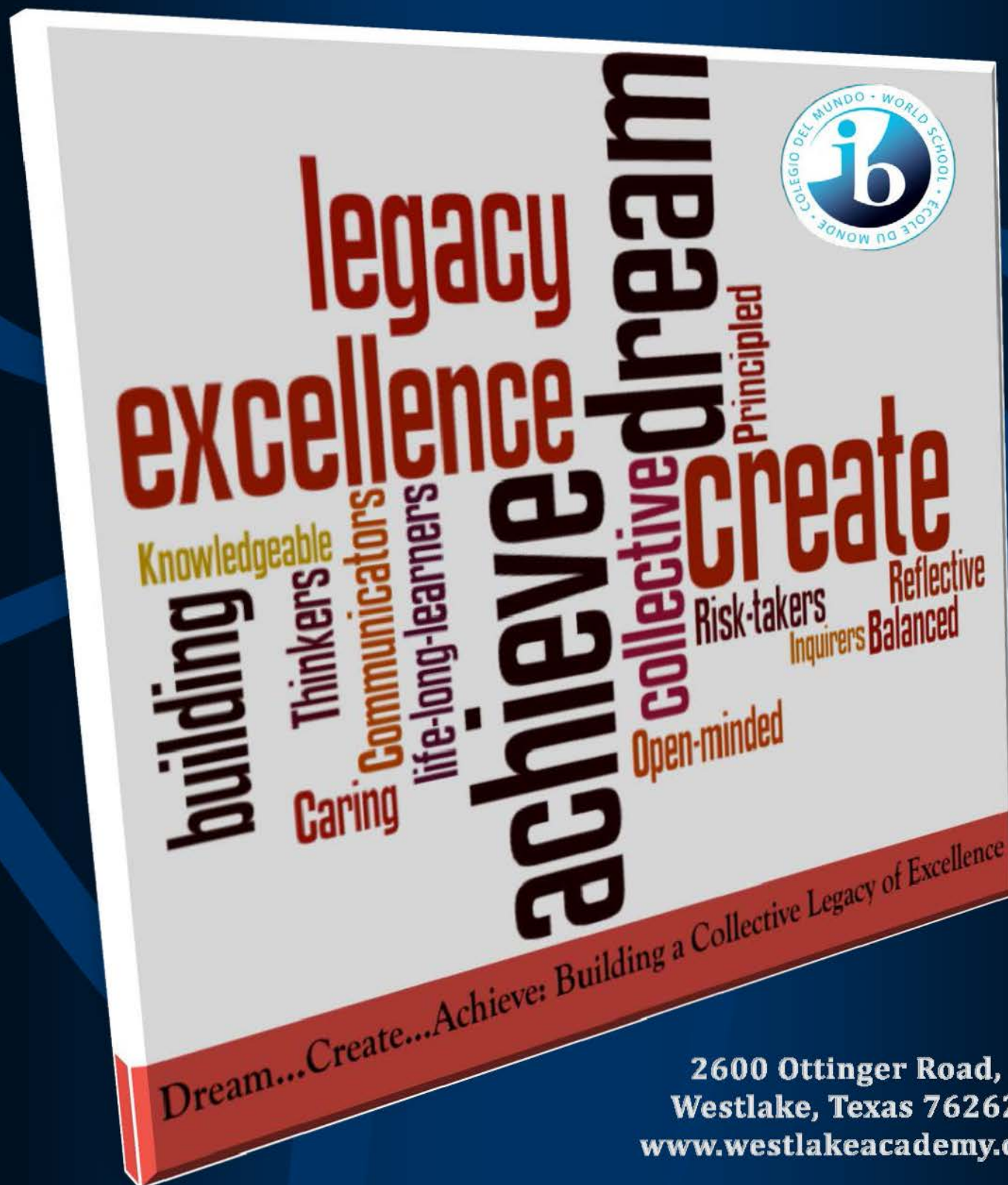


Westlake Academy

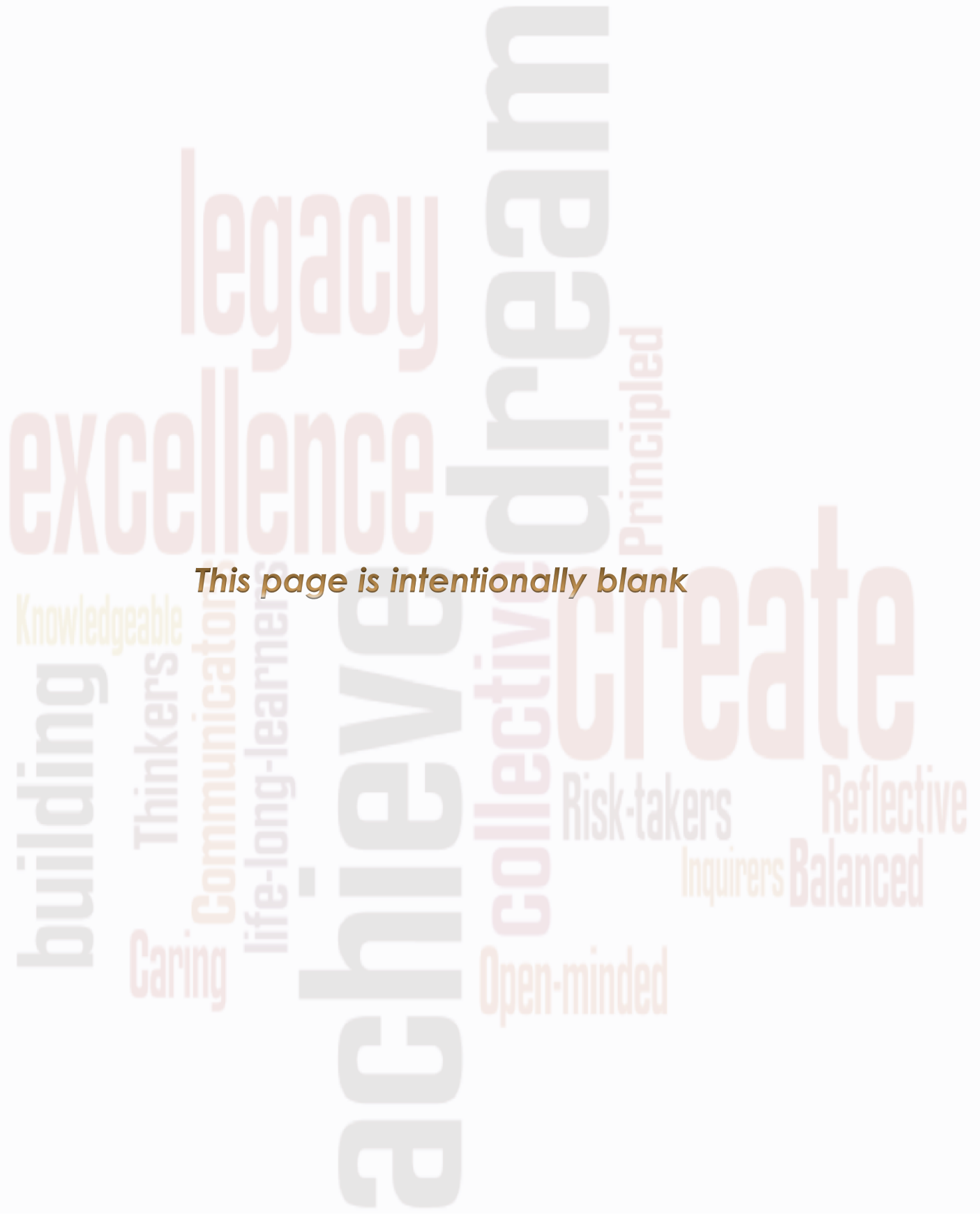
International Baccalaureate Charter School

ANNUAL OPERATING BUDGET



FY 2015 - 2016

2600 Ottinger Road,
Westlake, Texas 76262
www.westlakeacademy.org



This page is intentionally blank

TABLE OF CONTENTS

INTRODUCTORY SECTION

Executive Summary.....	1
Community Profile.....	3
The History of Westlake Academy.....	5
Budget Document Structure.....	7
Board Members and Administration.....	8
Westlake Academy Mission, Vision, and Values.....	9
Budget Framework.....	10
Summary of Major Budget Components.....	12
Debt Service and Capital Expenditures.....	13
Financial Summary.....	14
Individual Fund Summary.....	16
Service Level Adjustments.....	17
Budget Trends.....	18
Personnel Trends.....	21
Programs and Facilities.....	21
Student Enrollment Trends and Benchmark Data.....	22
Parent Survey Results.....	27
Financial Awards.....	28

ORGANIZATIONAL SECTION

Board Members and Administration.....	31
Westlake Academy Mission, Vision & Values.....	32
Achieving our Vision and Mission.....	33
Westlake Academy's Desired Outcomes.....	35
Westlake Academy Organizational Structure.....	36
Academy Leadership.....	38
Financial Structure.....	39
The Budget Process.....	51
Fiscal and Budgetary Policies.....	52
Fund Balance Policies.....	61
Investment Policy.....	62

FINANCIAL SECTION

Major Revenue Sources and Expenditures.....	69
Debt Service and Capital Expenditures.....	70
Service Level Adjustments.....	71
Financial Forecast.....	72

TABLE OF CONTENTS

FINANCIAL SECTION *(continued)*

ALL GOVERNMENTAL FUNDS

Combined Statement of Revenues, Expenditures and Changes in Fund Balance	74
Total Revenues & Expenditures	75

GENERAL FUND

Combined Statement of Revenues, Expenditures and Changes in Fund Balance	77
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	79
Schedule of Expenditures by Function and Object Code	80
Revenue and Expenditure Comparison	83

GENERAL FUND 199

Statement of Revenues, Expenditures and Changes in Fund Balance	84
---	----

ATHLETIC ACTIVITIES FUND 198

Statement of Revenues, Expenditures and Changes in Fund Balance	85
---	----

TRANSPORTATION/PARKING FUND 197

Statement of Revenues, Expenditures and Changes in Fund Balance	86
---	----

ALL SPECIAL REVENUE FUNDS

Combined Statement of Revenues, Expenditures and Changes in Fund Balance	87
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	88
Schedule of Expenditures	89

INFORMATIONAL SECTION

Academic Programs	93
Student Enrollment	99
Personnel and Staffing	101
Performance and Benchmark Data	103
2014/15 Academic Achievements	107
2014/15 Athletic Achievements	108
Parent Survey Results	109
2015/16 Academic Calendar	110
Glossary	111
Resolution	117



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

This Meritorious Budget Award is presented to

WESTLAKE ACADEMY

INTERNATIONAL BACCALAUREATE WORLD SCHOOL

For excellence in the preparation and issuance
of its school entity's budget
for the Fiscal Year 2014-2015.

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



Terrie S. Simmons, RSBA, CSBO
President

John D. Musso, CAE, RSBA
Executive Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Westlake Academy
Texas**

For the Fiscal Year Beginning

September 1, 2014

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) has presented a Distinguished Budget Presentation Award to the Westlake Academy for its annual budget for the fiscal year beginning October 1, 2014.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

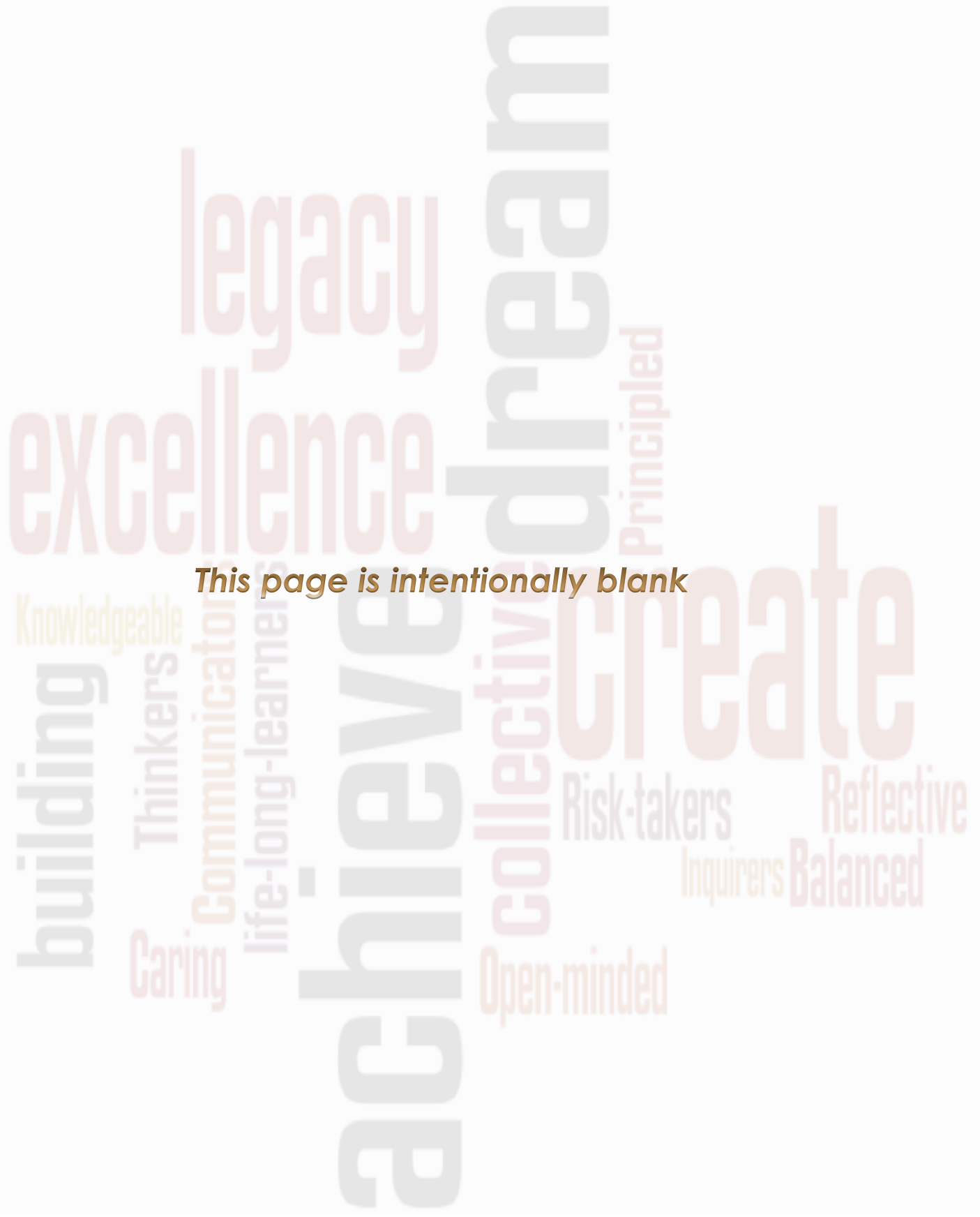
This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

INTRODUCTORY SECTION



Dream... Create... Achieve

BUILDING A COLLECTIVE LEGACY OF EXCELLENCE



This page is intentionally blank

EXECUTIVE SUMMARY

As Superintendent of Westlake Academy, and in tandem with the administrative teams for both municipal and academic services, I am submitting for your consideration the Budget for FY 2015/16. Westlake Academy has faced a number of challenges over the last several years, including decreased state funding, increased rigor in state assessments, recruitment and retention of legacy teachers, facility expansion, and unprecedented growth. The students, staff, and faculty have shown an enormous amount of resiliency and determination to continually hold to our vision and rise to any challenge we have faced. It is with this in mind that we present this year's budget theme, **"Dream...Create...Achieve: Building a Collective Legacy of Excellence."**

This budget encompasses all teaching and extra-curricular operating expenditures as well as State public school funding and private donations used to support the daily school operations of Westlake Academy. The FY 2015/16 General Fund budget totals \$7,851,666, representing a 4% increase from the prior year primarily due to growth in staffing and instructional supplies and materials. Increases in FY 15/16 salary related expenditures include the direct and indirect costs associated with the addition of 4.10 full-time equivalent positions, increases in unemployment insurance and other employer contributions, and a realignment of the salary scale that will enhance our teacher recruiting and retention efforts.

Even with the proposed 4% rise in expenditures, this year's budget increases fund balance by \$89,960 for an ending balance of \$1,106,911 which includes assigned funds to Technology and Uniform/Equipment Replacement. The daily operation of the Academy is made possible through our partnerships with the Town, Westlake Academy Foundation, and our affiliate groups. With their assistance, the Academy will be able to balance the budget beyond the five-year forecast.

As mentioned above, one of the challenges we have recently faced is a reduction in state allocated funding for student education. We are pleased to report that we anticipate state public education funding will increase slightly over the levels of 2014/15, by approximately \$60 per student.

GENERAL FUND BUDGET SUMMARY

GENERAL FUND	Estimated FY 2014/15	Adopted FY 2015/16	\$ Increase (Decrease)	% Increase (Decrease)
Revenues	\$ 7,699,024	\$ 7,941,626	\$ 242,602	3%
Expenditures	(7,570,239)	(7,851,666)	(281,427)	4%
Other Resources	45,000	45,000	-	0%
Other Uses	(45,000)	(45,000)	-	0%
EXCESS REVENUES OVER(UNDER) EXPENDITURES	128,785	89,960	(38,825)	-30%
FUND BALANCE BEGINNING	1,024,517	1,153,302	128,785	13%
FUND BALANCE ENDING	1,153,301	1,243,262	89,960	8%
Assigned	(136,350)	(136,350)	-	0%
FUND BALANCE ENDING (Unassigned)	\$ 1,016,952	\$ 1,106,912	\$ 89,960	9%
# Days Operating (Based on 365)	49	51	2	5%
Daily Operating Expenditure	\$20,740	\$21,511	\$771	4%
TEA Funding per Student	\$7,026	\$7,085	\$59	1%
Operating Cost per Student	\$9,323	\$9,437	\$114	1%
Employee Staffing	91.80	95.56	3.76	4%
Student Teacher Ratio	14.65	14.26	(0.05)	-1%

As part of the Academy's unique financial structure the Town of Westlake is responsible for debt service payments associated with Westlake Academy's capital infrastructure. The Town's Debt Service Fund is used to manage debt service payments, and Academy debt is accounted for in the annual municipal budget. In addition, the Academy operates under a shared services model whereby the Town provides HR, Financial, Facilities, and Administrative support services to the Academy. General maintenance and replacement of infrastructure and equipment is also expensed to the Town's budget. The total cost of academic services is summarized below:

Academic & Municipal Costs	Estimated FY 2014/15	Adopted FY 2015/16
WA Operating Expenditures	\$ 8,130,181	\$ 8,288,953
Municipal-Transfer to WA Operating Budget	300,000	300,000
Total Academic Costs	8,430,181	8,588,953
Annual Debt Service Payments	1,859,274	1,858,591
Major Maintenance and Replacement	361,800	227,330
Indirect Operating Costs (Shared Services)	579,537	579,492
Total Municipal Costs	2,800,611	2,665,413
Total Academic and Municipal Costs	\$ 11,230,792	\$ 11,254,366

With the projected addition of 20 students, total enrollment will rise to 832 this school year, putting the Academy at full capacity in accordance with the adopted Facility Master Plan. Enrollment numbers are expected to remain at this level until additional financial resources become available and the Board of Trustees approves Phase II of the Facility Master Plan. Note that there are no major capital projects budgeted or planned through FY 18/19, and that future Academy capital projects discussed in the Town of Westlake's Capital Improvement Plan are currently unfunded, under discussion only.

Over the last year, many hours have been spent to further develop our vision of the future, determining the best opportunities that lay before us to help us accomplish our mission and truly become the "shining school on the hill." While we have many successes to celebrate, we are constantly striving to improve the Academy through multiple avenues, including getting the right people on the bus, making sure that we are consistently taking measure of our course, and making adjustments as we move towards our goal; it is through our talented faculty, staff, students, and their supportive families, that we are able to unfailingly rise to challenges and hold to our vision.

On behalf of our entire learning community, I would like to thank the Board for their leadership, dedication to excellence, and their support in making Westlake Academy and the Town of Westlake a truly shining example of what can be accomplished when people come together with a common purpose: great things can happen!

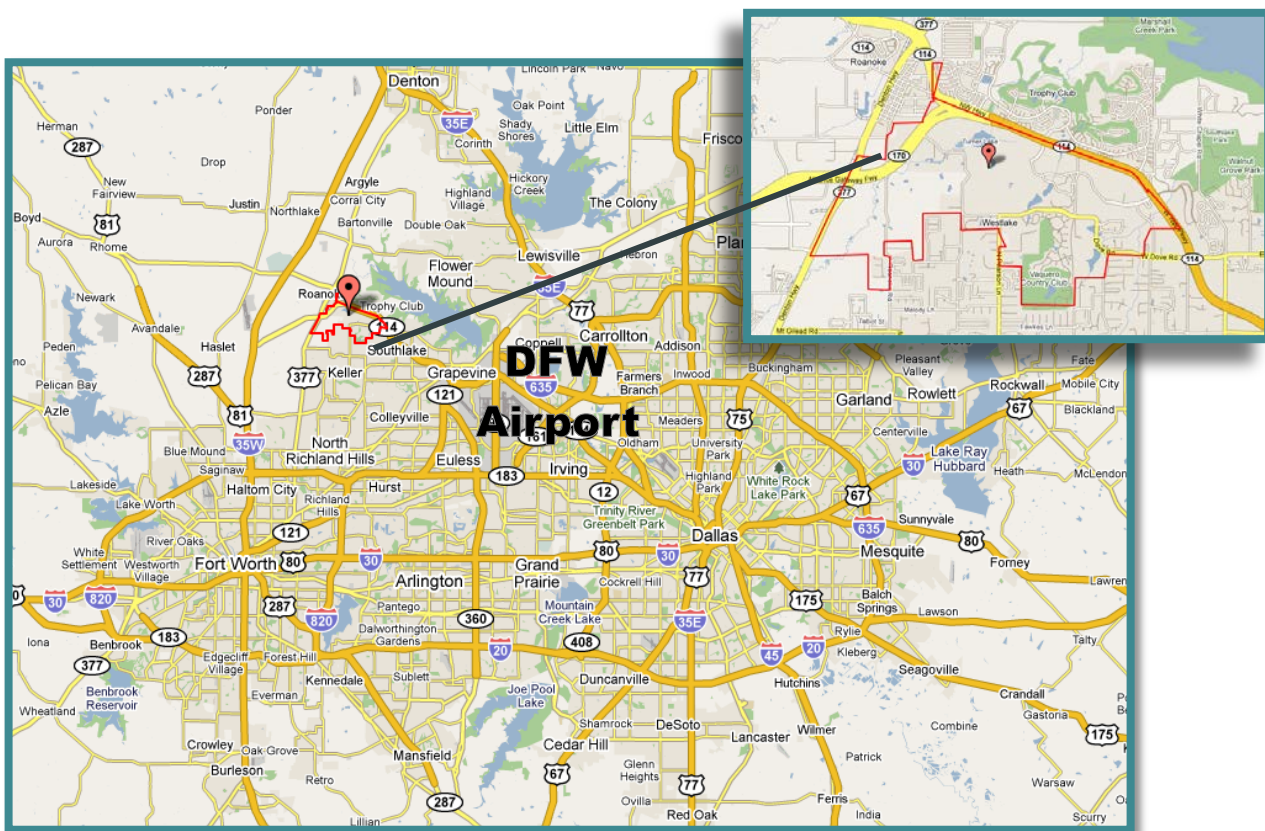
As with all good teams, it becomes necessary to draw attention to performers who go above and beyond to make sure we accomplish our goals. I would like to recognize the hard work of the Academic and Municipal Leadership Teams, and specifically Debbie Piper, Jaymi Ford, and Dr. Mechelle Bryson for their efforts in completing this award winning document. I know with the team we have in place, we will "build a collective legacy of excellence."



