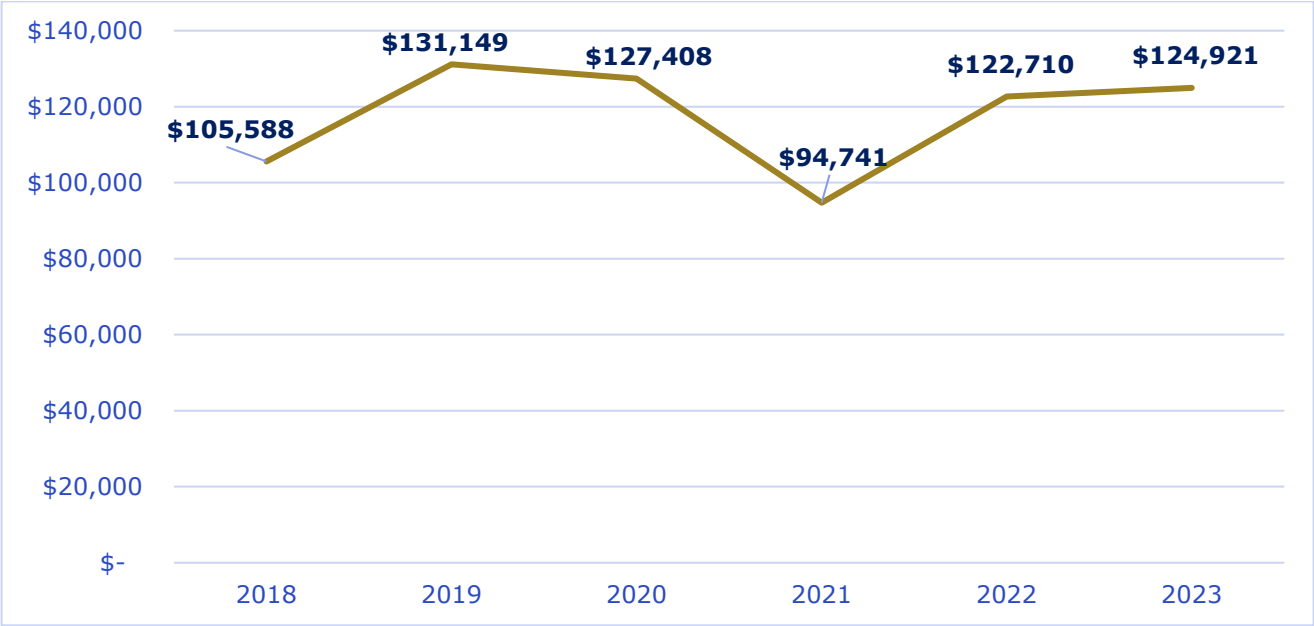


Graph 5: Total Actual Cost/Student by Fiscal Year*

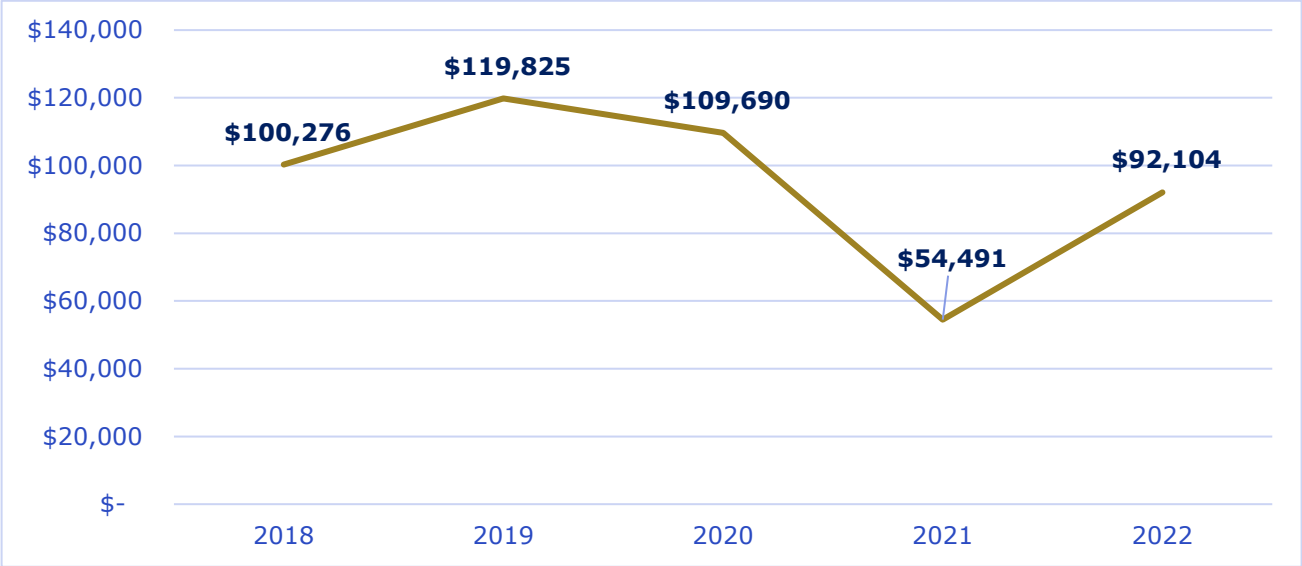


*Actual costs for FY22 utilize July – May actuals and June projections

Graph 6: Total Budgeted Cost/School by Fiscal Year



Graph 7: Total Actual Cost/School by Fiscal Year^



^Actual costs for FY22 utilize July – May actuals and June projections

State Charter Schools Foundation Overview

“The mission of the SCSF is to support high-quality state charter schools serving children throughout Georgia by leveraging resources to help schools launch, build capacity, and grow.”

