



TO: Business Operations Committee, Tennessee Public Charter School Commission

FROM: Lawrence Walker, Director of Finance and Operations, Tennessee Public Charter School Commission

DATE: October 7, 2025

SUBJECT: Charter Commission Budget Updates

FY26 Budget-to-Actuals Update

- We have updated the FY26 budget-to-actuals to reflect our current spending and drawdown, including expenditures from July 1 until August 31.
- We will receive the first true up for both average daily membership (ADM) and budgeted revenue in October. This true up will result in adjustments for both our state and local passthrough funds and authorizer fee projections.
- Currently our K-12 enrollment is approximately 3% over our budgeted enrollment (as compared to the FY26 amended budget). We will provide the committee with an update in January on any implications and material changes expected in our authorizer fee revenue. It will be dependent on budgeted revenue from the geographic districts and ongoing enrollment trends.
- The state recently released Pay for Performance awards in September. Applicable bonus amounts are reflected as a portion of our current salaries.

FY26 Grants Status

- We will administer at least \$8M in grants this school year. This has increased from last year due to the growing school portfolio, and additional schools eligible for various federal funds.
- Following the freeze on federal funding earlier this fiscal year, most of our grant funds have been released and activities are fully underway, including State Special Education, Turn Around Action Grant, Access for All Learning Network, and Voluntary Pre-K.
- Consolidated Funding Grants (this includes all Title Programs and IDEA funding) are being drawn down using their initial approved amounts. Commission staff will reallocate and submit revised budgets based on data true up, carryover, and expiring funds to be announced in October. We will update the committee in January on material changes and implications.

FY27 Budget Request

- TPCSC requested an additional \$22,046,500 in budget authority as part of our FY27 budget request to Finance and Administration. The request allows us to recognize additional



revenue and operational expenditures related to our growing enrollment. We expect to authorize at least 25 schools, serving 9,600+ students (pending the completion of appeals).

- We did not request any additional positions at this time. As Commission duties continue to expand, we will assess how best to use the positions previously granted by the General Assembly.