Thomas E. Brymer
Town Manager/Superintendent Westlake Academy

COMMUNITY PROFILE

The Town of Westlake is a one-of-a-kind community, an oasis of natural beauty located in the heart of the Dallas-Fort Worth metropolitan area. Distinctive residential developments and architecturally vibrant corporate campuses find harmony amongst our meandering roads, rolling hills, and grazing herds of longhorns and buffalo. Westlake's public trails are a hidden gem, winding through charming neighborhoods, groves of towering old-growth trees and picturesque landscapes that evoke the natural beauty of Texas. The highly regarded, municipally owned Westlake Academy and multiple corporate campuses have positioned Westlake as a leader in education, known for its innovative partnerships between the Academy and firms like Deloitte University. Hospitality finds its home in Westlake – we are family friendly, welcoming, fully involved community, invested in our rich heritage, vibrant present, and exciting, sustainable future.



Westlake is conveniently located between the Dallas/Fort Worth International Airport and Fort Worth Alliance Airport on the south side of State Highway 114, providing quick, easy access to all areas of the Dallas-Fort Worth Metroplex. The unique location of Westlake is ideal for many of its major corporate campuses and residential communities.

The Town of Westlake has experienced exponential growth in the last decade. The national census reported 207 residents in 2000; by 2010 the population had grown to almost 1,000. The latest census figures estimate that Westlake has 1,194 residents.

Westlake Demographics	
Date Incorporated	1956
Population:	1,194 overnight residents; over 10,000 daytime population
Number of Households	344
Average Home Value (Market)	\$1,492,841; 100% of residents living in single-family households
Median Household Income	\$233,750
Median Age	41

Over the last half century Westlake has transformed from an isolated ranching community into a premier location for high-end residential developments and corporate campuses that maintains a tranquil rural charm. In 2015, the average size of a new home was 9,693 square feet with an average estimated construction cost of \$1.679 million. Westlake's focus on high-quality development has led to more than 1.4 million square feet of additional commercial space since 2005, valued at over \$300 million. The Fidelity Investments campus alone employs over 5,000 and serves as a hub for financial services professionals.



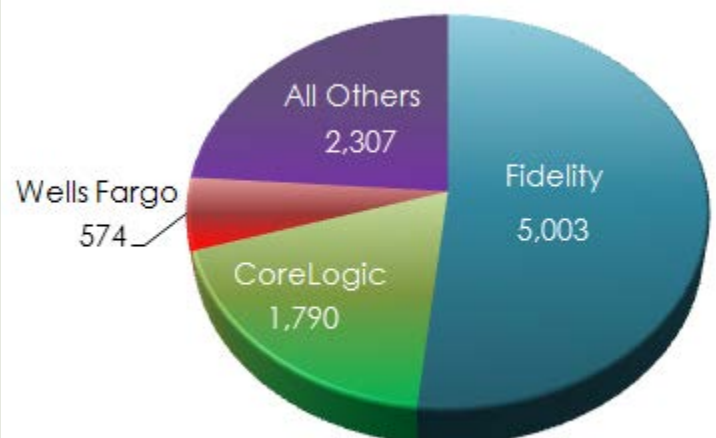
The Solana Office Complex was the first of many corporate headquarters built by IBM in the 1980s.

Since then Westlake has added several additional corporate residents that include the following:

- Fidelity Investments,
- Core Logic
- T.D. Auto
- Levi Strauss, Deloitte
- and many more.



Top Westlake Employers



THE HISTORY OF WESTLAKE ACADEMY

In 2002, the Town of Westlake successfully petitioned the Texas Education Agency (TEA) to establish a municipally operated open-enrollment charter school under Subchapter D, Chapter 12 of the Texas Education Code (TEC). Charter schools are public schools that are operated under a contract called a charter. Contracts are issued by an authorizing agent(s) in each state as determined by the state legislature. In Texas, the Texas Education Agency (TEA) acts as the authorizing body. In September of 2003, the Academy opened its doors for the first time, becoming the only municipally operated charter school in the State of Texas. The Academy is considered the largest operating department of the Town of Westlake and receives both financial and personnel support services from the municipality.

The officials who pioneered the school decided to follow another bold path by aligning Westlake Academy with the globally recognized and acclaimed International Baccalaureate (IB) curriculum. The International Baccalaureate Organization is a non-profit educational foundation based in Geneva, Switzerland that offers four highly respected programmes of international education that develop the intellectual, personal, emotional and social skills needed to live, learn, and work in a rapidly globalizing world. Leading universities and government organizations recognize an IB education as excellent preparation for success in higher education, future careers, and personal life. In fact, colleges actively recruit IB graduates, frequently offering them credit or advanced standing for their IB coursework. Students who earn an IB diploma are equipped with the knowledge, skills, and abilities to compete with students around the world. IB instruction is currently being provided in over 900 schools nationwide and over 2,300 in 128 countries worldwide.



Westlake Academy became an IB World School in 2006 after it was authorized to offer the Primary Years Programme (grades K-5); further accreditation followed in 2007 with the Middle Years Programme (grades 6-10), and 2008 with the Diploma Programme (grades 11-12), making it the first school in Texas and fifth school

in the United States to offer all three IB programmes and a truly world class K-12 education. The Academy graduated its first MYP class in 2008, followed by the first DP graduates in 2010.

The land and buildings that comprise the Westlake Academy campus are owned by the Town of Westlake. The campus is located on 23 acres adjacent to J.T. Ottinger Road, near the intersection of State Highways 114 and 170. The original campus included three stand-alone academic buildings with 29 classrooms, administrative offices, restrooms, a library, a breakout area, a performance hall, dining and kitchen area, locker rooms, and a gym, totaling 52,600 square feet. The Sam and Margaret Lee Arts & Sciences Center opened in August of 2009, adding another 8,400 square feet of building space to the campus. This facility includes one art room, two science labs, five offices, a workroom, conference room, restrooms and a breakout space. Three portable classroom buildings were placed into service in the fall of 2013 to accommodate enrollment growth, followed by an addition three in the fall of 2014. Phase One of the Facility Master Plan was completed in FY 14/15, adding three new buildings and approximately 38,000 square feet, including a classroom building with additional administrative office space, a multi-purpose hall that serves as both a cafeteria and gymnasium, and a field house that includes a classroom, weight room, locker room and showers, and storage space.



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. 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 2015/16 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 proposed 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. The budget document is organized into the following sections:

- **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.
- **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.
- **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.
- **Informational 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.

BOARD MEMBERS AND ADMINISTRATION

The Westlake Academy Board of Trustees consists of five trustees and the Board President. Each member of the Board serves a two year term with two members and the president being elected on alternate years.

Several members of the Westlake Academy Leadership Team operate under a shared service agreement with the Town of Westlake and serve dual roles.