The State Charter Schools Foundation of Georgia (SCSF) is the charitable arm of the SCSC, created to provide direct assistance to schools and support the mission of the SCSC. The SCSF is an independent, tax-exempt nonprofit organization staffed by a full-time President and part-time Intern. The internship will become a graduate fellowship in FY2023 to reflect the growing needs of the SCSF. During FY2022, two graduate Social Work (MSW) interns from the University of Georgia joined the SCSF to focus on wellness initiatives for state charter schools, and a new MSW intern is expected in Fall 2022. The SCSC provides financial and operational support to the SCSF, allowing the SCSF to dedicate 100% of donations and grants received to program activities and grants to schools.

Over FY2022, the SCSF offered its signature programs to provide enrichment and recognition opportunities for state charter schools. In the fall, the SCSF raised funds and provided 256 dozen donuts to schools across the state as a part of the Donuts for Teachers program. This spring, the SCSF displayed artwork from 220 state charter school students in the juried Art of Connection Exhibition of Student Art. The Book Wagon provided nearly 800 books to elementary state charter school students for summer reading, promoting literacy and a love of reading. Finally, the SCSF honored 28 outstanding educators nominated by families, colleagues, and students through the Shining Star Teachers program. This year marked the beginning of the SCSF’s innovative program to grant book vending machines to elementary schools to support literacy by 3rd grade. Book vending machines with books and tokens were provided to one urban and one rural school in Spring 2022.

Charter schools were given access to several product donation opportunities this year. Twenty-seven schools participated in a donation “shopping” event, where they were able to select school and office supplies, personal protective equipment, and Publix gift cards. The SCSF coordinated the donation of more than 17,000 classic books provided by Amazon. In addition, at least 15 schools received bulk donations of disinfecting wipes. In all, charter schools received over \$430,000 worth of product donations in FY2022 through the SCSF. State charter schools now

also have free, ongoing access to an employee discount program available to all faculty and staff through an SCSF partnership with Working Advantage, a benefit provided by most other public school districts in Greater Atlanta.

The SCSF provided technical assistance, learning, and convening opportunities for state charter schools. The Wellness Ambassadors community of practice was created to provide a forum for learning and collaboration among school counselors and leaders. Webinars were offered on marketing for enrollment, fundraising, governance, and federal grant management. The SCSF president led sessions at SCSC governance training events focused on utilizing federal COVID-19 relief funds to support student achievement and wellbeing and fundraising basics for governing boards. The SCSF also participated in the SCSC's new school orientation, offering strategies for operations and leadership structures. The SCSF continued to support schools through the COVID-19 pandemic with donations, resources, and webinars, including the facilitation of vaccination events and testing programs.

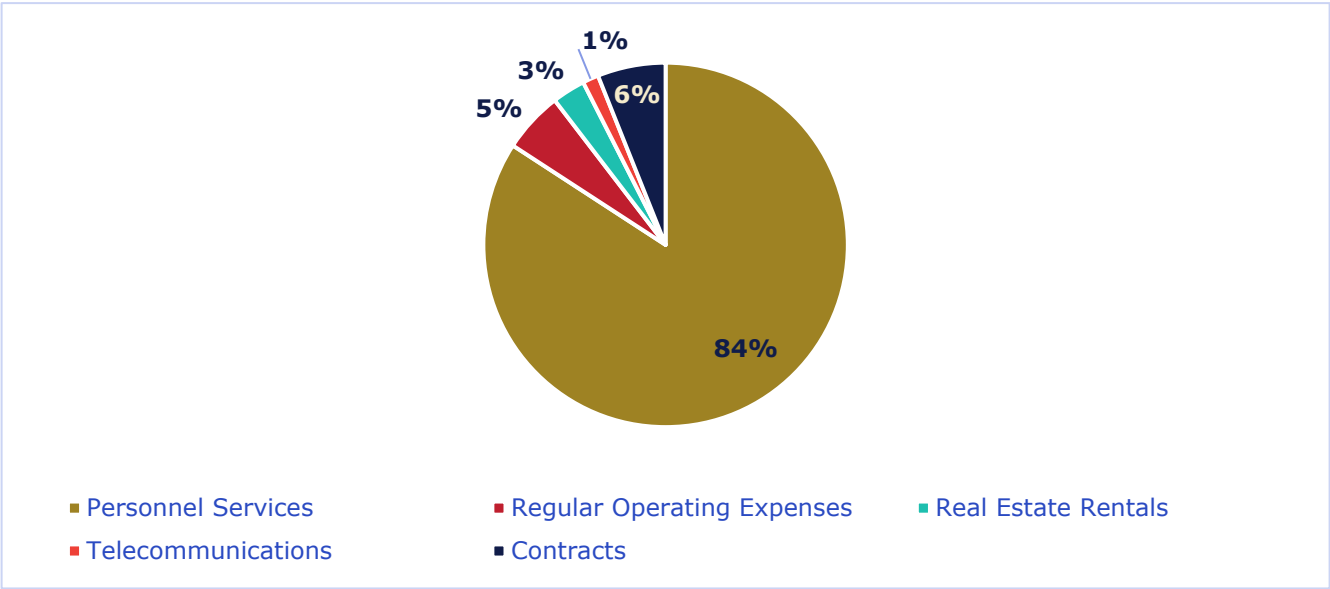
The SCSF ends FY2022 with the launch of the Georgia Strategic Charter School Growth Initiative, made possible by a \$4.1 million grant from the Governor's Office through the GEER II fund. Program activities have commenced, and the SCSF will coordinate the effort to support the replication, expansion, and creation of 10 new charter schools in Georgia and expand awareness of charter school opportunities for communities and families.