BOARD OF TRUSTEES



**Laura
Wheat**

Board President



**Alesa
Belvedere**



**Michael
Barrett**



**Rick
Rennhack**



**Carol
Langdon**



**Wayne
Stoltenberg**

~~~~~Board of Trustees~~~~~

### WESTLAKE ACADEMY LEADERSHIP TEAM

|                                                                                                                                     |                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| <b>*Thomas E. Brymer</b><br><b>Superintendent of Schools</b>                                                                        | <b>Dr. Mechelle Bryson</b><br><b>Executive Principal</b>                                      |
| <b>*Amanda DeGan</b><br><b>Assistant Town Manager</b>                                                                               | <b>Alan Burt</b><br><b>Assistant Principal and Director of Athletics</b>                      |
| <b>*Debbie Piper</b><br><b>Director of Finance</b>                                                                                  | <b>Stacy Stoyanoff</b><br><b>DP Principal</b>                                                 |
| <b>*Troy Meyer</b><br><b>Director of Facilities</b>                                                                                 | <b>Dr. Andra Barton</b><br><b>Middle Years Principal</b>                                      |
| <b>*Jason Power</b><br><b>Director of Information Technology</b>                                                                    | <b>Terri Watson</b><br><b>MYP Coordinator</b>                                                 |
| <b>*Ginger Awtry</b><br><b>Director of Communications &amp; Community Affairs</b>                                                   | <b>Rod Harding</b><br><b>Primary Years Principal</b>                                          |
| <b>*Todd Wood</b><br><b>Director of Human Resources and Admin Services</b>                                                          | <b>Alison Schneider</b><br><b>PYP Coordinator</b>                                             |
| <b><i>*Asterisk denotes shared services personnel between the academic and municipal service teams of the Town of Westlake.</i></b> | <b>Jennifer Furnish</b><br><b>Student Services Administrator</b>                              |
|                                                                                                                                     | <b>Dr. Shelly Myers</b><br><b>Executive Director of the WAF &amp; Director of Development</b> |
|                                                                                                                                     |                                                                                               |

## WESTLAKE ACADEMY MISSION, VISION & VALUES

Founded in 2003 with a mission 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 is the fifth school of only ten in the United States, and the only public school, to offer the full IB curriculum for grades K-12.

During this year's budget retreat great care and consideration was given to the mission and vision of the Academy and the impact that these have on both the long-term goals of the Academy and its day-to-day operation. The vision and mission statements represent the outcome of this discussion and evidence the Board's continued dedication to academic excellence and personal achievement. The values statements are currently being reviewed by the Board and are listed here for reference only.

### 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*



# BUDGET FRAMEWORK

## GOVERNING AND MANAGING FOR OUTCOMES

The budget document is but one part of a system designed to link together critical governance and management decision making tools. This system is called “**Governing and Managing for Outcomes**” and is designed to integrate:

- Strategic planning
- Five (5) 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

## BALANCED SCORECARD SYSTEM

The Academy is in the process of designing a strategic planning and performance management 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 Balanced Scorecard provides a systematic way to answer the questions:

1. What are we trying to accomplish?
2. Are we doing the right things?
3. If we are doing the right things, are we doing them efficiently and effectively?

## **STRATEGIC PLANNING & MANAGEMENT WITH A BALANCED SCORECARD**





## **BUDGET 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 the reduced State funding from FY 09/10. The development of the Academy budget for fiscal year 15/16 began with the Westlake Board of Trustees meeting that was held in May of 2015. Following is a summary of the main steps taken in preparation of the adopted budget:

- **Board of Trustee Budget Review** - 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.
- **Budget Adoption** - 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 Amendments** - The Final Amended Budget for the Year Ending August 31, 2015, will be submitted at the August 2015 Board meeting. It will reflect all amendments previously approved by the Board of Trustees plus any final amendments. 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.
- **Academy Approach** - 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.
- **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 - Dec   | Strategic Plan review and development occurs                                         |
| December        | Westlake Academy Instructional Leadership Team (ILT) begins planning upcoming budget |
| January         | ILT meets with WA affiliates for joint planning                                      |
| January - March | Review/Develop CIP, Five Year Projection & Personnel Cost Estimates                  |
| April           | Develop improvement plans for each grade level/dept.                                 |
| May             | Strategic Plan preparation process occurs; preliminary budgets developed             |
| May             | BOT Budget Retreat                                                                   |
| June            | Current budget review; budget amendments for current year if necessary               |
| August          | BOT consideration/adoption of Westlake Academy Budget for Upcoming School Year       |
| December        | Annual financial audit                                                               |

## SUMMARY OF MAJOR BUDGET COMPONENTS

### REVENUES

The revenues received by Westlake Academy are classified into one of three broad categories: State, Federal and Local.

- **State funding** is the Academy's largest revenue source, making up over 78% of total revenues. Staff estimates that aid received through the State's Foundation School Program (FSP) in FY 15/16 will be approximately \$7,085 per student; this represents a small (less than 1%) increase from FY 14/15.
- **Local funding** consists of two major sources, the Town of Westlake and the Westlake Academy Foundation (WAF). The Town provides administrative, HR, facilities, and financial services for the Academy and is responsible for all debt service payments relating to Academy facilities and infrastructure. The Foundation is an independent, non-profit organization that raises funds through donations and various fundraising efforts. Annual fundraising activities include the Blacksmith Campaign, which is used to close the funding gap between State allocations and school needs. The Blacksmith Campaign is directed towards the parents of Academy students and tries to leverage individual donations with employers who have charitable matching programs. The Blacksmith Campaign is held each year in the month of October with the goal of raising \$2,500 per student.
- **Federal funding** is received through grants that support special education and accounts for approximately one percent (1%) of revenues for all funds.

### EXPENDITURES & SHARED SERVICES MODEL

Compensation and benefits are Westlake Academy's largest operating cost. In FY 15/16, staff recommends a realignment of the salary scale, following Board policy which states a desire to maintain the median salary within three percent (3%) of the districts surveyed for market comparison purposes. This realignment would result in an average salary increase of 3.9% from FY 14/15. Pay steps furthest from the estimated market median would be increased by up to 5.52%. The pay steps furthest from the market median are primarily in years 0-7, and will consequently require larger adjustments to realize our desired market position. The increase equals approximately \$130,500 with an additional \$12,500 in insurance increases. Realignment of the salary scale will be a valuable tool in the Academy's recruiting and retention effort.

Administrative, financial, human resources and facilities services are provided by the Town of Westlake under a **shared services model**. These service costs were previously booked to the Westlake Academy operating budget, but were removed from the operating budget in the FY 12/13 school year. The following table illustrates indirect operating costs which are booked to the Town of Westlake's General Fund and Debt Service Fund.

| Academic & Municipal Costs                  | Estimated<br>FY 2014/15 | Adopted<br>FY 2015/16 | \$ Increase<br>(Decrease) | % Increase<br>(Decrease) |
|---------------------------------------------|-------------------------|-----------------------|---------------------------|--------------------------|
| Operating Expenditures                      | \$ 8,130,181            | \$ 8,288,953          | \$ 158,772                | 1.95%                    |
| Municipal-Transfer to WA Operating Budget   | 300,000                 | 300,000               | -                         | 0.00%                    |
| <b>Total Academic Costs</b>                 | <b>8,430,181</b>        | <b>8,588,953</b>      | <b>158,772</b>            | <b>1.88%</b>             |
| Annual Debt Service Payments                | 1,859,274               | 1,858,591             | (683)                     | -0.04%                   |
| Major Maintenance and Replacement           | 361,800                 | 227,330               | (134,470)                 | -37.17%                  |
| Indirect Operating Costs (Shared Services)  | 579,537                 | 579,492               | (45)                      | -0.01%                   |
| <b>Total Municipal Costs</b>                | <b>2,800,611</b>        | <b>2,665,413</b>      | <b>(135,198)</b>          | <b>-4.83%</b>            |
| <b>Total Academic &amp; Municipal Costs</b> | <b>\$ 11,230,792</b>    | <b>\$ 11,254,366</b>  | <b>\$ 23,574</b>          | <b>0.21%</b>             |
| Number of Students                          | 812                     | 832                   | 20                        | 2.46%                    |
| Cost per Student                            | \$ 13,831               | \$ 13,527             | \$ (304)                  | -2.20%                   |

## DEBT SERVICE & CAPITAL EXPENDITURES

The Town of Westlake is responsible for debt service payments associated with Westlake Academy's capital infrastructure. The Town's Debt Service Fund is used to manage payments, and Academy debt is accounted for in the annual municipal budget. Approximately \$30M in debt has been issued since 2002 to develop Academy facilities; this debt will be fully retired in 2043. The average annual debt service for Academy facilities paid by the Town of Westlake is approximately \$1.856M.

FY 15/16 debt service payments related to the construction of Westlake Academy facilities include:

- \$702,383 on Series 2007 General Obligation Refunding Bonds
- \$312,800 on Series 2011 General Obligation Refunding Bonds
- \$448,198 on Series 2013 Certificates of Obligation
- \$142,650 on Series 2013 General Obligation Refunding Bonds
- \$252,560 on Series 2014 General Obligation Refunding Bonds

For more information, see Town of Westlake FY 15/16 Annual Municipal Budget, available online at [www.westlake-tx.org](http://www.westlake-tx.org).



## FINANCIAL SUMMARY

The budget is developed within the guidelines established by the Texas Education Agency and is organized into a series of accounts called funds. The total revenue for **all** funds of the Academy is estimated to be \$8,279,913 and total expenditure appropriations amount to \$8,288,953.

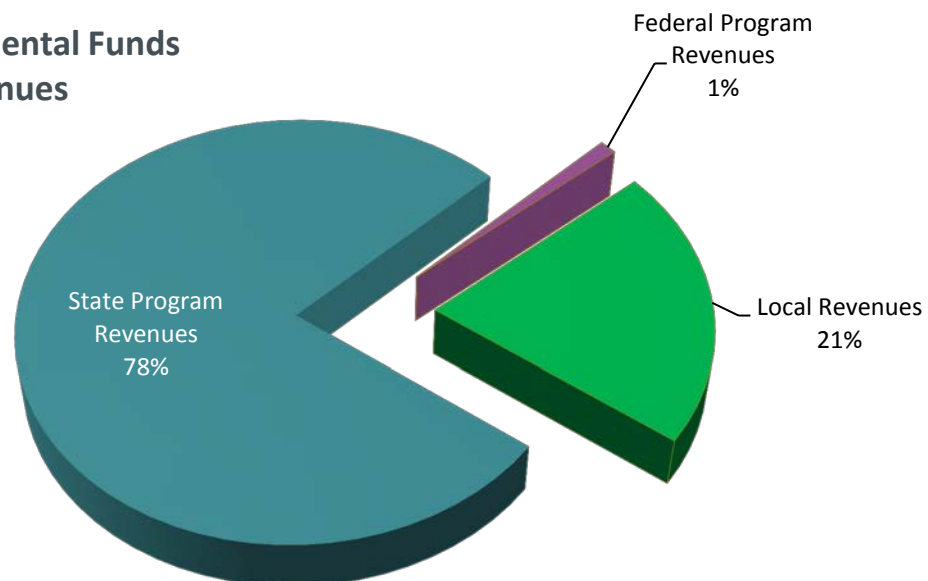
The following schedules present a comparison of revenues and expenditures for all Governmental Funds in the Academy's Budget. A public school operating budget is legally required to include the Academy's General, Debt Service, and Food Service Funds. However, the Academy does not maintain a Food Service Fund or a Debt Service Fund, so the General Fund is the only legally adopted fund. For informational purposes only, budgets for Special Revenue Funds are included throughout the presentation.

### REVENUE SUMMARY – ALL GOVERNMENTAL FUNDS

The largest revenue source for Westlake Academy is State Foundation School Program funding which makes up approximately three-quarters of All Governmental fund revenues.

|                  | Audited             | Audited             | Audited             | Adopted Budget      | Estimated Budget    | Adopted Budget      |
|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                  | FY 11/12            | FY 12/13            | FY 13/14            | FY 14/15            | FY 14/15            | FY 15/16            |
| Local Revenues   | \$ 1,237,004        | \$ 1,158,045        | \$ 1,636,975        | \$ 1,711,305        | \$ 2,132,698        | \$ 1,754,220        |
| State Revenues   | 4,362,921           | 4,696,540           | 5,269,641           | 5,782,092           | 6,104,248           | 6,435,693           |
| Federal Revenues | 152,351             | 81,958              | 80,103              | 73,896              | 162,270             | 90,000              |
|                  | <b>\$ 5,752,276</b> | <b>\$ 5,936,543</b> | <b>\$ 6,986,719</b> | <b>\$ 7,567,293</b> | <b>\$ 8,399,215</b> | <b>\$ 8,279,913</b> |

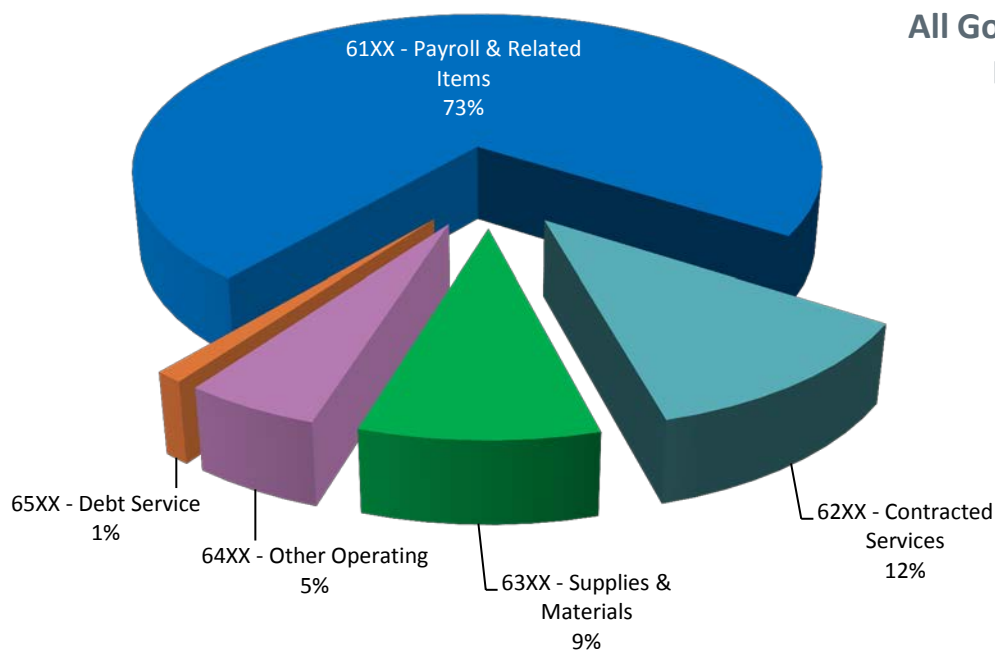
**All Governmental Funds Revenues**



## EXPENDITURES BY FUNCTION – ALL GOVERNMENTAL FUNDS

The largest expenditure category is Payroll & Related items which makes up approximately three-quarters of all Governmental fund expenditures.

|                                        | Audited<br>FY 11/12 | Audited<br>FY 12/13 | Audited<br>FY 13/14 | Adopted<br>Budget<br>FY 14/15 | Estimated<br>Budget<br>FY 14/15 | Adopted<br>Budget<br>FY 15/16 |
|----------------------------------------|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|
| 11 - Instructional                     | \$3,170,372         | \$3,458,116         | \$4,264,664         | \$4,621,940                   | \$4,725,156                     | \$4,906,188                   |
| 12 - Resources & Media                 | 89,129              | 57,784              | 57,884              | 66,252                        | 68,452                          | 74,801                        |
| 13 - Staff Development                 | 74,656              | 130,442             | 148,356             | 129,589                       | 220,260                         | 197,590                       |
| 21 - Instructional Leadership          | 135,962             | 93,964              | 165,116             | 237,967                       | 260,737                         | 264,259                       |
| 23 - School Leadership                 | 347,515             | 341,039             | 597,075             | 660,620                       | 724,498                         | 801,866                       |
| 31 - Guidance & Counseling             | 232,419             | 244,900             | 282,334             | 246,539                       | 280,169                         | 205,230                       |
| 33 - Health Services                   | 60,917              | 58,208              | 61,890              | 68,711                        | 69,585                          | 66,617                        |
| 35 - Food Services                     | 11,517              | -                   | -                   | 500                           | -                               | -                             |
| 36 - Co Curricular/ Extra. Activities  | 131,972             | 125,139             | 152,261             | 171,255                       | 164,461                         | 171,774                       |
| 41 - Administrative                    | 675,763             | 363,548             | 389,673             | 343,835                       | 353,992                         | 306,986                       |
| 51 - Maintenance & Operations          | 596,913             | 614,042             | 733,367             | 956,091                       | 950,567                         | 915,068                       |
| 52 - Security & Monitoring Services    |                     | -                   |                     |                               | 700                             | 5,695                         |
| 53 - Data Processing                   | 173,587             | 160,695             | 177,063             | 105,015                       | 111,015                         | 169,678                       |
| 61 - Community Services                | 76,880              | 86,845              | 113,995             | 110,824                       | 110,024                         | 112,638                       |
| 71 - Debt Service                      | -                   | -                   | 3,733               | 84,186                        | 90,565                          | 90,565                        |
| 81 - Facility Acquisition/Construction | 15,960              | 27,930              | -                   | -                             | -                               | -                             |
|                                        | <b>\$5,793,561</b>  | <b>\$5,762,652</b>  | <b>\$7,147,411</b>  | <b>\$7,803,324</b>            | <b>\$8,130,180</b>              | <b>\$8,288,953</b>            |



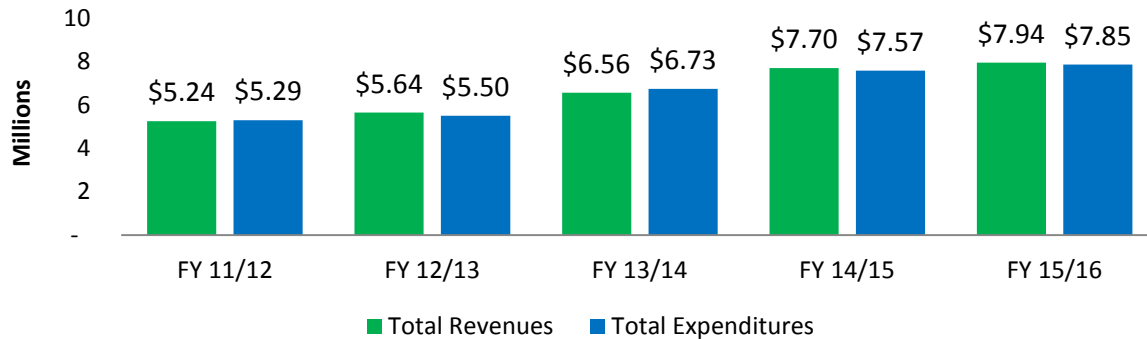


## INDIVIDUAL FUND SUMMARY

### GENERAL FUND

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.

### Revenue & Expenditure Comparison



### 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.

|                                                             | Estimated<br>FY 14/15 | Adopted<br>FY 15/16 | Variance<br>Estimated<br>to Adopted |
|-------------------------------------------------------------|-----------------------|---------------------|-------------------------------------|
| <b>Federal Grants through TEA</b>                           |                       |                     |                                     |
| Fund 224 - IDEA B                                           | \$ 162,270            | \$ 90,000           | \$ (72,270)                         |
| Sub-total Federal Grants                                    | 162,270               | 90,000              | (72,270)                            |
| <b>State Grants through TEA</b>                             |                       |                     |                                     |
| Fund 410 - Material Allotment Disbursement                  | 33,589                | 142,787             | 109,198                             |
| Sub-total State Grants                                      | 33,589                | 142,787             | 109,198                             |
| <b>Local Activities</b>                                     |                       |                     |                                     |
| Fund 461 - Local Campus Activity                            | 26,000                | 26,000              | -                                   |
| Fund 484 - Local Grants (HOC & WAF)                         | 18,000                | -                   | (18,000)                            |
| Fund 498 - International Mindedness Symposium               |                       | 6,000               | 6,000                               |
| Sub-total Local Activities                                  | 44,000                | 32,000              | (12,000)                            |
| <b>Hudson Foundation Grants</b>                             |                       |                     |                                     |
| Fund 481 - Hudson Foundation Curriculum Development         |                       | (3,460)             | (3,460)                             |
| Fund 485 - MYP Principal & Discretionary Funds              | 100,000               | -                   | (100,000)                           |
| Fund 493 - Salary & Curriculum Support                      | 55,000                | -                   | (55,000)                            |
| Fund 496 - Hudson Foundation                                | 55,000                | 120,000             | 65,000                              |
| Sub-total Hudson Foundation Grants                          | 213,460               | 120,000             | (93,460)                            |
| <b>Westlake Academy Foundation (WAF) Grants</b>             |                       |                     |                                     |
| Fund 494 - Science Department                               | 27,850                | -                   | (27,850)                            |
| Fund 495 - Fund an Item                                     | 77,773                | 50,000              | (27,773)                            |
| Fund 497 - Financial Assistance                             | 1,000                 | 2,500               | 1,500                               |
| Sub-total Foundation Grants                                 | 106,623               | 52,500              | (54,123)                            |
| <b>Grant Total - All Special Revenue Funds Expenditures</b> | <b>\$ 559,941</b>     | <b>\$ 437,287</b>   | <b>\$ (122,654)</b>                 |

## SERVICE LEVEL ADJUSTMENTS

This budget makes use of Service Level Adjustments (SLA) to track cost changes. There are four types of Service Level Adjustments: (1) increased operating costs to maintain current levels of service, (2) increased operating costs due to expanded levels of service, (3) increased costs due to the development of new services, and (4) cost savings. Cost savings may occur for any number of reasons, but primarily arise due to increased efficiency, service level reductions, or not expending budgeted resources. Note that totals in brackets ( ) denote a decrease in expenditures.

For FY 2015/16, staff recommends the following adjustments:

### **Salary Related Expenditures** **Total: \$389,003**

Balanced Scorecard Perspective: People, Facilities, & Technology

Outcome Objective: Attract, Recruit, Retain, & Develop the Highest Quality Workforce

- Increases in FY 15/16 salary related expenditures are primarily due to the direct and indirect costs associated with the addition of 4.10 full-time equivalent positions, increases in unemployment insurance and other employer contributions, and a realignment of the salary scale that will enhance our teacher recruiting and retention efforts.

### **Professional & Contracted Services** **Total: \$(153,094)**

Balanced Scorecard Perspective: Academic Operations

Outcome Objective: Improve the Efficiencies of Operational Systems

- This category includes expenditures related to professional and contracted services rendered to the Academy by firms, individuals, and other organizations. Cost savings in contract services are the result of a staff analysis that concluded it would be more cost effective to directly employ certain support staff, including a speech language pathologist, as opposed to contracting out for services.

### **Supplies & Materials** **Total: \$53,336**

Balanced Scorecard Perspective: Academic Operations

Outcome Objective: Optimize Student Potential

- Supplies and materials costs are associated with consumables that are used in the classroom, maintenance of the campus, books, iPads, testing materials, furniture, and classroom supplies.

### **Other Operating Costs** **Total: \$(7,818)**

Balanced Scorecard Perspective: People, Facilities, & Technology

Outcome Objective: Increase the Capacity of Teachers & Staff

- Other operating costs are associated with insurance, professional development, travel, membership fees and dues, graduations expenses, and miscellaneous costs. Cost savings in this category were shifted to Supplies and Materials.

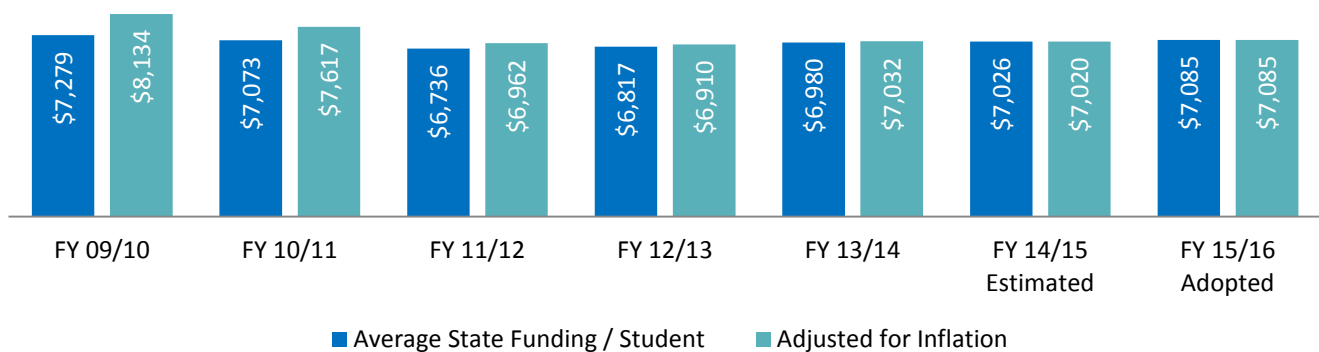
## BUDGET TRENDS

### GENERAL FUND – STATE FUNDING

Despite a 4% historical average annual growth rate, the State of Texas continues to lag behind the national per pupil funding average, providing \$1,000 to \$1,500 less per pupil than the national average. Westlake Academy receives even less State funding per student than the Texas average because public charter schools in the State of Texas do not receive facility funding. The Academy's State funding per pupil peaked in FY 09/10 but was cut the following two years due to State budget shortfalls. The State increased funding by approximately four percent (4%) in 2013. In FY 2015/16, the Academy anticipates that state funding will increase slightly (less than 1%) from FY 2014/15.

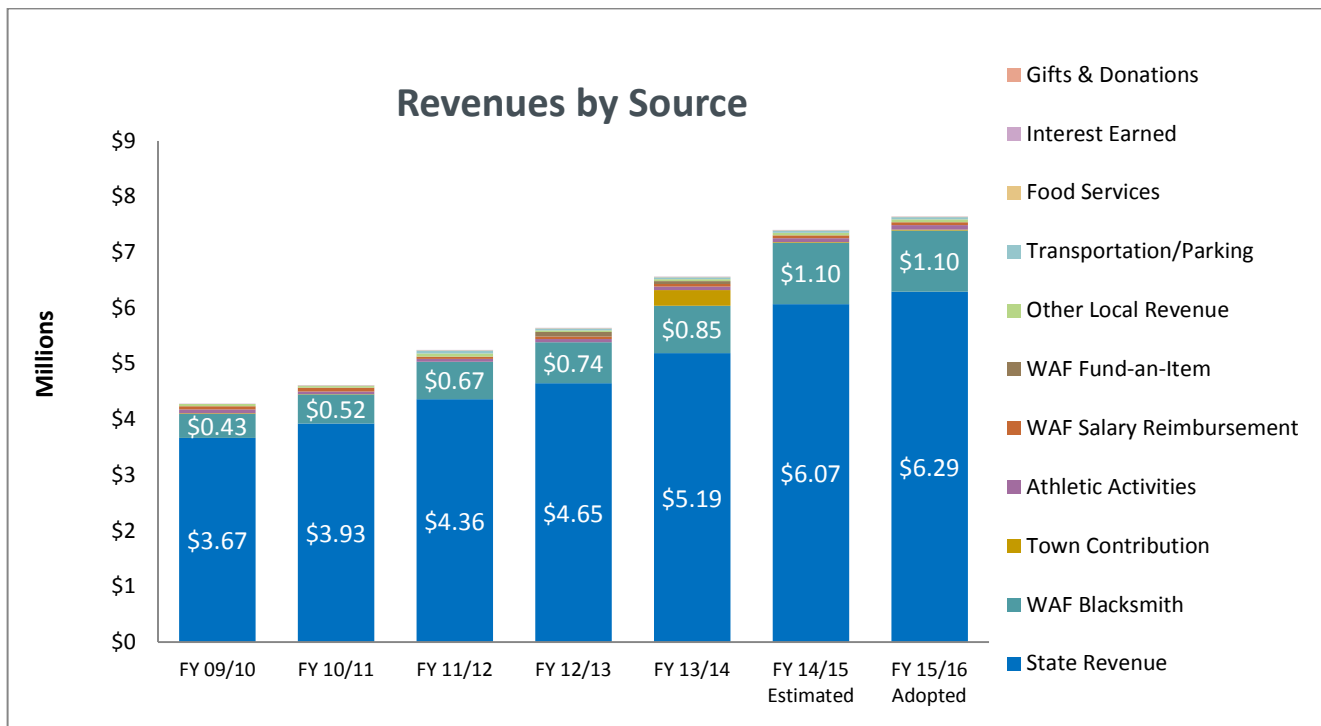
Westlake Academy receives minimal federal funding, (IDEA B – Special Education Funds) depending primarily upon state education funds and private donations to cover operating costs.

### Average State Funding per Student



Due to prior state funding reductions, the Academy has become more dependent upon private donations for operating costs and further financial support from the 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 public education reductions, then the Town of Westlake must increase financial support or consider reducing the associated service levels.

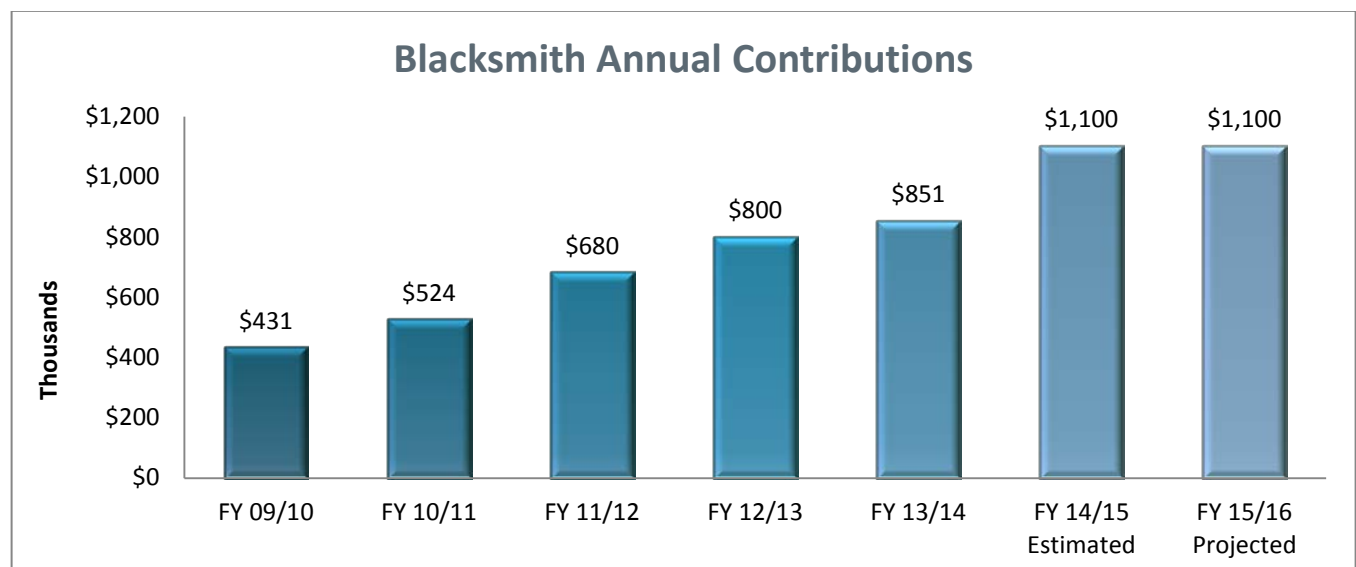




The Academy's primary revenue sources continue to be the Foundation School Program and the Westlake Academy Foundation. State funding has fallen from 86% of General Fund revenues in FY 09/10 to approximately 79% in FY 15/16. Westlake Academy Foundation contributions have climbed from less than 10% to approximately 14% of the Academy's total General Fund Revenues in FY 15/16.

### GENERAL FUND - LOCAL FUNDING

WAF Annual Program contributions have increased each year since FY 06/07. The average contribution has increased sharply in response to public education funding decreases. Total WAF contributions are projected at \$1.1 million in FY 15/16.

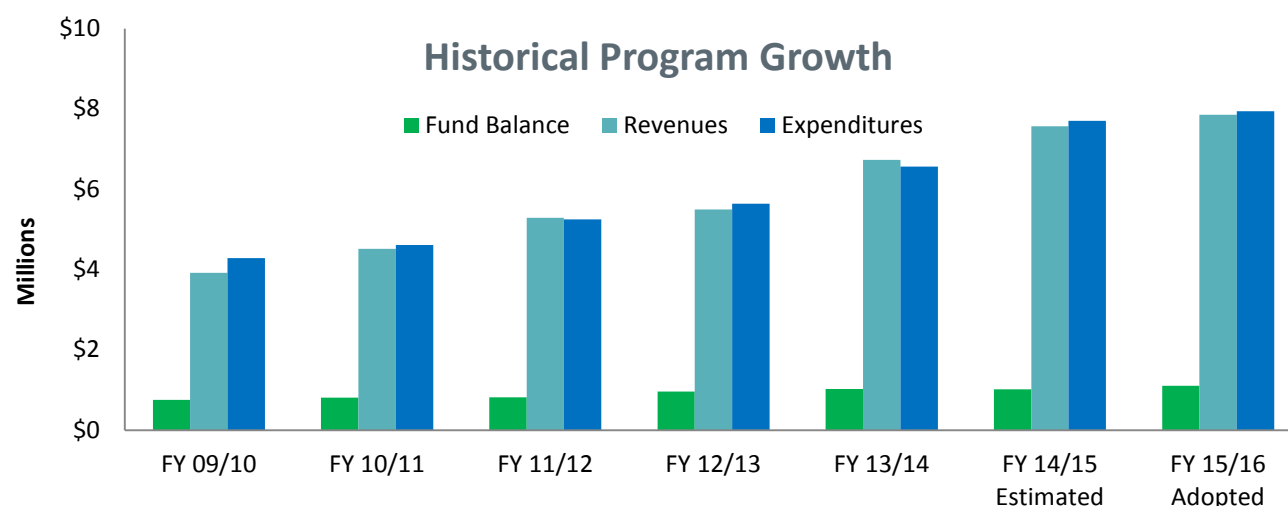


## **WORKING LEAN**

Given the new paradigm of decreasing State aid and increasing demand, Westlake Academy and the Town of Westlake are committed to providing for the long-term viability of the Academy through municipal financial support, bolstering and effectively leveraging funds raised by the Westlake Academy Foundation and the annual Blacksmith Campaign, and an unwavering focus on financial stewardship in all aspects of Academy operations and expenditures. These initiatives combined with conservative financial forecasts will help offset decreases in State funding and ensure that the students of Westlake Academy will enjoy a first-class education for years to come.

## **MULTI-YEAR FINANCIAL FORECAST**

Due to increased student enrollment, slight increases in State of Texas public education funding, additional support from the Westlake Academy Foundation and the Town of Westlake, the Academy anticipates that the General Fund balance will remain above the TEA's recommended 45 days. The FY 15/16 budget will increase fund balance by \$89,960.



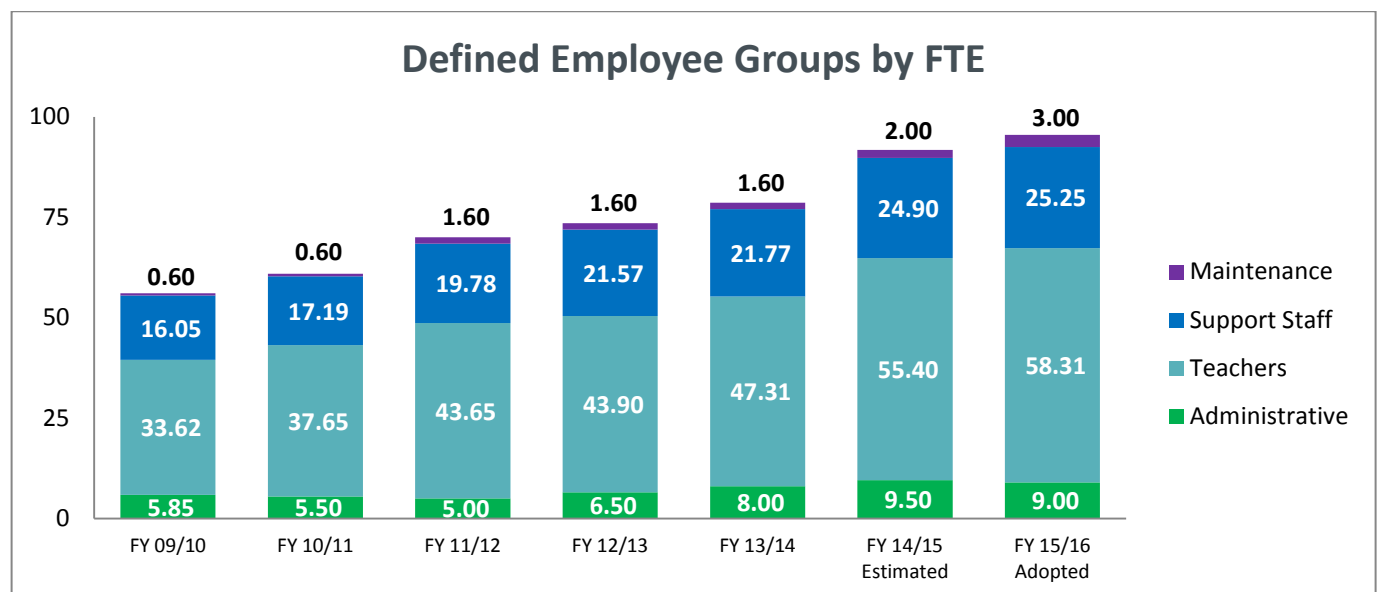
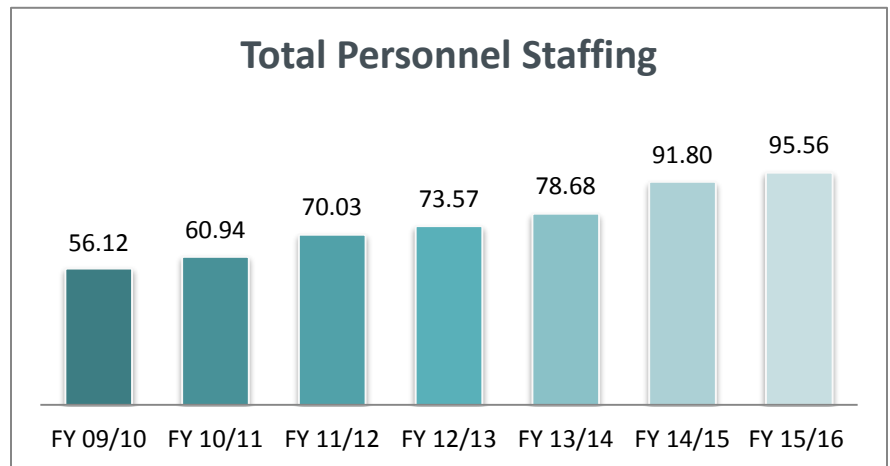
Historically, revenues and expenditures have increased at relatively the same rate which has dictated the need for a higher fund balance in order to sustain the 45-day minimum requirement established by Board policy. It is anticipated that this trend will continue over the next five years, with a relatively slow but steady growth in fund balance.

| Five Year Financial Forecast |              |              |              |
|------------------------------|--------------|--------------|--------------|
| Year                         | Revenues     | Expenditures | Fund Balance |
| FY 15/16                     | \$ 7,941,626 | \$ 7,851,667 | \$ 1,243,262 |
| FY 16/17                     | 7,942,058    | 7,910,415    | 1,274,905    |
| FY17/18                      | 7,950,784    | 7,879,949    | 1,345,741    |
| FY18/19                      | 7,955,332    | 7,949,669    | 1,351,404    |
| FY 19/20                     | 7,959,984    | 8,020,088    | 1,291,301    |



## PERSONNEL TRENDS

The Academy has added personnel each year since its opening to support new grade levels and classes as well as curriculum expansion. In FY 2015/16 an additional 4.01 FTE positions have been added for a total of 95.56 FTE employees.



## PROGRAMS & FACILITIES

Westlake Academy was originally designed and built to serve approximately 675 students; expansions in 2009 and 2014 have raised capacity to over 800 students. With the addition of almost 150 students since FY 13/14, facilities at the school are projected to reach full capacity this year. Over the last several fiscal years the Academy has also increased course offerings in a number of areas, including foreign languages, technology, and science. Expansion of services has been driven by increased enrollment, academic needs of the students, and the IB curriculum, all of which place unique demands on staff and resources.

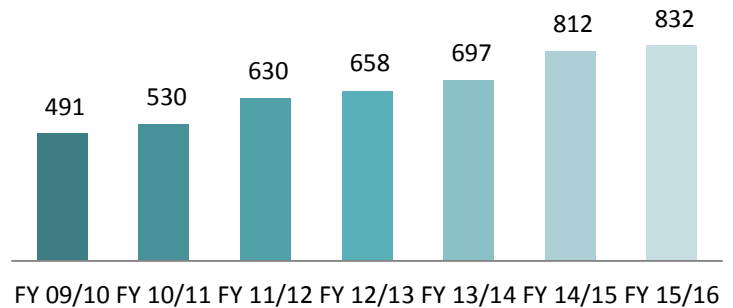
Growth is directed by the Board of Trustees Facility Master Plan, which was adopted and developed to provide a clear understanding of future growth needs at the Academy. The Facility Master Plan can be viewed at [www.westlake-tx.org](http://www.westlake-tx.org) or at [www.westlakeacademy.org](http://www.westlakeacademy.org).

# STUDENT ENROLLMENT TRENDS & BENCHMARK DATA

## ENROLLMENT TRENDS

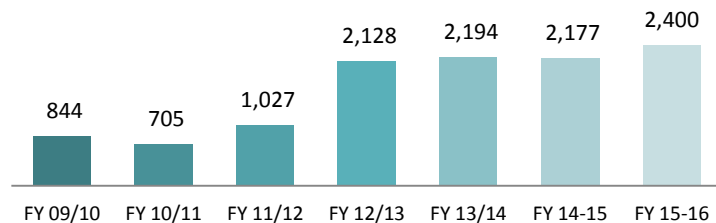
Westlake Academy's student enrollment is established by two sets of boundaries. The primary boundary encompasses the Town of Westlake and allows Westlake residents automatic entry into the Academy. The secondary boundaries are comprised of 31 of the surrounding school districts. While any school-age child from these districts is allowed to attend the Academy, demand for entrance has exceeded the Academy's capacity necessitating an annual lottery system that is carried out according to the standards and practices dictated by Federal law.

### Student Enrollment



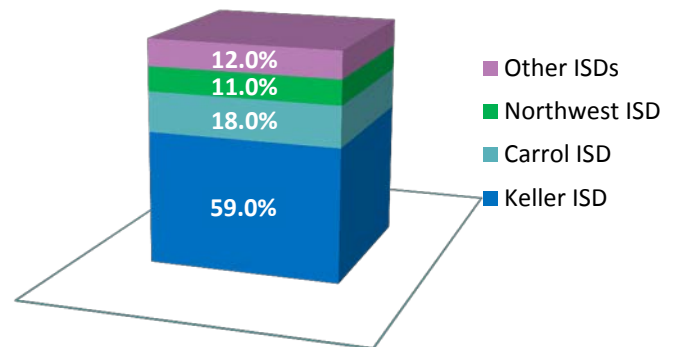
In FY 15/16 the campus facilities at the Academy are expected to reach full capacity with the addition of approximately 20 students. We anticipate future enrollment numbers to remain flat (as approved by the Board of Trustees and the Town Council, per the Facility Master Plan (Phase 1), Resolution 12-37 dated 11-12-2012) until funding for additional facilities becomes available.

### Lottery Waiting List



As an open enrollment charter school, Westlake Academy has the ability to set and maintain enrollment numbers at levels determined by the Board of Trustees. The Academy currently has over 2,000 students on a waiting list spanning Kindergarten through grade eleven. The waiting list which is developed each year through a lottery process, allows the Academy to fill seats if student attrition occurs, maintaining a stable student population number and classroom size.

- Students residing within the boundaries of Keller ISD, which includes Vaquero, currently account for approximately 59% of the student population.
- Students residing in Carroll ISD's jurisdiction, which includes Glenwyck Farms and Terra Bella, account for 18%. These percentages have remained fairly consistent over time.



## PERFORMANCE RESULTS

In FY 14/15, Westlake Academy was recognized by the Washington Post as one of the best public high schools in America. This is the fourth year in which the Academy has been recognized by national ranking organizations due to rigorous and extraordinary academic performance.

The State of Texas is currently phasing in the use of the State of Texas Academic Achievement and Readiness (STAAR) test to assess student aptitude in reading, writing, math, science, and social studies as required under Texas education standards. The STAAR exam has increased rigor over previous testing standards and complies with the requirements of the No Child Left Behind Act (NCLB). The following tables display student standardized test performance for the last two years.

| SCIENCE     |                 |                                  |                    |                                                      |
|-------------|-----------------|----------------------------------|--------------------|------------------------------------------------------|
| Grade Level | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
|             | 2013-2014       | 94%                              | 13%                | N/A                                                  |
| 5           | 2014-2015       | 87%                              | 20%                | 83%                                                  |
|             | 2013-2014       | 87%                              | 26%                | N/A                                                  |
| 8           | 2014-2015       | 97%                              | 28%                | 88%                                                  |
| 9 EOC       | 2013-2014       | 100%                             | 34%                | N/A                                                  |
| Biology     | 2014-2015       | 99%                              | 38%                | 88%                                                  |

| WRITING     |                 |                                  |                    |                                                      |
|-------------|-----------------|----------------------------------|--------------------|------------------------------------------------------|
| Grade Level | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
|             | 2013-2014       | 93%                              | 11%                | N/A                                                  |
| 4           | 2014-2015       | 93%                              | 20%                | 83%                                                  |
|             | 2013-2014       | 94%                              | 26%                | N/A                                                  |
| 7           | 2014-2015       | 97%                              | 39%                | 93%                                                  |

| ENGLISH – END OF COURSE |                 |                                  |                    |                                                      |
|-------------------------|-----------------|----------------------------------|--------------------|------------------------------------------------------|
| Grade Level             | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
|                         | 2013-2014       | 97%                              | 35%                | N/A                                                  |
| 9 – English I           | 2014-2015       | 100%                             | 60%                | 100%                                                 |
|                         | 2013-2014       | 95%                              | 9%                 | N/A                                                  |
| 10 – English II         | 2014-2015       | 99%                              | 24%                | 99%                                                  |

| READING     |                 |                                  |                    |                                                      |
|-------------|-----------------|----------------------------------|--------------------|------------------------------------------------------|
| Grade Level | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
|             | 2013-2014       | 93%                              | 21%                | N/A                                                  |
| 3           | 2014-2015       | 94%                              | 47%                | 89.5%                                                |
|             | 2013-2014       | 91%                              | 36%                | N/A                                                  |
| 4           | 2014-2015       | 98%                              | 38%                | 98%                                                  |
|             | 2013-2014       | 98%                              | 43%                | N/A                                                  |
| 5           | 2014-2015       | 98%                              | 38%                | 98%                                                  |
|             | 2013-2014       | 98%                              | 38%                | N/A                                                  |
| 6           | 2014-2015       | 100%                             | 54%                | 96%                                                  |
|             | 2013-2014       | 97%                              | 54%                | N/A                                                  |
| 7           | 2014-2015       | 99%                              | 58%                | 93%                                                  |
|             | 2013-2014       | 95%                              | 61%                | N/A                                                  |
| 8           | 2014-2015       | 100%                             | 65%                | 100%                                                 |

| HUMANITIES   |                 |                                  |                    |                                                      |
|--------------|-----------------|----------------------------------|--------------------|------------------------------------------------------|
| Grade Level  | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
|              | 2013-2014       | 80%                              | 9%                 | N/A                                                  |
| 8            | 2014-2015       | 99%                              | 31%                | 89.5%                                                |
| 11 EOC       | 2013-2014       | 98%                              | 22%                | N/A                                                  |
| U.S. History | 2014-2015       | 100%                             | 62%                | 100%                                                 |

| ALGEBRA 1 END OF COURSE |                 |                                  |                    |                                                      |
|-------------------------|-----------------|----------------------------------|--------------------|------------------------------------------------------|
| Grade Level             | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
| 8 EOC                   | 2013-2014       | 87%                              | 17%                | N/A                                                  |
| Algebra                 | 2014-2015       | 100%                             | 52%                | 97%                                                  |

## BENCHMARK DATA

Westlake Academy has achieved a four and one-half star rating from the Texas State Comptroller's FAST School District Rating System for providing quality education at a reasonable cost per student. Future enrollment increases will further improve efficiencies and reduced per student cost.

| 2014                                |          | DISTRICT LISTINGS |                                         | Financial Allocation Study for Texas. |                                   |                                     | FAST |                   |   |              |  |
|-------------------------------------|----------|-------------------|-----------------------------------------|---------------------------------------|-----------------------------------|-------------------------------------|------|-------------------|---|--------------|--|
| DISTRICT NAME                       | COUNTY   | ENROLL-<br>MENT   | 2014<br>TEA<br>ACCOUNTABILITY<br>RATING | MATH<br>PROGRESS<br>PERCENTILE        | READING<br>PROGRESS<br>PERCENTILE | FAST COMPONENTS                     |      |                   |   |              |  |
|                                     |          |                   |                                         |                                       |                                   | COMPOSITE<br>PROGRESS<br>PERCENTILE | +    | SPENDING<br>INDEX | = | *FAST RATING |  |
| WESLACO ISD                         | HIDALGO  | 17,830            | MET STANDARD                            | 57                                    | 11                                | 26 ■■■■■                            | +    | AVERAGE           | = | ★★★★★★       |  |
| WEST HARDIN COUNTY CISD             | HARDIN   | 584               | MET STANDARD                            | 25                                    | 25                                | 22 ■■■■■                            | +    | LOW               | = | ★★★★★★       |  |
| WEST HOUSTON CHARTER SCHOOL (C)     | HARRIS   | 320               | MET STANDARD                            | 2                                     | 43                                | 8 ■■■■■                             | +    | VERY LOW          | = | ★★★★★★       |  |
| WEST ISD                            | MCLENNAN | 1,440             | MET STANDARD                            | **                                    | **                                | **                                  | +    | AVERAGE           | = | **           |  |
| WEST ORANGE-COVE CISD               | ORANGE   | 2,349             | MET STANDARD                            | 15                                    | 31                                | 20 ■■■■■                            | +    | AVERAGE           | = | ★★★★★★       |  |
| WEST OSO ISD                        | NUECES   | 2,030             | MET STANDARD                            | 44                                    | 33                                | 36 ■■■■■                            | +    | VERY HIGH         | = | ★★★★★★       |  |
| WEST RUSK ISD                       | RUSK     | 998               | MET STANDARD                            | 25                                    | 34                                | 28 ■■■■■                            | +    | AVERAGE           | = | ★★★★★★       |  |
| WEST SABINE ISD                     | SABINE   | 649               | MET STANDARD                            | 53                                    | 19                                | 32 ■■■■■                            | +    | LOW               | = | ★★★★★★       |  |
| WESTBROOK ISD                       | MITCHELL | 219               | MET STANDARD                            | 52                                    | 35                                | 40 ■■■■■                            | +    | VERY HIGH         | = | ★★★★★★       |  |
| WESTHOFF ISD                        | DEWITT   | 69                | MET STANDARD                            | 7                                     | 23                                | 11 ■■■■■                            | +    | VERY HIGH         | = | ★★★★★★       |  |
| WESTLAKE ACADEMY CHARTER SCHOOL (C) | TARRANT  | 670               | MET STANDARD                            | 84                                    | 95                                | 94 ■■■■■                            | +    | LOW               | = | ★★★★★★       |  |
| WESTPHALIA ISD                      | FALLS    | 155               | MET STANDARD                            | 98                                    | 74                                | 95 ■■■■■                            | +    | AVERAGE           | = | ★★★★★★       |  |





Benchmarking against the surrounding local ISDs, Westlake Academy's expenditures are near the median when comparing expenditures per student, excluding debt service and capital expenditures. Westlake's student-teacher ratio compares favorably to surrounding school districts.

### Student-Teacher Ratio Comparison

| Fiscal Year | Keller ISD | Carroll ISD | Northwest ISD | Westlake Academy |
|-------------|------------|-------------|---------------|------------------|
| 13/14       | 16.40      | NA          | 15.26         | 14.73            |
| 12/13       | 17.20      | 15.06       | 14.79         | 14.99            |
| 11/12       | 17.70      | 14.90       | 14.94         | 14.43            |
| 10/11       | 16.40      | 14.69       | 13.74         | 14.08            |
| 09/10       | 16.20      | 14.20       | 14.06         | 14.60            |

### Per-Pupil Expenditure Comparison

| Fiscal Year | Keller ISD | Carroll ISD | Northwest ISD | Westlake Academy |
|-------------|------------|-------------|---------------|------------------|
| 13/14       | \$ 7,686   | \$ 8,674    | \$ 8,498      | \$ 10,249        |
| 12/13       | 7,082      | 8,336       | 8,264         | 8,715            |
| 11/12       | 6,538      | 8,137       | 8,175         | 9,171            |
| 10/11       | 6,322      | 8,130       | 9,085         | 8,967            |
| 09/10       | 6,551      | 8,314       | 8,806         | 8,429            |
| 08/09       | 6,348      | 8,546       | 8,238         | 8,927            |
| 07/08       | 6,620      | 8,247       | 8,046         | 8,721            |
| 06/07       | 6,325      | 7,266       | 7,845         | 7,725            |
| 05/06       | 6,052      | 7,702       | 8,116         | 6,944            |
| 04/05       | 5,747      | 7,790       | 8,025         | 7,111            |

### Westlake Academy Unaudited Per Pupil Expenditures

| Fiscal Year | Enrollment           | Estimated Operating Expenditures | PPE       |
|-------------|----------------------|----------------------------------|-----------|
| 14/15       | 812                  | \$ 8,130,181                     | \$ 10,013 |
| Fiscal Year | Projected Enrollment | Projected Operating Expenditures | PPE       |
| 15/16       | 832                  | \$ 8,228,953                     | \$ 9,891  |

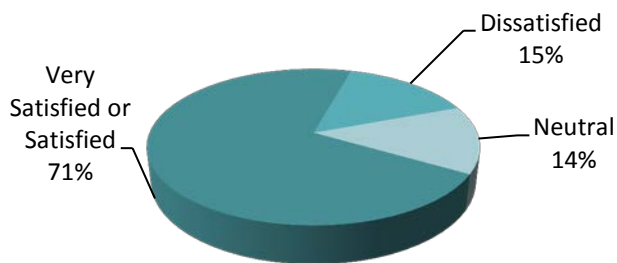
\*Sources: Westlake Academy Comprehensive Annual Financial Reports (FY04/05 – FY 13/14), available online at [www.westlake-tx.org](http://www.westlake-tx.org); Keller Independent School District FY 13/14 Comprehensive Annual Financial Report, available online at [www.kellerisd.net](http://www.kellerisd.net); Northwest Independent School District FY 13/14 Comprehensive Annual Financial Report, available online at [www.nisdtx.org](http://www.nisdtx.org); Carroll Independent School District Financial Services Department

\*\*Comparisons are based on operating expenditures, which include general and special revenue funds, but exclude objects of debt service, capital outlay, and intergovernmental charges.

## PARENT SURVEY RESULTS

Westlake Academy is focused on delivering high quality educational services and depends upon input from our stakeholders. Westlake Academy routinely conducts an Annual Parent Survey to help identify any future needs and to prioritize resource allocation. The FY 14/15 Westlake Academy Parent Survey was conducted in May of 2015 and we saw an overall decrease in the satisfaction rate of 10% with the quality of educational services that were provided.

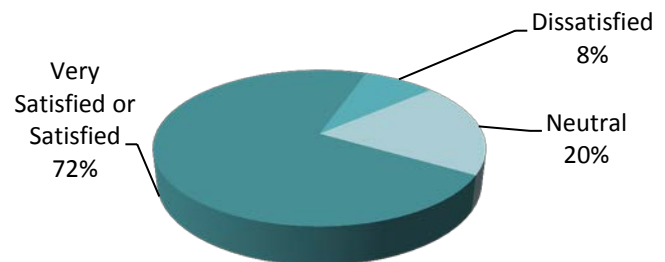
### Overall Satisfaction with Quality of Education



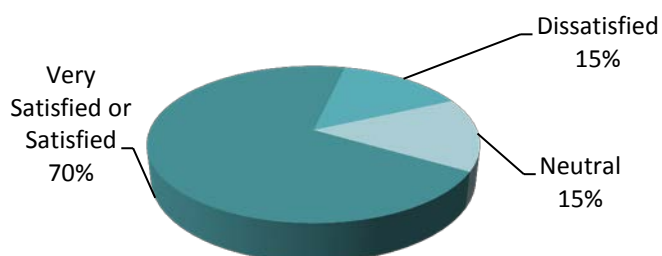
71% of the parent's surveyed were very satisfied or satisfied with the overall quality of education Westlake Academy delivers to its students.

72% of our respondents were very satisfied or satisfied with the IB Curriculum / Framework

### Overall Satisfaction with the IB Framework



### Overall Satisfaction with Academic Progress of Child



70% of the parent's surveyed were either very satisfied or satisfied with the academic progress of their child

## FINANCIAL AWARDS

- ❖ The Association of School Business Officials International (ASBO) has presented the Meritorious Budget Award to Westlake Academy for six consecutive years.
- ❖ The Academy has been awarded the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for six consecutive years.

These awards are significant achievements that reflect both the dedication and commitment of the Board of Trustees and staff to meeting the highest principles of governmental accounting.



# ORGANIZATIONAL SECTION



*Dream... Create... Achieve*

BUILDING A COLLECTIVE LEGACY OF EXCELLENCE

*This page is intentionally blank*



## BOARD MEMBERS AND ADMINISTRATION

The Westlake Academy Board of Trustees consists of five trustees and the Board President. Each member of the Board serves a two year term with two members and the president being elected on alternate years.

Several members of the Westlake Academy Leadership Team operate under a shared service agreement with the Town of Westlake and serve dual roles.

### BOARD OF TRUSTEES



**Laura  
Wheat**

Board President



**Alesa  
Belvedere**



**Michael  
Barrett**



**Rick  
Rennhack**



**Carol  
Langdon**



**Wayne  
Stoltenberg**

~~~~~Board of Trustees~~~~~

WESTLAKE ACADEMY LEADERSHIP TEAM

| | |
|---|---|
| *Thomas E. Brymer
Superintendent of Schools | Dr. Mechelle Bryson
Executive Principal |
| *Amanda DeGan
Assistant Town Manager | Alan Burt
Assistant Principal and Director of Athletics |
| *Debbie Piper
Director of Finance | Stacy Stoyanoff
DP Principal |
| *Troy Meyer
Director of Facilities | Dr. Andra Barton
Middle Years Principal |
| *Jason Power
Director of Information Technology | Terri Watson
MYP Coordinator |
| *Ginger Awtry
Director of Communications & Community Affairs | Rod Harding
Primary Years Principal |
| *Todd Wood
Director of Human Resources and Admin Services | Alison Schneider
PYP Coordinator |
| <i>*Asterisk denotes shared services personnel between the academic and municipal service teams of the Town of Westlake.</i> | Jennifer Furnish
Student Services Administrator |
| | Dr. Shelly Myers
Executive Director of the WAF & Director of Development |
| | |

WESTLAKE ACADEMY MISSION, VISION & VALUES

Founded in 2003 with a mission 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 is the fifth school of only ten in the United States, and the only public school, to offer the full IB curriculum for grades K-12.