In FY2023, the SCSF will focus on the successful implementation of the Charter Growth Initiative, including the addition of a Program Coordinator; development and funding for the Schools of Wellness program, including on-site mental health services and access to wellness resources for faculty, staff, and students; expansion of the book vending machine and Book Wagon programs and establishment of the Literacy Council; and the continuation of established programs, initiatives, and services. The board and staff of the SCSF express their sincere appreciation for the ongoing and unwavering support of the State Charter Schools Commission commissioners and staff.

Chart 3: State Charter Schools Foundation Budget

Class	FY23 Budget	FY22 Budget	Change (\$)
Personnel Services	\$ 224,100.60	\$ 190,570.60	\$ 33,530.00
Regular Operating Expenses	\$ 14,400.00	\$ 14,968.03	\$ (568.03)
Computer Charges	\$ -	\$ 1,000.00	\$ (1,000.00)
Real Estate Rentals	\$ 7,833.33	\$ 7,941.67	\$ (108.33)
Telecom Expenses	\$ 3,779.26	\$ 11,288.38	\$ (7,509.11)
Contracts	\$ 16,100.00	\$ 16,100.00	\$ -
Total Expenditures	\$ 266,213.20	\$ 240,868.67	\$ 25,344.52

Graph 8: SCSF Budgeted Expenditures by Class



Appendix A

Annual Budget: Policy 2.1

Article I Purpose

The SCSC is committed to adopting and implementing an annual budget that allows the agency to fulfill its statutory duties while maximizing efficiency.

Article II Policy

1. Administrative Withhold. As provided by OCGA § 20-2-2089(b), the SCSC is authorized to direct the Georgia Department of Education to withhold up to 3% of state earnings for state charter schools for the current fiscal year to allow the agency to perform its duties required by law. To maximize resources for state charter schools, the SCSC will utilize the smallest percentage of administrative withhold that allow the SCSC to effectively meet its statutory obligations. Except as provided by the Emergency School Operations Fund Policy, if the SCSC does not utilize the entire amount of funding withheld during the fiscal year, the Executive Director shall request that the SCSC direct the Georgia Department of Education to return any funding remaining in the SCSC administrative budget to state charter schools on the same pro rata basis as its collection upon satisfaction of the SCSC's expenses for the fiscal year.

2. Preparation of the Annual Budget. Prior to the conclusion of the current fiscal year, the Executive Director shall utilize the initial QBE allotment sheets for each state charter school to estimate the funding available for SCSC operations. Thereafter, the Executive Director shall prepare an annual budget for the upcoming fiscal year that details proposed expenses at class and account levels that will guide the agency in fulfilling its mission, strategic plan, and statutory charge. In preparing the annual budget, the Executive Director may propose to utilize an administrative withhold that is less than the permitted 3%. The Executive Director, or his or her designee, shall present the draft budget to the SCSC for its approval prior to the start of the upcoming fiscal year. The budget presentation must expressly state that the budget is presented consistent with the terms of this Policy.

3. SCSC Approval. The SCSC shall approve the SCSC annual budget by majority vote prior to the start of the upcoming fiscal year. In the event the SCSC does not approve the budget prior to the start of the fiscal year, the Executive Director shall make only those expenditures and contractual arrangements that are necessary to continue the operations of the SCSC without interruption.

4. Budget Amendments. The Executive Director may redirect funding for budgeted items at the account level; provided however that such changes shall not exceed the budgeted class level amount by more than 10% each year without prior written approval from the SCSC Chair. In the discretion of the SCSC Chair, he or she may solely approve budget amendments that exceed 10% of the budgeted class amount or he or she may require a vote by the SCSC to approve the amendment request. The language of this subsection shall be included in the Executive Director's presentation of the draft budget to the SCSC.

5. Compliance with Law. The SCSC shall administer its budget in accordance with all applicable federal and state laws, rules, and regulations, including, but not limited to, budget directives issued by the Governor's Office of Planning and Budget.