During this year's budget retreat great care and consideration was given to the mission and vision of the Academy and the impact that these have on both the long-term goals of the Academy and its day-to-day operation. The vision and mission statements represent the outcome of this discussion and evidence the Board's continued dedication to academic excellence and personal achievement. The values statements are currently being reviewed by the Board and are listed here for reference only.

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*



ACHIEVING OUR VISION AND MISSION

The Academy is in the process of designing a strategic planning and performance management 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.



Following are the key components of a Balanced Scorecard System:

1. **Strategic Perspectives** – A view of the organization through a particular ‘lens’. Perspectives are generally broken down into four different categories of operations: capacity building, operational processes, financial and customer satisfaction. We have customized these perspectives for our organization as follows:
 - People, Facilities, and Technology (capacity)
 - Academic Operations (operational)
 - Financial Stewardship (financial)
 - Citizen, Student, and Stakeholder (customer)
2. **Strategic Objectives** – A focus area where we want to see continuous improvement toward our objective with measurable objectives for specific actions; an interim step in achieving our mission.
3. **Performance Measures** – A quantifiable expression of the amount, cost, or result of activities indicating how well services are provided. There are at least three types of performance measures:
 - Effectiveness Measures – A type of performance measure used to assess the quality of outcomes.

- **Efficiency Measures** – A type of performance measure used to assess the cost of providing services, i.e. the cost per unit of service.
- **Workload Measures** – A type of performance measure used to assess the amount of work performed or services rendered. For example, the number of students served in a program per unit of time.

4. Targets - A specific measure of where the Academy would like to see their service level.

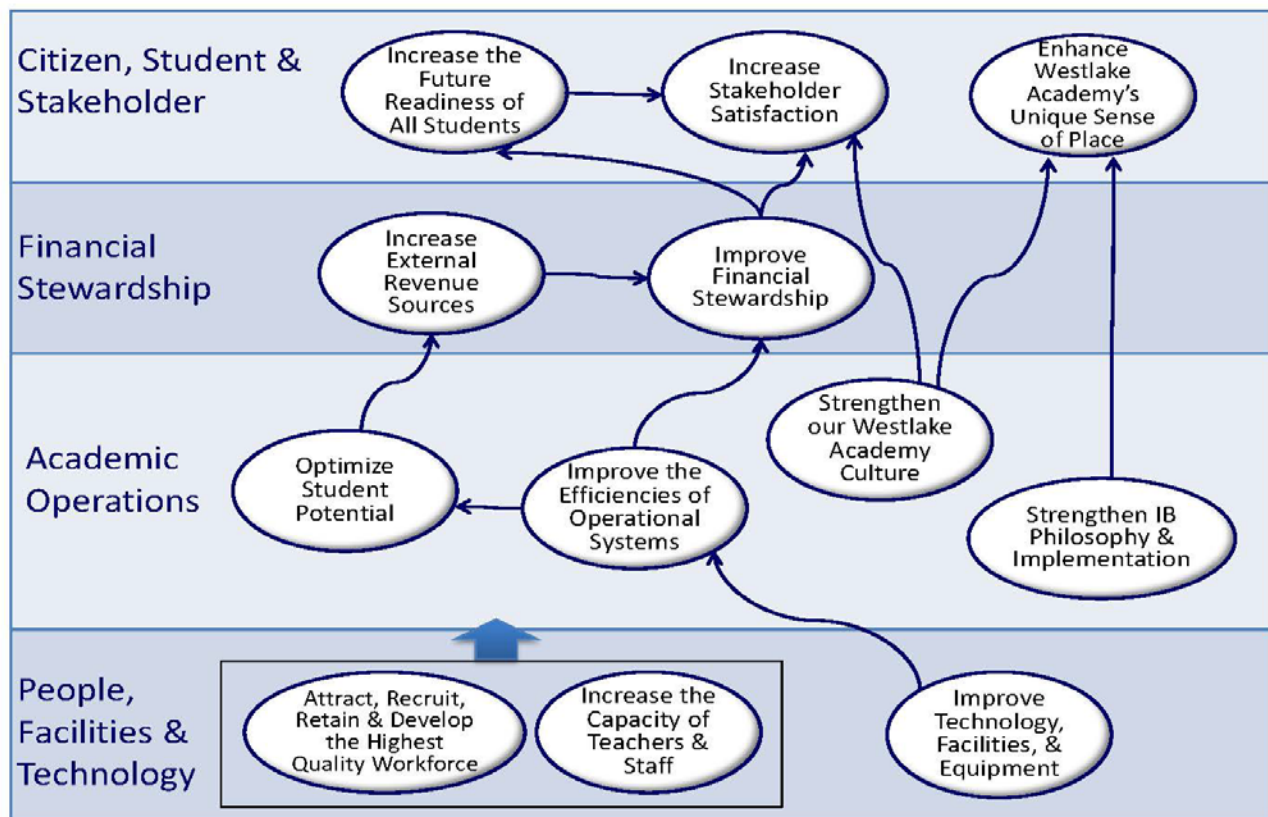
5. Initiatives – A new or ongoing action step designed to help accomplish one or more strategic objectives.

The Balanced Scorecard provides a framework for us to ask these questions:

1. What are we trying to accomplish?
2. Are we doing the right things?
3. If we are doing the right things, are we doing them efficiently and effectively?

Shown below are Westlake Academy's identified strategic objectives arranged by perspective and causally linked to form a strategic map:

WESTLAKE ACADEMY STRATEGY MAP



Westlake Academy administration and staff are currently working with the Board of Trustees to develop and refine performance measures, targets, and initiatives that can be linked to identified strategic objectives. The Academy anticipates full implementation of the Balanced Scorecard system by the end of FY 15/16.

WESTLAKE ACADEMY'S DESIRED OUTCOMES

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, and considers economic and demographic trends to formulate long-range goals, plan for future challenges, and develop comprehensive guidelines that ensure student success.

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

1. **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.
2. **Strong Parent & Community Connections** - To involve all stakeholders in building a better Westlake Academy community.
3. **Financial Stewardship & Sustainability** - To ensure sufficient, well-managed resources to support and advance the mission of Westlake Academy.
4. **Student Engagement & 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.
5. **Effective Educators & Staff** - Recruit, develop and retrain a core faculty and staff with the personal qualities, skills and expertise to work effectively with the IB inquiry-based, student-centered curricula.



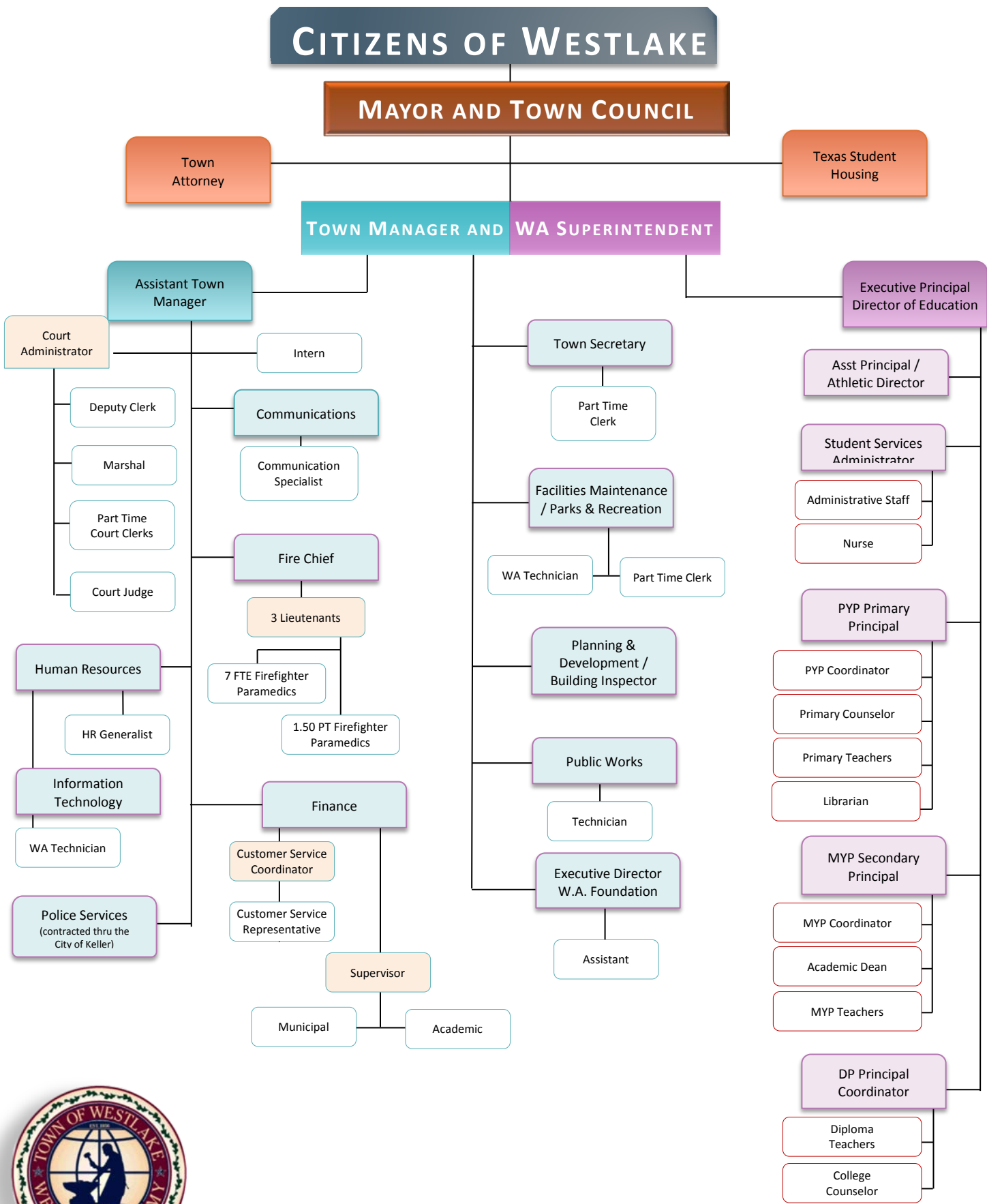
WESTLAKE ACADEMY ORGANIZATIONAL STRUCTURE

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.

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.

| JOB TITLE | DESCRIPTION OF DUTIES |
|---|---|
| Town Manager / Superintendent | Executing the Board of Trustees adopted policies and hiring and managing all employees and department directors |
| Assistant Town Manager / Superintendent | Supporting the Town Manager / Superintendent in his assigned duties, overseeing departmental directors and working on special projects as assigned |
| Finance Director | Financial oversight, preparing the annual budget and audit for both the Town and Academy |
| Director of Human Resource & Administrative Services | Managing personnel needs of both Town staff and school faculty |
| Student Services Administrator | Supporting the Executive Principal in her assigned duties, managing the administrative staff at the Academy, completing state and federal filings, budget development, and business office management |
| Primary Principal | Responsible for the educational outcomes in the PYP. |
| Executive Principal | Responsible for the educational outcomes for the whole school. |
| MYP Principal | Responsible for the educational outcomes in the MYP. |
| DP Principal | Responsible for the educational outcomes in the DP. |



ACADEMY LEADERSHIP

EXECUTIVE PRINCIPAL

The Executive Principal is the instructional leader for the whole school. The Executive Principal is the primary instructional leader as well as administrative head. In her role she is responsible for implementing board policies and direction from the Superintendent. She heads the executive leadership team 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 of further 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.

The PYP Principal is responsible for ensuring proper implementation of the IB curriculum, student performance, and recruiting, mentoring, and retaining talented faculty. The Primary Principal is a member of the executive leadership team.



MIDDLE YEARS PRINCIPAL (MYP)

The Middle Years Principal is the instructional leader for the Middle Years Programme (MYP). The MYP is 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 and prepares students for the demanding requirements of the Diploma Programme.

The MYP Principal is responsible for ensuring proper implementation of the IB curriculum, student performance, and recruiting, mentoring, and retaining talented faculty. The MYP Principal is a member of the executive leadership team.

DIPLOMA YEARS PRINCIPAL (DP)

The Diploma Programme Principal is the instructional leader for the Diploma Programme (DP). The DP is 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 skill of constructing and deconstruction knowledge.

The DP Principal is responsible for ensuring proper implementation of the IB curriculum, student performance, and recruiting, mentoring, and retaining talented faculty. The DP Principal is a member of the executive leadership team.

STUDENT SERVICES ADMINISTRATOR

The Student Services Administrator manages the central office activities of the Academy and directs all administrative staff. Responsibilities include grant management, federal and state reporting, activities of the registrar's office, support services for the Executive Principal, and research and analysis related to performance data and strategic planning. The Student Services Administrator is a member of the executive leadership team.

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 Director of Development is a member of the executive leadership team.

FINANCIAL STRUCTURE

Westlake Academy operates as a blended component unit of the Town of Westlake and is a Texas non-profit corporation under Chapter 12, Subchapter D of the Education Code.

THE 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.

On or before August 31st of each year, the Superintendent submits for review by the Board of Trustees a proposed budget for the upcoming school year. After reviewing the proposed budget and holding public meetings as necessary, the final budget is prepared and adopted.

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 approximately 79% of 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. Over the last two legislative sessions funding for public education has increased slightly, but overall funding still falls short of FY 2009/10 levels. Note that the amount of state aid received through the Foundation School Program (approximately \$7,085 per student in FY 15/16) is a function of the total number of students enrolled at the Academy.

KEY EXPENDITURES

Compensation and benefits are the largest operating cost for Westlake Academy, comprising 73% of total operating expenditures. The current forecast assumes no further expansions of curriculum or other programme areas that would necessitate additional staff; a 1% increase in personnel is included in the forecast. Other costs including utilities, supplies, and professional services are held flat 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. The current five-year forecast estimates the fund balance in the General Fund will increase slightly through FY 15/16. Fund Balance in subsequent fiscal years is anticipated to stay within 53 to 56 operating days. 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.

INDIRECT OPERATING COSTS

The Academy operates under a shared service model with the Town of Westlake, whereby the Town provides HR, Financial, Facilities, and Administrative support services to the Academy. The shared services model was an integral part of the charter application process that helped bolster the Town's case for having a community school. The shared service model conserves precious resources and avoids the duplication of effort across Town and Academy activities. The support services for the Academy that generate indirect costs paid by the Town of Westlake are:

- Human resources
- Information technology
- Risk management
- Finance and accounting services
- Facility maintenance services
- General managerial oversight (Superintendent)
- Board support services including policy advisement and strategic planning (Superintendent)
- Official Board records maintenance and election administration (Town Secretary)

As the Academy's enrollment and staffing levels have increased, the level of demand for support services that the Town provides the Academy has also grown. Per Board direction at its June 2011 budget retreat, indirect costs of approximately \$306,900 were expensed to the Academy's operating budget.

At the June 2012 Board budget retreat, staff recommended suspending the transfer of funds from the Academy to the Town due to changes in the State's public education funding formula which had resulted in an 8% decrease in funding. Consequently, the adopted budget for FY 12/13 suspended the transfer of \$306,900 to help maintain the TEA's recommended 45 day fund balance. Fund transfers have remained suspended since FY 12/13. In FY 15/16 indirect operating costs are approximately \$580,000. The following table reflects the Academy's total cost in FY 15/16, including transfers and indirect costs.

| Academic & Municipal Costs | Estimated
FY 2014/15 | Adopted
FY 2015/16 |
|--|-------------------------|-----------------------|
| WA Operating Expenditures | \$ 8,130,181 | \$ 8,288,953 |
| Municipal-Transfer to WA Operating Budget | 300,000 | 300,000 |
| Total Academic Costs | 8,430,181 | 8,588,953 |
| Annual Debt Service Payments | 1,859,274 | 1,858,591 |
| Major Maintenance and Replacement | 361,800 | 227,330 |
| Indirect Operating Costs (Shared Services) | 579,537 | 579,492 |
| Total Municipal Costs | 2,800,611 | 2,665,413 |
| Total Academic and Municipal Costs | \$ 11,230,792 | \$ 11,254,366 |

CAPITAL PROJECTS & DEBT SERVICE

The Town of Westlake owns the land on which the Academy is located and all facilities associated with the school. The Town has issued approximately \$30M in debt to construct campus facilities and is responsible for debt service payments associated with Westlake Academy's capital infrastructure. The Town's Debt Service Fund is used to manage debt service payments, and Academy debt is accounted for in the annual municipal budget. Average annual debt service payments for Academy facilities and infrastructure total approximately \$1.856M, and are funded primarily by municipal sales tax receipts. Academy related debt is over 90% of the Town's debt burden. However, the school is also considered the Town's primary economic development tool.

FY 15/16 debt service payments related to the construction of Westlake Academy facilities include:

- \$702,383 on Series 2007 General Obligation Refunding Bonds
- \$312,800 on Series 2011 General Obligation Refunding Bonds
- \$448,198 on Series 2013 Certificates of Obligation
- \$142,650 on Series 2013 General Obligation Refunding Bonds
- \$252,560 on Series 2014 General Obligation Refunding Bonds

For more information, see Town of Westlake FY 15/16 Annual Municipal Budget, available online at www.westlake-tx.org.

Academy related capital improvement projects are included in the Town Capital Improvement Plan and guided by the adopted Facility Master Plan, which can be viewed at www.westlake-tx.org, or at www.westlakeacademy.org. The following capital projects have been presented to the Board of Trustees but are currently **unfunded** (under discussion only). Note that there are no major capital projects budgeted or planned through FY 18/19.

| DESCRIPTION | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 | FY 19-20 | TOTALS |
|--|-------------|-------------|-------------|-------------|---------------------|---------------------|
| WA – Phase II Secondary Addition | \$ - | \$ - | \$ - | \$ - | \$ 4,676,839 | \$ 4,676,839 |
| WA – Phase II Arts & Science Classroom | - | - | - | - | 1,934,422 | 1,934,422 |
| WA - Phase III Kindergarten Addition | - | - | - | - | 2,515,775 | 2,515,775 |
| WA - Phase III Performing Arts Center | - | - | - | - | 5,391,638 | 5,391,638 |
| TOTAL UNFUNDED PROJECTS | \$ - | \$ - | \$ - | \$ - | \$14,518,674 | \$14,518,674 |

Any future additions to campus facilities will increase operational costs in conjunction with increases in casualty insurance, faculty and maintenance personnel. These projects include estimates of their related impacts to the operating budget in the Town Capital Improvement Plan, available to the public at www.westlake-tx.org.

| IMPACT ON OPERATING BUDGET | FY 15-16 | FY 16-17 | FY 17-18 | FY 18-19 | FY 19-20 | TOTALS |
|--|-------------|-------------|-------------|-------------|-------------------|-------------------|
| WA – Phase II Secondary Addition | \$ - | \$ - | \$ - | \$ - | \$ 53,760 | \$ 53,760 |
| WA – Phase II Arts & Science Classroom | - | - | - | - | 24,226 | 24,226 |
| WA - Phase III Kindergarten Addition | - | - | - | - | 28,840 | 28,840 |
| WA - Phase III Performing Arts Center | - | - | - | - | 11,536 | 11,536 |
| TOTAL UNFUNDED PROJECTS | \$ - | \$ - | \$ - | \$ - | \$ 118,362 | \$ 118,362 |

THE TOWN OF WESTLAKE BOND RATING

Standard & Poor's Ratings Services recently raised The Town's credit rating one notch to 'AA+' from 'AA' with a stable outlook. Below is an excerpt from Standards and Poor's:

The ratings reflects our opinion of the following factors for Westlake, specifically its: (a) Inclusion in the deep and diverse Dallas-Fort Worth metropolitan statistical area (MSA) economy; (b) Very strong budgetary flexibility with fiscal 2012 audited reserves in excess of 50% of general fund expenditures; (c) Very strong liquidity, providing very strong cash to cover debt service and expenditures; and (d) Strong management conditions, supported by good financial policy implementation.

FINANCIAL REPORTING ENTITY

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

(a) the primary government be able to impose its will, or (b) the primary government may potentially benefit financially or be financially responsible for the component unit.

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.

BASIS OF BUDGETING

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, described below, 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.

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.

SIGNIFICANT ACCOUNTING POLICIES

The Board of Trustees has established and regularly updates a comprehensive set of financial policies for the Academy. Some of the key features of these policies include:

- **Fund Balance:** The Academy shall strive to maintain the General Fund unassigned fund balance at 45 days of operation. Fund Balance will be targeted to only be used with Board approval for a specific list of uses.
- **Salary:** The Academy shall strive to maintain competitive salary levels for faculty and staff (within 3% of the median of surrounding schools).
- **Expenditure Control:** Budget adjustments among funds must be approved by the Board. The Academy shall operate on a current funding basis. Expenditures shall be controlled so as not to exceed revenues plus the planned use of fund balance accumulated through prior year savings.

BASIS OF ACCOUNTING – FUNDS

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 according to 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.

Academy funds are classified into two categories: governmental and fiduciary.

Governmental funds include the following:

- **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 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.

Governmental 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. 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.

GOVERNMENTAL FUND TYPES

General Fund

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

- **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 provide by law. This fund usually includes transactions as a result of revenues from local sources and 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 as well as to collect parking fees and remit them to the Town of Westlake as a reimbursement for the expense of the new parking lot built in the summer of 2010 (funded by the Town). This fund is converted to Fund 199 for PEIMS reporting.

Special Revenue Funds

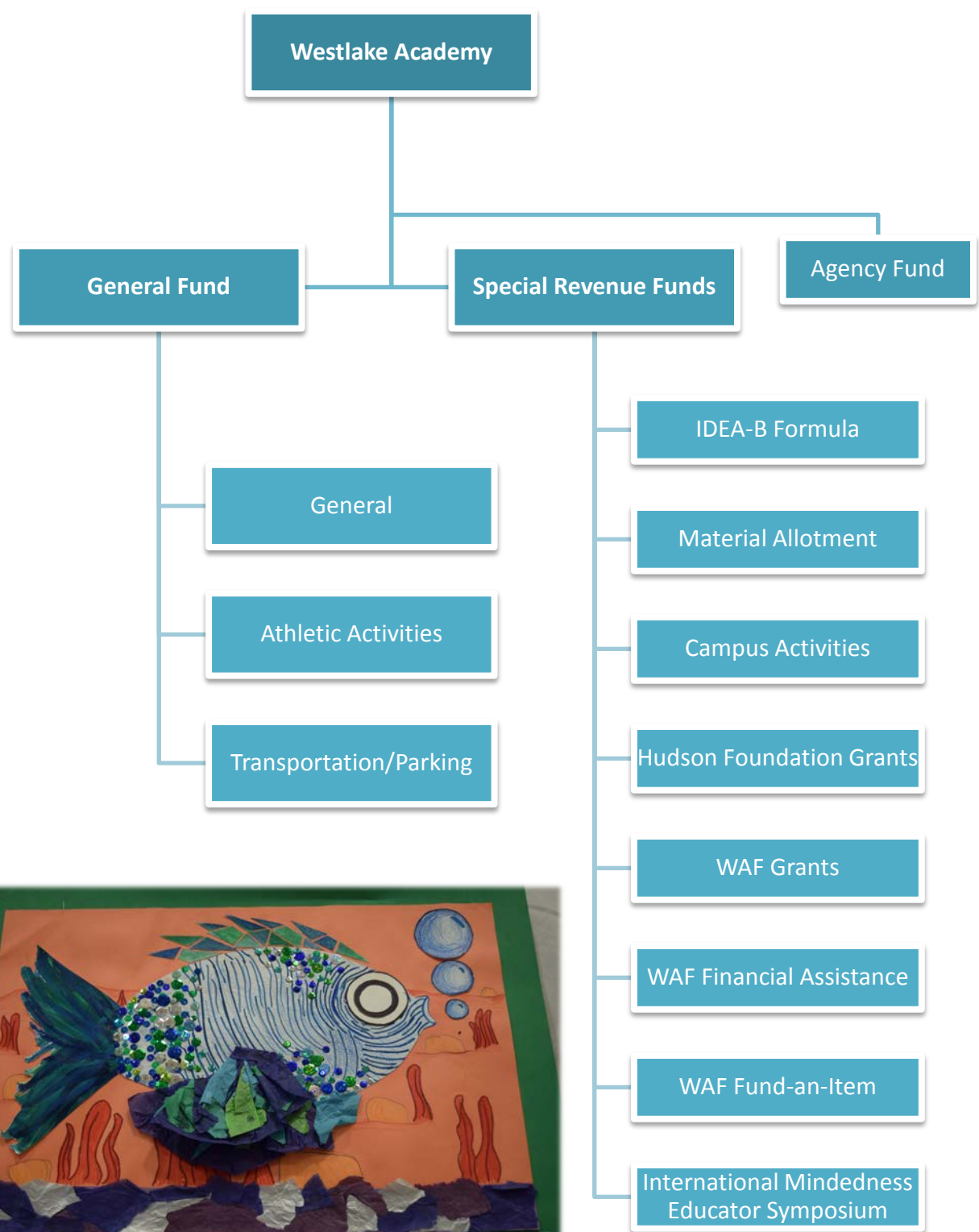
Special Revenue Funds account for local, state and federally financed programs or expenditures legally restricted for specified purposes or where unused balances are returned to the grantor at the close of a specified project period. These funds are not adopted by the governing body, and are shown here 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 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 at Westlake Academy.
- **Fund 481 Hudson Foundation** (Locally funded) - This locally defined fund is used to account for grants awarded to the Academy by the Hudson Foundation to be used to support the Director or Curriculum and Instruction.
- **Fund 484 Local Grants** (Locally funded) – These funds represent small grants from Westlake Academy Foundation and the House of Commons for specific purposes.
- **Fund 485 Hudson Foundation Staff/Development** (Locally funded) - This locally defined fund is used to account for grants awarded to the Academy by the Hudson Foundation to be used to pay for the new MYP Principal, professional development, and curriculum coach.
- **Fund 487 Westlake Academy Fund-an-Item** (Locally funded) – Represents funds raised at Gallery Night annually for specific items for the Academy.
- **Fund 496 Hudson Foundation** (Locally funded) – These funds will be used in two fiscal years to support extended learning with Strength Finders; Great Expectations training; beginning of the year school activities; coaching with Marsha Clark, Summer Reading Support Camp; transformational space in secondary building; discretionary funds for teachers to attend the Ron Clark Academy; IAAPA; DaVerse Lounge experience; international experience for current grade 10 students, International Mindedness Teacher Symposium; and House Innovations.
- **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.

WESTLAKE ACADEMY FUND STRUCTURE



OVERVIEW OF ACCOUNT CODES

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 also 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 the purpose of 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.

ACCOUNT CODE STRUCTURE

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

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 and single digit year code in the accounting number scheme.

| FUNCTION CODE | FUNCTION CODE DESCRIPTION |
|----------------------|--|
| 11 | Instruction & Related |
| 12 | Instructional Resources & Media Sources (Library) |
| 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 | Cocurricular/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 |

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, service, 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 students' abilities, aptitudes, and interests with respect to career and educational goals and opportunities. It includes psychological services, testing, and counseling.
- **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 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.
- **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 as a whole 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.

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:

| OBJECT CODES | OBJECT CODE DESCRIPTION |
|--------------|------------------------------------|
| 61XX | Payroll and Payroll Related |
| 62XX | Professional & Contracted Services |
| 63XX | Supplies and Materials |
| 64XX | Other Operating Costs |
| 65XX | Debt Service |
| 66XX | Capital |

THE BUDGET PROCESS

The Academy's fiscal year begins each year on October 1st and ends on September 30th of the following calendar year. Prior to the beginning of the fiscal year, the Superintendent must submit a proposed budget to the Board of Trustees which includes:

- A budget message
- A consolidated statement of anticipated revenues and proposed expenditures for all funds
- General fund resources in detail
- Special fund resources in detail
- A summary of proposed expenditures by department and activity
- Detailed estimates of expenditures shown separately to support proposed expenditures

The budget preparation process begins early in the calendar year with the establishment of overall town 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. Department heads submit proposed 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 proposed budget is presented by the Superintendent 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 October 1st, prior to the expenditure of any Town funds for that budget year.

BUDGET AMENDMENT PROCESS

The Superintendent may request that the current year budget be amended. In this process, the Superintendent will review the documentation and draft an ordinance to formally amend the current budget. This ordinance is presented to the Board of Trustees for consideration. Following the consideration of the proposed amendment, the Board will vote on the amendment ordinance. If the amendment is approved, the necessary budget changes are then made. All budget amendments will be approved by the Board of Trustees prior to the expenditure of funds in excess of the previously authorized budgeted amounts within each fund.



| 2015/16 Budget Planning Timeline | |
|----------------------------------|--|
| Timeline | Description of Activities |
| October - December | Strategic Plan review and development |
| December | Westlake Academy Instructional Leadership Team (ILT) begins planning upcoming budget |
| January | ILT meets with WA affiliates for joint planning |
| January - March | Review/develop CIP, Five Year Projection, and Personnel Cost Estimates |
| April | Develop improvement plans for each grade level/dept. |
| May | Strategic Plan preparation process occurs; preliminary budgets developed |
| May | BOT Budget Retreat |
| June | Current budget review; budget amendments for current year if necessary |
| August | BOT consideration/adoption of Westlake Academy budget for upcoming school year |
| December | Annual financial audit |

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, in order 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:

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

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.

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.

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.

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.

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

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

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.

Accounting, Auditing, and Financial Reporting: Comply with prevailing Federal, State and local statutes 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).

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

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.

Revenue Estimates for Budgeting - In order 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.

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.

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: (1) personnel costs, (2) base budget for operations and maintenance costs, (3) service level adjustments for increases of existing service levels or additional services, (4) revenues, and (5) General Administrative (G&A) costs. The proposed budget review process shall include Board of Trustees review of each of the four 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.

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.

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.

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

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. REVENUES MANAGEMENT

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

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

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

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.

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.

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:

- State Education funding
- State and Federal Grants
- 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

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.

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.)

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 in excess of 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.).

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.

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 in order 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.

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.

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

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

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.

General Fund Unassigned Fund Balance - The Academy shall 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 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. 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 subsequent to 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 amount of funds. Assignments may occur subsequent to fiscal year-end.

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

VII. INTERGOVERNMENTAL RELATIONSHIPS

Inter-local Cooperation in Delivering Services - In order 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.

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

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.

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.

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

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.

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

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.

Accounting - Currently, the Education Service Center (Region XI) 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.

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 issues 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.

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.

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

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.

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

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 the Academy of Westlake 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.

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.

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

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.

Capitalization Criteria – For purposes of budgeting and accounting classification, the following criteria must be capitalized:

- The asset is owned by the 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 expenses unless they are a significant nature and meet all the capitalization criteria.

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.

FUND BALANCE POLICIES

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.

There are four primary reasons to maintain an adequate fund balance:

- **Cash Flow** – It is essential for the Board of Trustees to have enough cash on hand for payroll and other obligations to be made timely because most state and federal grants require the Academy to make payment first before the grant will make reimbursement.
- **Unforeseen Events** – Reserves often act as a contingency to meet unbudgeted and unexpected needs, thus allowing time to make permanent changes to the budget and preventing fiscal problems from needlessly worsening.
- **Financial Security** – A fund reserve demonstrates a sign of financial strength and security to banking and financial institutions allowing the Town to borrow funds and sell bonds when additional facilities need to be built or renovated at more favorable rates, thus saving the taxpayers money.
- **Interest Earning** – Having a fund balance allows the Academy to earn additional revenues without having to tax citizens.

| Fiscal Year | | Revenues | Expenditures | Unassigned Fund Balance | % | Daily Cost | Min. \$\$ | Min % |
|-------------|-----------|-------------|--------------|-------------------------|-----|------------|-----------|-------|
| FY 03/04 | Audited | \$1,094,608 | \$1,068,857 | \$12,391 | 1% | \$2,928 | \$131,777 | 12% |
| FY 04/05 | Audited | \$1,831,898 | \$1,612,198 | \$232,091 | 14% | \$4,417 | \$198,764 | 12% |
| FY 05/06 | Audited | \$2,407,526 | \$2,211,897 | \$427,720 | 19% | \$6,060 | \$272,700 | 12% |
| FY 06/07 | Audited | \$2,879,531 | \$2,615,511 | \$691,740 | 26% | \$7,166 | \$322,460 | 12% |
| FY 07/08 | Audited | \$3,168,968 | \$3,226,254 | \$634,454 | 20% | \$8,839 | \$397,757 | 12% |
| FY 08/09 | Audited | \$3,661,645 | \$3,709,086 | \$502,322 | 14% | \$10,162 | \$457,285 | 12% |
| FY 09/10 | Audited | \$4,280,723 | \$3,917,886 | \$753,772 | 19% | \$10,734 | \$483,027 | 12% |
| FY 10/11 | Audited | \$4,608,573 | \$4,518,107 | \$798,851 | 18% | \$12,378 | \$557,027 | 12% |
| FY 11/12 | Audited | \$5,244,170 | \$5,287,757 | \$814,487 | 15% | \$14,487 | \$651,915 | 12% |
| FY 12/13 | Audited | \$5,640,930 | \$5,496,177 | \$959,240 | 17% | \$15,058 | \$677,611 | 12% |
| FY 13/14 | Audited | \$6,560,141 | \$6,733,873 | \$1,024,517 | 15% | \$18,449 | \$830,204 | 12% |
| FY 14/15 | Estimated | \$7,699,024 | \$7,570,239 | \$1,016,952 | 13% | \$20,740 | \$933,317 | 12% |
| FY 15/16 | Adopted | \$7,941,626 | \$7,851,666 | \$1,106,912 | 14% | \$21,511 | \$968,014 | 12% |

The table above lists the revenues and expenditures for each year since the Academy began operating. The Fund Balance column lists the accumulated ending fund balance (the chart does not show transfers in/out which influence the fund balance each year); the percentage that follows this column represents the ratio of fund balance to annual expenditures i.e. in FY 04/05, 14% correlates to the \$232,091 fund balance that was equal to approximately 14% of annual expenditures of \$1,612,198 for the same fiscal year. Daily cost is calculated by dividing the annual expenditure amount by 365 days. The minimum dollar and minimum percentage amounts are calculated based on the Board's financial policy of maintaining a minimum of 45 days of operating costs in fund balance, i.e. daily cost multiplied by 45.

INVESTMENT POLICY

I. POLICY STATEMENT

It is the policy of the 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, taking into account 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 in order 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.

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 be made contractually liable for monitoring and maintaining the collateral levels at all times. 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 and 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.

FINANCIAL SECTION



Dream... Create... Achieve

BUILDING A COLLECTIVE LEGACY OF EXCELLENCE

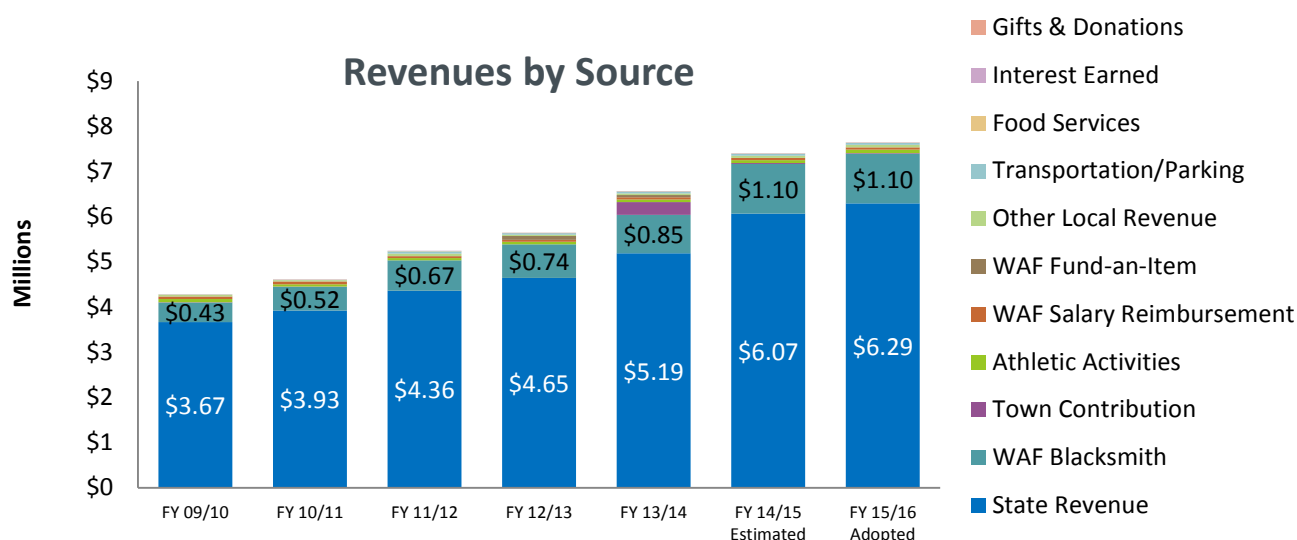
This page is intentionally blank

MAJOR REVENUE SOURCES AND EXPENDITURES

REVENUES:

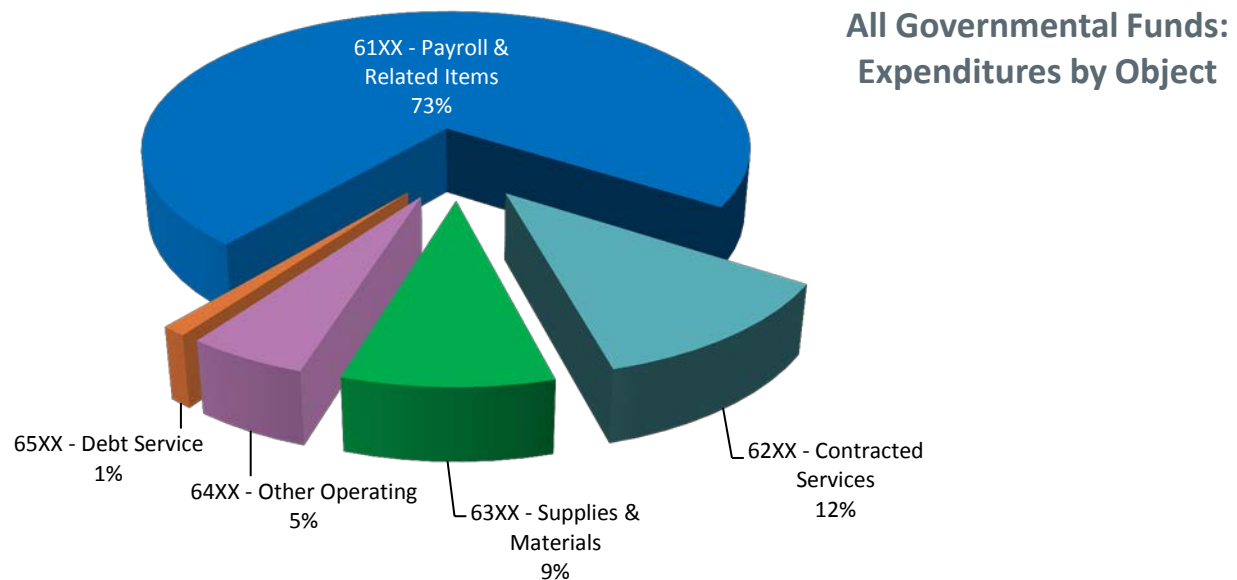
The revenues received by Westlake Academy are classified into one of three broad categories: State, Federal and Local.

- State funding** is the Academy's largest revenue source, making up over 78% of revenues from all funds. Funding for public education has increased slightly over the last two legislative sessions, but overall funding still falls short of the FY 2009/10 school year. The Texas economy has been strong, but ongoing litigation regarding public education funding has created a hesitancy to adjust funding projections until the courts have ruled upon the constitutionality of the current funding methodology. Consequently, the Academy continues to utilize prior year funding levels when developing financial models and forecasts. Staff estimates that the average level of total state aid received through the Foundation School Program (FSP) in FY 2015/16 will be approximately \$7,085 per student, a small (less than 1%) increase from FY 2014/15.
- Local funding** consists of two major sources, the Town of Westlake and Westlake Academy Foundation (WAF). The Town provides administrative, HR, facilities, and financial services for the Academy and is also responsible for all debt service payments relating to Academy facilities and infrastructure. The Foundation is an independent non-profit organization that raises funds through donations and various fund raising efforts; the FY 2015/16 forecast is \$1,100,000. The WAF conducts several annual fundraising activities, including the Blacksmith Campaign, an annual fund drive which started as a way to close the funding gap between what charter schools receive in state allocations in comparison to local ISDs. It 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 asked to contribute \$2,500 per student to help cover the gap between the state public education funding and what the Academy actually spends on each student.
- Federal funding** is received through grants that support special education and accounts for approximately one percent (1%) of revenues for all funds.



EXPENDITURES:

Compensation and benefits are Westlake Academy's largest operating cost. In FY 15/16, staff recommends a realignment of the salary scale, following Board policy which states a desire to maintain the median salary within three percent (3%) of the districts surveyed for market comparison purposes. This realignment would result in an average salary increase of 3.9% from FY 14/15. Pay steps furthest from the estimated market median would be increased by up to 5.52%. The pay steps furthest from the market median are primarily in years 0-7, and will consequently require larger adjustments to realize our desired market position. The increase equals approximately \$130,500 with an additional \$12,500 in insurance increases. Realignment of the salary scale will be a valuable tool in our recruiting and retention effort.



DEBT SERVICE & CAPITAL EXPENDITURES

The Town of Westlake is responsible for debt service payments associated with Westlake Academy's capital infrastructure. The Town's Debt Service Fund is used to manage payments, and Academy debt is accounted for in the annual municipal budget. Approximately \$30M in debt has been issued since 2002 to develop Academy facilities; this debt will be fully retired in 2043. The average annual debt service for Academy facilities paid by the Town of Westlake is approximately \$1.856M.

FY 15/16 debt service payments related to the construction of Westlake Academy facilities include:

- \$702,383 on Series 2007 General Obligation Refunding Bonds
- \$312,800 on Series 2011 General Obligation Refunding Bonds
- \$448,198 on Series 2013 Certificates of Obligation
- \$142,650 on Series 2013 General Obligation Refunding Bonds
- \$252,560 on Series 2014 General Obligation Refunding Bonds

For more information, see Town of Westlake FY 15/16 Annual Municipal Budget, available online at www.westlake-tx.org.

SERVICE LEVEL ADJUSTMENTS

This budget makes use of Service Level Adjustments (SLA) to track cost changes. There are four types of Service Level Adjustments: (1) increased operating costs to maintain current levels of service, (2) increased operating costs due to expanded levels of service, (3) increased costs due to the development of new services, and (4) cost savings. Cost savings may occur for any number of reasons, but primarily arise due to increased efficiency, service level reductions, or not expending budgeted resources. Note that totals in brackets () denote a decrease in expenditures.

For FY 2015/16, staff recommends the following adjustments:

Salary Related Expenditures **Total: \$389,003**

Balanced Scorecard Perspective: People, Facilities, & Technology

Outcome Objective: Attract, Recruit, Retain, & Develop the Highest Quality Workforce

- Increases in FY 15/16 salary related expenditures are primarily due to the direct and indirect costs associated with the addition of 4.10 full-time equivalent positions and increases in unemployment insurance and other employer contributions.

Professional & Contracted Services **Total: \$(153,094)**

Balanced Scorecard Perspective: Academic Operations

Outcome Objective: Improve the Efficiencies of Operational Systems

- This category includes expenditures related to professional and contracted services rendered to the Academy by firms, individuals, and other organizations. Cost savings in contract services are the result of a staff analysis that concluded it would be more cost effective to directly employ certain support staff, including a speech language pathologist, as opposed to contracting out for services.

Supplies & Materials **Total: \$53,336**

Balanced Scorecard Perspective: Academic Operations

Outcome Objective: Optimize Student Potential

- Supplies and materials costs are associated with consumables that are used in the classroom, maintenance of the campus, books, iPads, testing materials, furniture, and classroom supplies.

Other Operating Costs **Total: \$(7,818)**

Balanced Scorecard Perspective: People, Facilities, & Technology

Outcome Objective: Increase the Capacity of Teachers & Staff

- Other operating costs are associated with insurance, professional development, travel, membership fees and dues, graduations expenses, and miscellaneous costs. Cost savings in this category were shifted to Supplies and Materials.

FINANCIAL FORECAST

FORECAST ASSUMPTIONS

Basic Assumptions:

- 18 students per class in Kindergarten through G5
- 23-24 students per section in G6-G12
- Average Daily Attendance rate of 97%

Revenues:

- 100% use of WAF Annual Program revenues (adopted \$1.1 million)
- Slight but negligible increase in FSP funding in FY 2015/16 (revenues held flat)

Expenditures:

- Personnel costs are estimated to increase an estimated 1% annually
- Professional Services will only increase if revenues increase
- Supplies increase will only increase if revenues increase
- Other operating expenditures will increase only if revenues increase

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 their participation in special programs, such as special education. The majority of WA funding 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 support of the Academy.

Future revenue projections are based upon the State's current funding formula and current local donation levels. Due to the uncertainty of state funding, the Academy adopted a new policy in FY 14/15 which only allows increases in expenditures if there is an offsetting increase in revenues.

Westlake Academy - General Fund

FINANCIAL SECTION

Five Year Financial Forecast FY 2015-16 thru FY 2019-20

| | Audited
FY 13/14 | Adopted
FY 14/15 | Estimated
FY 14/15 | Projected
FY 15/16 | Amount
Inc/(Dec) | Percent
Inc/(Dec) | Projected
FY 16/17 | Projected
FY 17/18 | Projected
FY 18/19 | Projected
FY 19/20 |
|---|---------------------|---------------------|-----------------------|-----------------------|---------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| WAF Salary Reimbursement | \$ 47,600 | \$ 48,790 | \$ 48,790 | \$ 49,770 | \$ 980 | 2% | \$ 50,268 | \$ 50,770 | \$ 51,278 | \$ 51,791 |
| Other Local Revenue (BTS, Tech & Other) | 36,499 | 32,500 | 47,500 | 54,000 | 6,500 | 14% | 54,000 | 54,000 | 54,000 | 54,000 |
| WAF Donation | 850,979 | 1,100,000 | 1,100,000 | 1,100,000 | - | 0% | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 |
| WAF Fund-an-Item (Moved to SRF) | 50,851 | 50,000 | - | - | - | 0% | - | - | - | - |
| Interest Earned | 1,450 | 1,515 | 1,575 | 1,575 | - | 0% | 1,730 | 1,865 | 1,912 | 2,019 |
| Food Services | 3,000 | 6,000 | 6,000 | 6,000 | - | 0% | 1,865 | 6,000 | 6,000 | 6,000 |
| Town Contribution | 282,000 | 15,000 | 15,000 | 15,000 | - | 0% | 15,000 | 15,000 | 15,000 | 15,000 |
| Town Contribution - Westlake Reserve | - | 300,000 | 300,000 | 300,000 | - | 0% | 300,000 | 300,000 | 300,000 | 300,000 |
| Athletic Activities | 60,563 | 64,000 | 69,500 | 81,150 | 11,650 | 17% | 81,150 | 81,150 | 81,150 | 81,150 |
| Transportation/Parking | 36,890 | 46,000 | 40,000 | 41,225 | 1,225 | 3% | 41,225 | 41,225 | 41,225 | 41,225 |
| Total Local Revenues | 1,369,832 | 1,663,805 | 1,628,365 | 1,648,720 | 20,355 | 1% | 1,645,238 | 1,650,010 | 1,650,565 | 1,651,184 |
| percent of total revenues | 21% | 22% | 21% | 21% | | | 21% | 21% | 21% | 21% |
| TEA - Available School Funds | 167,900 | 172,854 | 172,854 | 222,779 | 49,925 | 29% | 222,779 | 222,779 | 222,779 | 222,779 |
| TEA - FSP Funds | 4,697,314 | 5,280,952 | 5,532,180 | 5,671,950 | 139,770 | 3% | 5,671,950 | 5,671,950 | 5,671,950 | 5,671,950 |
| TEA - IB Training (15 Teachers) | | | | 6,750 | 6,750 | 100% | 6,750 | 6,750 | 6,750 | 6,750 |
| TRS On-behalf/Medicare Part B | 325,094 | 328,286 | 365,625 | 391,427 | 25,802 | 7% | 395,342 | 399,295 | 403,288 | 407,321 |
| Total State Revenues | 5,190,308 | 5,782,092 | 6,070,659 | 6,292,906 | 222,247 | 4% | 6,296,821 | 6,300,774 | 6,304,767 | 6,308,800 |
| percent of total revenues | 79% | 78% | 79% | 79% | | | 79% | 79% | 79% | 79% |
| TOTAL REVENUES | 6,560,140 | 7,445,897 | 7,699,024 | 7,941,626 | 242,602 | 3% | 7,942,058 | 7,950,784 | 7,955,332 | 7,959,984 |
| EXPENDITURES by FUNCTION | | | | | | | | | | |
| Function 11 - Instructional | 4,017,952 | 4,510,171 | 4,372,465 | 4,579,900 | 207,436 | 5% | | | | |
| Function 12 - Resources & Media | 56,552 | 66,252 | 68,452 | 74,801 | 6,349 | 9% | | | | |
| Function 13 - Curriculum & Staff Development | 75,493 | 104,089 | 160,085 | 134,590 | (25,495) | -16% | | | | |
| Function 21 - Instructional Leadership | 165,116 | 213,112 | 225,237 | 264,259 | 39,022 | 17% | | | | |
| Function 23 - School Leadership | 552,170 | 606,038 | 638,013 | 778,866 | 140,853 | 22% | | | | |
| Function 31 - Guidance & Counseling | 282,334 | 246,538 | 280,079 | 205,230 | (74,849) | -27% | | | | |
| Function 33 - Health Services | 61,890 | 68,710 | 69,585 | 66,617 | (2,968) | -4% | | | | |
| Function 35 - Food Services | - | 500 | - | - | - | 0% | | | | |
| Function 36 - Co/Extracurricular Activities | 121,840 | 139,256 | 139,461 | 146,774 | 7,313 | 5% | | | | |
| Function 41 - Administrative | 379,868 | 343,836 | 353,992 | 306,986 | (47,006) | -13% | | | | |
| Function 51 - Maintenance & Operations | 733,367 | 956,091 | 950,567 | 915,068 | (35,499) | -4% | | | | |
| Function 52 - Security & Monitoring Services | | | 700 | 5,695 | 4,995 | 714% | | | | |
| Function 53 - Data Processing | 177,063 | 105,015 | 111,015 | 169,678 | 58,663 | 53% | | | | |
| Function 61 - Community Services | 106,495 | 110,823 | 110,024 | 112,638 | 2,614 | 2% | | | | |
| Function 71 - Debt Service | 3,733 | 84,186 | 90,565 | 90,565 | - | 0% | | | | |
| Function 81 - Facility Acquisition/Construction | - | - | - | - | - | 0% | | | | |
| TOTAL EXPENDITURES BY FUNCTION | 6,733,873 | 7,554,617 | 7,570,239 | 7,851,666 | 281,427 | 4% | - | - | - | - |
| Object Code 61XX - Salaries | 4,911,121 | 5,431,205 | 5,523,798 | 5,912,800 | 389,003 | 7% | 5,971,928 | 6,031,648 | 6,091,964 | 6,152,884 |
| Object Code 62XX - Contracted Services | 910,036 | 1,032,369 | 1,093,539 | 940,445 | (153,094) | -14% | 940,445 | 940,445 | 949,849 | 959,348 |
| Object Code 63XX - Supplies & Materials | 621,114 | 645,390 | 429,779 | 483,115 | 53,336 | 12% | 483,115 | 483,115 | 483,115 | 483,115 |
| Object Code 64XX - Other Operating Costs | 287,869 | 361,468 | 432,559 | 424,741 | (7,818) | -2% | 424,741 | 424,741 | 424,741 | 424,741 |
| Object Code 65XX - Debt Service | 3,733 | 84,186 | 90,565 | 90,565 | - | 0% | 90,186 | - | - | - |
| Object Code 66XX - Capital Assets | - | - | - | - | - | 0% | - | - | - | - |
| TOTAL EXPENDITURES BY OBJECT | 6,733,873 | 7,554,617 | 7,570,239 | 7,851,666 | 281,427 | 4% | 7,910,415 | 7,879,949 | 7,949,669 | 8,020,088 |
| Other Resources - Local | 239,009 | 45,000 | 45,000 | 45,000 | - | 0% | 45,000 | 45,000 | 45,000 | 45,000 |
| Other Uses - Local | - | (45,000) | (45,000) | (45,000) | - | 0% | (45,000) | (45,000) | (45,000) | (45,000) |
| NET OTHER RESOURCES (USES) | 239,009 | - | - | - | - | 0% | - | - | - | - |
| EXCESS REVENUES OVER(UNDER) EXPENDITURES | 65,277 | (108,720) | 128,785 | 89,960 | (38,825) | -30% | 31,643 | 70,836 | 5,663 | (60,103) |
| FUND BALANCE BEGINNING | 959,240 | 1,024,517 | 1,024,517 | 1,153,302 | 128,785 | 13% | 1,243,262 | 1,274,905 | 1,345,741 | 1,351,404 |
| FUND BALANCE ENDING | 1,024,517 | 915,797 | 1,153,302 | 1,243,262 | 89,960 | 8% | 1,274,905 | 1,345,741 | 1,351,404 | 1,291,301 |
| Assigned - Technology/FFE | - | 125,000 | 125,000 | 125,000 | - | 0% | 125,000 | 125,000 | 125,000 | 125,000 |
| Assigned - Uniform/Equipment Replacement | - | 5,000 | 11,350 | 11,350 | - | 0% | 11,350 | 11,350 | 11,350 | 11,350 |
| FUND BALANCE ENDING (Unassigned) | \$ 1,024,517 | \$ 785,797 | \$ 1,016,952 | \$ 1,106,912 | \$ 89,960 | 9% | \$ 1,138,555 | \$ 1,209,391 | \$ 1,215,054 | \$ 1,154,951 |
| Number of Operating Days (365) | 56 | 38 | 49 | 51 | | | 53 | 56 | 56 | 53 |
| Dollars per Operating Day | \$ 18,449 | \$ 20,698 | \$ 20,740 | \$ 21,511 | 771 | 4% | \$ 21,672 | \$ 21,589 | \$ 21,780 | \$ 21,973 |
| Primary Students | | 324 | 316 | 324 | 8 | 3% | 324 | 324 | 324 | 324 |
| Secondary Students | | 498 | 496 | 508 | 12 | 2% | 508 | 508 | 508 | 508 |
| TOTAL STUDENTS ENROLLED | 697 | 822 | 812 | 832 | 20 | 2% | 832 | 832 | 832 | 832 |
| TEA Funding per Student | \$ 6,980 | \$ 6,635 | \$ 7,026 | \$ 7,085 | 59 | 1% | \$ 7,085 | \$ 7,085 | \$ 7,085 | \$ 7,085 |
| Operating Cost per Student | 9,661 | 9,191 | 9,323 | 9,437 | 114 | 1% | 9,508 | 9,471 | 9,555 | 9,640 |
| Teachers | 47.31 | 55.40 | 55.40 | 58.31 | 3 | 5% | 58.31 | 58.31 | 58.31 | 58.31 |
| Student/Teacher Ratio | 14.73 | 14.84 | 14.66 | 14.27 | (0.39) | -3% | 14.27 | 14.27 | 14.27 | 14.27 |

WESTLAKE ACADEMY
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUNDS
For the Year Ending August 31, 2016

| | Audited | Audited | Audited | Adopted | Estimated | Adopted | Variance |
|--|-------------------|-------------------|--------------------|-------------------|--------------------|--------------------|---------------------|
| | FY 11/12 | FY 12/13 | FY 13/14 | Budget | Budget | Budget | Estimated to |
| | | | | FY 14/15 | FY 14/15 | FY 15/16 | Adopted |
| REVENUES | | | | | | | |
| Local Revenues | \$1,237,004 | \$1,158,045 | \$1,636,975 | \$1,711,305 | \$2,132,698 | \$1,754,220 | \$ (378,478) |
| State Program Revenues | 4,362,921 | 4,696,540 | 5,269,641 | 5,782,092 | 6,104,248 | 6,435,693 | 331,445 |
| Federal Program Revenues | 152,351 | 81,958 | 80,103 | 73,896 | 162,270 | 90,000 | (72,270) |
| | <u>5,752,276</u> | <u>5,936,543</u> | <u>6,986,719</u> | <u>7,567,293</u> | <u>8,399,215</u> | <u>8,279,913</u> | <u>(119,302)</u> |
| EXPENDITURES (BY FUNCTION) | | | | | | | |
| 11 - Instructional | 3,170,372 | 3,458,116 | 4,264,664 | 4,621,940 | 4,725,156 | 4,906,188 | 181,031 |
| 12 - Resources & Media | 89,129 | 57,784 | 57,884 | 66,252 | 68,452 | 74,801 | 6,349 |
| 13 - Staff Development | 74,656 | 130,442 | 148,356 | 129,589 | 220,260 | 197,590 | (22,670) |
| 21 - Instructional Leadership | 135,962 | 93,964 | 165,116 | 237,967 | 260,737 | 264,259 | 3,522 |
| 23 - School Leadership | 347,515 | 341,039 | 597,075 | 660,620 | 724,498 | 801,866 | 77,368 |
| 31 - Guidance & Counseling | 232,419 | 244,900 | 282,334 | 246,539 | 280,169 | 205,230 | (74,939) |
| 33 - Health Services | 60,917 | 58,208 | 61,890 | 68,711 | 69,585 | 66,617 | (2,968) |
| 35 - Food Services | 11,517 | - | - | 500 | - | - | - |
| 36 - CoCurricular/ Extra. Activities | 131,972 | 125,139 | 152,261 | 171,255 | 164,461 | 171,774 | 7,313 |
| 41 - Administrative | 675,763 | 363,548 | 389,673 | 343,835 | 353,992 | 306,986 | (47,006) |
| 51 - Maintenance & Operations | 596,913 | 614,042 | 733,367 | 956,091 | 950,567 | 915,068 | (35,499) |
| 52 - Security & Monitoring Services | - | - | - | - | 700 | 5,695 | 4,995 |
| 53 - Data Processing | 173,587 | 160,695 | 177,063 | 105,015 | 111,015 | 169,678 | 58,663 |
| 61 - Community Services | 76,880 | 86,845 | 113,995 | 110,824 | 110,024 | 112,638 | 2,614 |
| 71 - Debt Service | - | - | 3,733 | 84,186 | 90,565 | 90,565 | - |
| 81 - Facility Acquisition/Construction | 15,960 | 27,930 | - | - | - | - | - |
| Total Expenditures | <u>5,793,560</u> | <u>5,762,652</u> | <u>7,147,411</u> | <u>7,803,324</u> | <u>8,130,180</u> | <u>8,288,953</u> | <u>158,773</u> |
| Excess (Deficiency) of Revenues Over
(Under) Expenditures | <u>(41,285)</u> | <u>173,891</u> | <u>(160,692)</u> | <u>(236,031)</u> | <u>269,035</u> | <u>(9,040)</u> | <u>(278,075)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| 79 - Other Resources | 26,124 | 40,959 | 239,009 | 45,000 | 45,000 | 45,000 | - |
| 89 - Other Uses | (26,124) | (40,959) | - | (45,000) | (45,000) | (45,000) | - |
| 79 - Special Item - Resource | 67,760 | - | - | - | - | - | - |
| 89 - Extraordinary Item - Use | (124,346) | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>(56,586)</u> | <u>-</u> | <u>239,009</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGES IN FUND BALANCE | <u>(97,871)</u> | <u>173,891</u> | <u>78,317</u> | <u>(236,031)</u> | <u>269,035</u> | <u>(9,040)</u> | <u>(278,075)</u> |
| FUND BALANCE, BEGINNING | <u>916,962</u> | <u>819,090</u> | <u>992,981</u> | <u>1,071,298</u> | <u>1,071,298</u> | <u>1,340,333</u> | <u>269,035</u> |
| FUND BALANCE, ENDING | <u>819,090</u> | <u>992,981</u> | <u>1,071,298</u> | <u>835,267</u> | <u>1,340,333</u> | <u>1,331,292</u> | <u>(9,040)</u> |
| Assigned - Tech/FF&E Replacemt | - | - | - | 125,000 | 125,000 | 125,000 | - |
| Assigned - Uniforms/Equip Rep. | - | - | - | 5,000 | 11,350 | 11,350 | - |
| Assigned - Facility Maintenance/FFE | - | - | - | - | - | - | - |
| FUND BALANCE, UNASSIGNED | <u>\$ 819,090</u> | <u>\$ 992,981</u> | <u>\$1,071,298</u> | <u>\$ 705,267</u> | <u>\$1,203,983</u> | <u>\$1,194,942</u> | <u>\$ (9,040)</u> |

WESTLAKE ACADEMY
ALL GOVERNMENTAL FUNDS
For the Year Ending August 31, 2016

TOTAL REVENUES

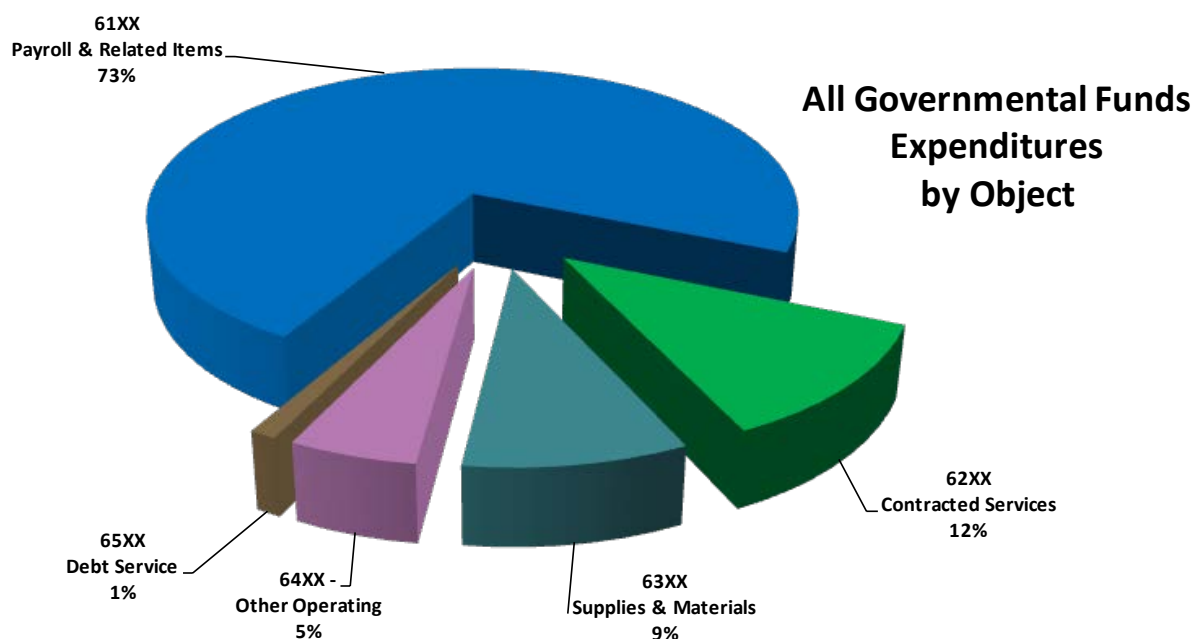
| | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
Estimated
Proposed |
|---------------------------------|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|-----------------------------------|
| General Fund | \$5,244,170 | \$5,640,934 | \$6,560,141 | \$7,445,897 | \$7,699,024 | \$7,941,626 | \$ 242,602 |
| Special Revenue Funds | 508,106 | 295,609 | 426,578 | 121,396 | 700,191 | 338,287 | (361,904) |
| Total Governmental Funds | \$5,752,276 | \$5,936,543 | \$6,986,719 | \$7,567,293 | \$8,399,215 | \$8,279,913 | \$ (119,302) |

TOTAL EXPENDITURES

| | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
to
Proposed |
|---------------------------------|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|----------------------------|
| General Fund | \$5,287,757 | \$5,496,181 | \$6,733,873 | \$7,554,617 | \$7,570,240 | \$7,851,666 | \$ 281,426 |
| Special Revenue Funds | 505,804 | 266,471 | 413,538 | 248,707 | 559,941 | 437,287 | (122,654) |
| Total Governmental Funds | \$5,793,561 | \$5,762,652 | \$7,147,411 | \$7,803,324 | \$8,130,181 | \$8,288,953 | \$ 158,772 |

EXPENDITURES BY OBJECT CODE

| Expenditures by Object | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
to
Proposed |
|--------------------------------|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|----------------------------|
| 61XX - Payroll & Related Items | \$4,089,284 | \$4,339,743 | \$5,198,873 | \$5,618,025 | \$5,776,828 | \$6,047,107 | \$ 270,279 |
| 62XX - Contracted Services | 1,075,052 | 865,171 | 958,209 | 1,064,256 | 1,152,239 | 974,140 | (178,099) |
| 63XX - Supplies & Materials | 345,997 | 267,105 | 672,965 | 672,890 | 620,490 | 748,402 | 127,912 |
| 64XX - Other Operating | 283,228 | 290,633 | 313,631 | 363,967 | 490,059 | 428,741 | (61,319) |
| 65XX - Debt Service | - | - | 3,733 | 84,186 | 90,565 | 90,565 | - |
| Total Expenditures | \$5,793,561 | \$5,762,652 | \$7,147,411 | \$7,803,324 | \$8,130,181 | \$8,288,954 | \$ 158,773 |



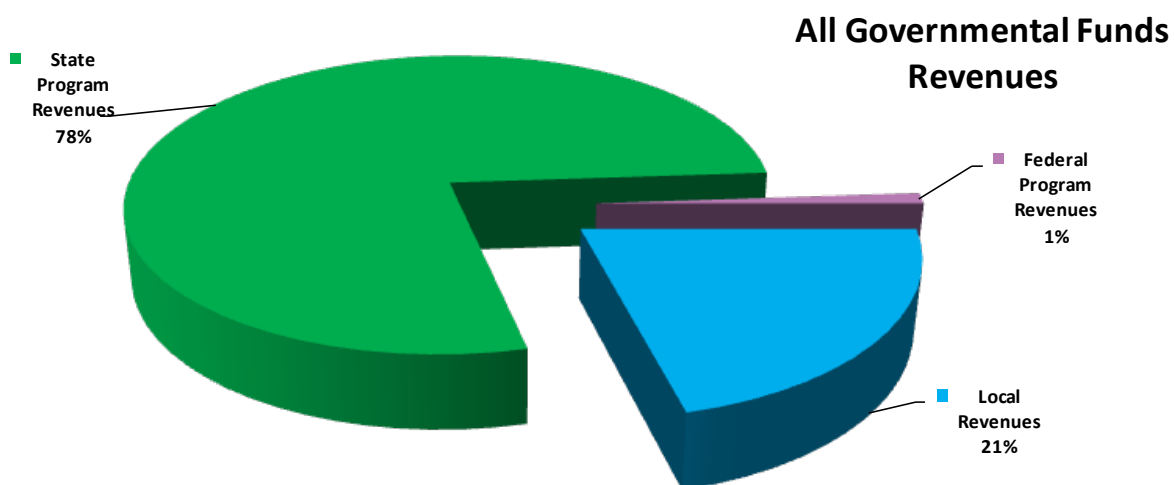
WESTLAKE ACADEMY
ALL GOVERNMENTAL FUNDS
For the Year Ending August 31, 2016

REVENUE SUMMARY

| | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 |
|--------------------------|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|
| Local Revenues | \$ 1,237,004 | \$ 1,158,045 | \$ 1,636,975 | \$ 1,711,305 | \$ 2,132,698 | \$ 1,754,220 |
| State Program Revenues | 4,362,921 | 4,696,540 | 5,269,641 | 5,782,092 | 6,104,248 | 6,435,693 |
| Federal Program Revenues | 152,351 | 81,958 | 80,103 | 73,896 | 162,270 | 90,000 |
| Total Revenues | \$ 5,752,276 | \$ 5,936,543 | \$ 6,986,719 | \$ 7,567,293 | \$ 8,399,215 | \$ 8,279,913 |

EXPENDITURES (BY FUNCTION)

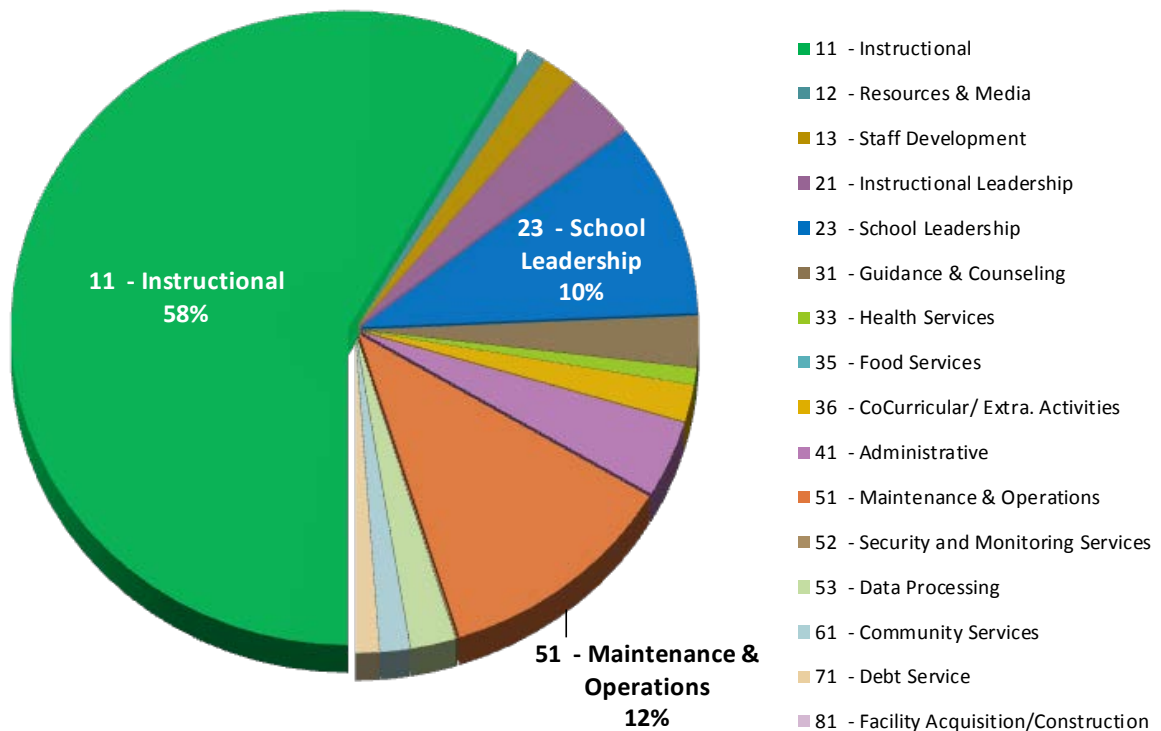
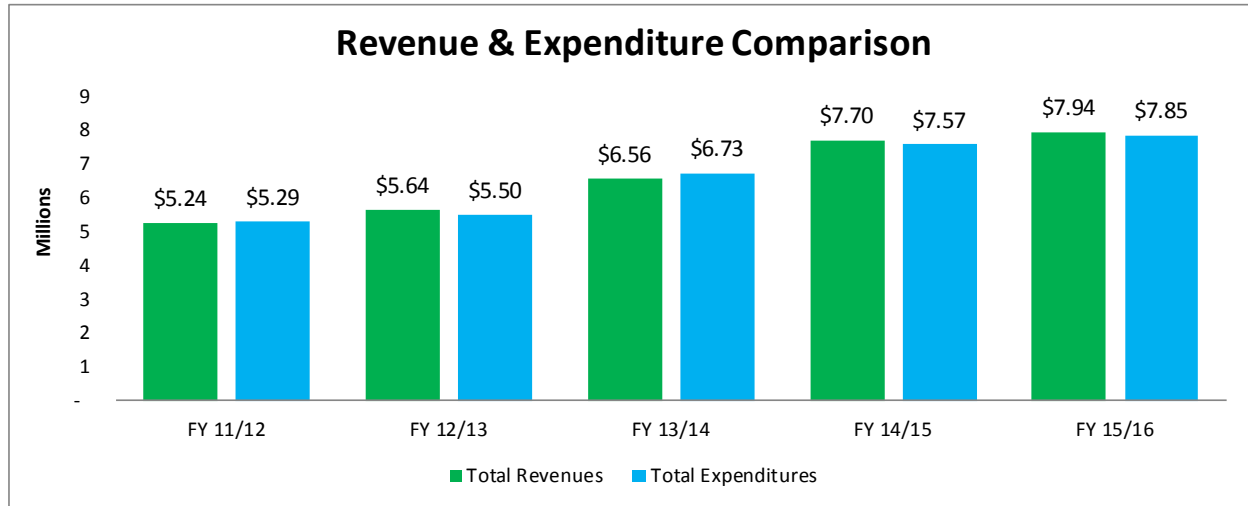
| | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 |
|--|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|
| 11 - Instructional | \$ 3,170,372 | \$ 3,458,116 | \$ 4,264,664 | \$ 4,621,940 | \$ 4,725,156 | \$ 4,906,188 |
| 12 - Resources & Media | 89,129 | 57,784 | 57,884 | 66,252 | 68,452 | 74,801 |
| 13 - Staff Development | 74,656 | 130,442 | 148,356 | 129,589 | 220,260 | 197,590 |
| 21 - Instructional Leadership | 135,962 | 93,964 | 165,116 | 237,967 | 260,737 | 264,259 |
| 23 - School Leadership | 347,515 | 341,039 | 597,075 | 660,620 | 724,498 | 801,866 |
| 31 - Guidance & Counseling | 232,419 | 244,900 | 282,334 | 246,539 | 280,169 | 205,230 |
| 33 - Health Services | 60,917 | 58,208 | 61,890 | 68,711 | 69,585 | 66,617 |
| 35 - Food Services | 11,517 | - | - | 500 | - | - |
| 36 - CoCurricular/ Extra. Activities | 131,972 | 125,139 | 152,261 | 171,255 | 164,461 | 171,774 |
| 41 - Administrative | 675,763 | 363,548 | 389,673 | 343,835 | 353,992 | 306,986 |
| 51 - Maintenance & Operations | 596,913 | 614,042 | 733,367 | 956,091 | 950,567 | 915,068 |
| 52 - Security & Monitoring Services | | - | | | 700 | 5,695 |
| 53 - Data Processing | 173,587 | 160,695 | 177,063 | 105,015 | 111,015 | 169,678 |
| 61 - Community Services | 76,880 | 86,845 | 113,995 | 110,824 | 110,024 | 112,638 |
| 71 - Debt Service | - | - | 3,733 | 84,186 | 90,565 | 90,565 |
| 81 - Facility Acquisition/Construction | 15,960 | 27,930 | - | - | - | - |
| Total Expenditures | \$ 5,793,561 | \$ 5,762,652 | \$ 7,147,411 | \$ 7,803,324 | \$ 8,130,180 | \$ 8,288,953 |



WESTLAKE ACADEMY
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ending August 31, 2016

| | Audited | Audited | Audited | Adopted | Estimated | Adopted | Variance |
|--|-------------------|-------------------|---------------------|-------------------|---------------------|---------------------|---------------------|
| | FY 11/12 | FY 12/13 | FY 13/14 | Budget | Budget | Budget | Estimated to |
| | | | | FY 14/15 | FY 14/15 | FY 15/16 | Proposed |
| REVENUES | | | | | | | |
| Local Revenues | \$ 881,249 | \$ 992,281 | \$ 1,369,833 | \$ 1,663,805 | \$ 1,628,365 | \$ 1,648,720 | 20,355 |
| State Program Revenues | 4,362,921 | 4,648,649 | 5,190,308 | 5,782,092 | 6,070,659 | 6,292,906 | 222,247 |
| Total Revenues | 5,244,170 | 5,640,930 | 6,560,141 | 7,445,897 | 7,699,024 | 7,941,626 | 242,602 |
| EXPENDITURES (BY FUNCTION) | | | | | | | |
| 11 - Instructional | 2,825,527 | 3,278,767 | 4,017,952 | 4,510,171 | 4,372,465 | 4,579,901 | 207,436 |
| 12 - Resources & Media | 74,628 | 57,784 | 56,552 | 66,252 | 68,452 | 74,801 | 6,349 |
| 13 - Staff Development | 9,732 | 89,084 | 75,493 | 104,089 | 160,085 | 134,590 | (25,495) |
| 21 - Instructional Leadership | 134,839 | 93,965 | 165,116 | 213,112 | 225,237 | 264,259 | 39,022 |
| 23 - School Leadership | 341,469 | 332,693 | 552,170 | 606,038 | 638,013 | 778,866 | 140,853 |
| 31 - Guidance & Counseling | 229,067 | 241,791 | 282,334 | 246,538 | 280,079 | 205,230 | (74,849) |
| 33 - Health Services | 60,917 | 58,208 | 61,890 | 68,710 | 69,585 | 66,617 | (2,968) |
| 35 - Food Services | 11,517 | - | - | 500 | - | - | - |
| 36 - CoCurricular/ Extra. Activities | 103,131 | 96,063 | 121,840 | 139,256 | 139,461 | 146,774 | 7,313 |
| 41 - Administrative | 655,149 | 358,311 | 379,868 | 343,836 | 353,992 | 306,986 | (47,006) |
| 51 - Maintenance & Operations | 584,891 | 614,041 | 733,367 | 956,091 | 950,567 | 915,068 | (35,499) |
| 52 - Security and Monitoring Services | | | | | 700 | 5,695 | 4,995 |
| 53 - Data Processing | 164,049 | 160,695 | 177,063 | 105,015 | 111,015 | 169,678 | 58,663 |
| 61 - Community Services | 76,880 | 86,844 | 106,495 | 110,824 | 110,024 | 112,638 | 2,614 |
| 71 - Debt Service | - | - | | 84,186 | 90,565 | 90,565 | - |
| 81 - Facility Acquisition/Construction | 15,960 | 27,930 | 3,733 | - | - | - | - |
| Total Expenditures | 5,287,757 | 5,496,177 | 6,733,873 | 7,554,617 | 7,570,239 | 7,851,666 | 281,427 |
| Excess (Deficiency) of Revenues Over
(Under) Expenditures | (43,587) | 144,753 | (173,732) | (108,720) | 128,785 | 89,960 | (38,825) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| 79 - Other Resources | 93,884 | 40,959 | 239,009 | 45,000 | 45,000 | 45,000 | - |
| 89 - Other Uses | (150,470) | (40,959) | | (45,000) | (45,000) | (45,000) | - |
| Total Other Financing | (56,587) | - | 239,009 | - | - | - | - |
| NET CHANGES IN FUND BALANCE | (100,174) | 144,753 | 65,277 | (108,720) | 128,785 | 89,960 | (38,825) |
| FUND BALANCE, BEGINNING | 914,661 | 814,487 | 959,240 | 1,024,517 | 1,024,517 | 1,153,302 | 128,785 |
| FUND BALANCE, ENDING | 814,487 | 959,240 | 1,024,517 | 915,797 | 1,153,302 | 1,243,262 | 89,960 |
| Assigned - Tech/FF&E Replacemt | - | - | | 125,000 | 125,000 | 125,000 | - |
| Assigned - Uniforms/Equip Rep. | - | - | | 5,000 | 11,350 | 11,350 | - |
| Assigned - Facility Maintenance/FFE | - | - | | - | - | - | - |
| FUND BALANCE, UNASSIGNED | \$ 814,487 | \$ 959,240 | \$ 1,024,517 | \$ 785,797 | \$ 1,016,952 | \$ 1,106,912 | \$ 89,960 |

WESTLAKE ACADEMY
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ending August 31, 2016



WESTLAKE ACADEMY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ending August 31, 2016

| | Adopted FY 15/16 | | | |
|---|--|---|------------------------------------|--------------------------------------|
| | 197
Transportation/
Parking Fund
FY 15/16 | 198
Athletic
Activities
FY 15/16 | 199
General
Fund
FY 15/16 | Total
General
Fund
FY 15/16 |
| REVENUES | | | | |
| Local Revenues | \$ 41,225 | \$ 81,150 | \$ 1,526,345 | \$ 1,648,720 |
| State Program Revenues | - | - | 6,292,906 | 6,292,906 |
| Total Revenues | 41,225 | 81,150 | 7,819,251 | 7,941,626 |
| EXPENDITURES (BY FUNCTION) | | | | |
| 11 - Instructional | 18,890 | - | 4,561,011 | 4,579,901 |
| 12 - Resources & Media | - | - | 74,801 | 74,801 |
| 13 - Staff Development | - | - | 134,590 | 134,590 |
| 21 - Instructional Leadership | - | - | 264,259 | 264,259 |
| 23 - School Leadership | - | - | 778,866 | 778,866 |
| 31 - Guidance & Counseling | - | - | 205,230 | 205,230 |
| 33 - Health Services | - | - | 66,617 | 66,617 |
| 35 - Food Services | - | - | - | - |
| 36 - CoCurricular/Extracurricular Activities | 23,621 | 110,902 | 12,251 | 146,774 |
| 41 - Administrative | - | - | 306,986 | 306,986 |
| 51 - Maintenance & Operations | - | - | 915,068 | 915,068 |
| 52 - Security and Monitoring Services | - | - | 5,695 | 5,695 |
| 53 - Data Processing | - | - | 169,678 | 169,678 |
| 61 - Community Services | - | - | 112,638 | 112,638 |
| 71 - Debt Service | - | - | 90,565 | 90,565 |
| 81 - Facility Acquisition/Construction | - | - | - | - |
| Total Expenditures | 42,510 | 110,902 | 7,698,254 | 7,851,667 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,285) | (29,752) | 120,997 | 89,959 |
| OTHER FINANCING SOURCES (USES) | | | | |
| 79 - Other Resources | - | 45,000 | - | 45,000 |
| 89 - Other Uses | - | - | (45,000) | (45,000) |
| Total Other Financing Sources (Uses) | - | 45,000 | (45,000) | - |
| NET CHANGES IN FUND BALANCE | (1,285) | 15,248 | 75,997 | 89,959 |
| FUND BALANCE, BEGINNING | 52,052 | 69,362 | 1,031,888 | 1,153,302 |
| FUND BALANCE, ENDING | 50,767 | 84,610 | 1,107,885 | 1,243,262 |
| Assigned - Technology/FF&E Replacement | - | - | 125,000 | 125,000 |
| Assigned - Uniform/Equipment Replacement | - | 11,350 | - | 11,350 |
| Assigned - Facility Maintenance/FFE | - | - | - | - |
| ENDING FUND BALANCE (UNASSIGNED) | \$ 50,767 | \$ 73,260 | \$ 982,885 | \$ 1,106,912 |

WESTLAKE ACADEMY
SCHEDULE OF EXPENDITURES BY FUNCTION & OBJECT CODE
GENERAL FUND
For the Year Ending August 31, 2016

| EXPENDITURES | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
Estimated to
Adopted |
|--|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|-------------------------------------|
| 11 Instructional | | | | | | | |
| 6100 Payroll | \$2,260,355 | \$3,040,837 | \$3,398,381 | \$3,895,179 | \$3,957,679 | \$4,172,381 | \$ 214,702 |
| 6200 Contracted Services | 53,085 | 80,430 | 97,088 | 94,320 | 99,620 | 51,220 | (48,400) |
| 6300 Supplies & Materials | 135,772 | 120,569 | 477,541 | 484,772 | 245,766 | 303,650 | 57,884 |
| 6400 Other Operating | 44,042 | 36,932 | 44,942 | 35,900 | 69,400 | 52,650 | (16,750) |
| Total Instructional | 2,493,253 | 3,278,768 | 4,017,952 | 4,510,171 | 4,372,465 | 4,579,901 | 207,436 |
| 12 Resource & Media | | | | | | | |
| 6100 Payroll | 63,904 | 52,051 | 50,006 | 53,502 | 54,502 | 62,051 | 7,549 |
| 6200 Contracted Services | 1,640 | 1,575 | 1,325 | 1,450 | 2,650 | 2,650 | - |
| 6300 Supplies & Materials | 7,840 | 3,234 | 5,221 | 9,500 | 9,500 | 8,300 | (1,200) |
| 6400 Other Operating | 15 | 924 | - | 1,800 | 1,800 | 1,800 | - |
| Total Resource & Media | 73,398 | 57,784 | 56,552 | 66,252 | 68,452 | 74,801 | 6,349 |
| 13 Staff Development | | | | | | | |
| 6100 Payroll | - | - | - | - | - | - | - |
| 6200 Contracted Services | 3,200 | 16,563 | 5,122 | 12,000 | 12,000 | 15,000 | 3,000 |
| 6300 Supplies & Materials | 708 | - | - | - | 800 | 5,500 | 4,700 |
| 6400 Other Operating | 45,444 | 72,521 | 70,371 | 92,089 | 147,285 | 114,090 | (33,195) |
| Total Staff Development | 49,351 | 89,084 | 75,493 | 104,089 | 160,085 | 134,590 | (25,495) |
| 21 Instructional Leadership | | | | | | | |
| 6100 Payroll | 120,319 | 91,108 | 159,279 | 207,512 | 212,512 | 257,359 | 44,847 |
| 6200 Contracted Services | - | - | - | - | - | - | - |
| 6300 Supplies & Materials | - | 350 | 140 | 200 | 2,150 | 500 | (1,650) |
| 6400 Other Operating | 1,476 | 2,507 | 5,697 | 5,400 | 10,575 | 6,400 | (4,175) |
| Total Instructional Leadership | 121,795 | 93,965 | 165,116 | 213,112 | 225,237 | 264,259 | 39,022 |
| 23 School Leadership | | | | | | | |
| 6100 Payroll | 267,996 | 322,214 | 531,557 | 599,038 | 613,038 | 748,466 | 135,428 |
| 6200 Contracted Services | 23,560 | - | 413 | - | 175 | 400 | 225 |
| 6300 Supplies & Materials | 437 | 700 | 5,546 | 3,000 | 5,000 | 2,500 | (2,500) |
| 6400 Other Operating | 2,333 | 9,779 | 14,654 | 4,000 | 19,800 | 27,500 | 7,700 |
| Total School Leadership | 294,326 | 332,693 | 552,170 | 606,038 | 638,013 | 778,866 | 140,853 |
| 31 Guidance & Counseling | | | | | | | |
| 6100 Payroll | 128,157 | 177,605 | 179,572 | 160,816 | 160,816 | 144,355 | (16,461) |
| 6200 Contracted Services | 32,461 | 56,654 | 93,230 | 73,520 | 110,735 | 47,575 | (63,160) |
| 6300 Supplies & Materials | 4,276 | 3,701 | 2,903 | 4,748 | 4,818 | 5,900 | 1,082 |
| 6400 Other Operating | 351 | 3,831 | 6,629 | 7,454 | 3,710 | 7,400 | 3,690 |
| Total Guidance & Counseling | 165,245 | 241,791 | 282,334 | 246,538 | 280,079 | 205,230 | (74,849) |

WESTLAKE ACADEMY
SCHEDULE OF EXPENDITURES BY FUNCTION & OBJECT CODE
GENERAL FUND
For the Year Ending August 31, 2016

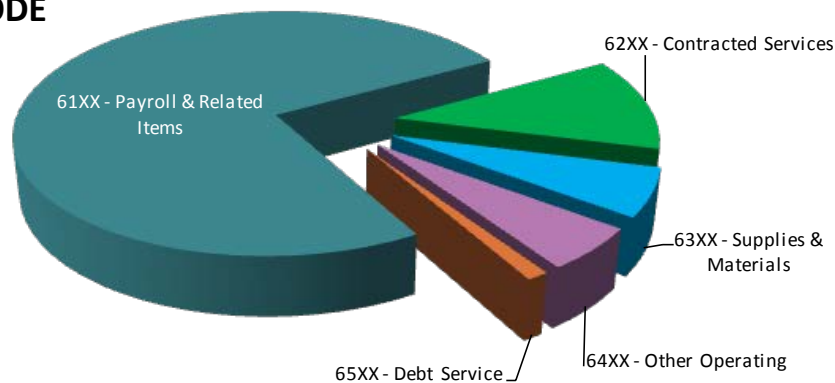
| EXPENDITURES | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
Estimated to
Adopted |
|---|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|-------------------------------------|
| 33 Health Services | | | | | | | |
| 6100 Payroll | \$ 51,340 | \$ 57,395 | \$ 60,659 | \$ 64,210 | \$ 64,710 | \$ 62,117 | \$ (2,593) |
| 6200 Contracted Services | - | 145 | 145 | 1,000 | 1,375 | 1,500 | 125 |
| 6300 Supplies & Materials | 1,595 | 667 | 1,086 | 3,500 | 3,500 | 3,000 | (500) |
| 6400 Other Operating | 578 | - | - | - | - | - | - |
| Total Health Services | 53,513 | 58,208 | 61,890 | 68,710 | 69,585 | 66,617 | (2,968) |
| 35 Food Services | | | | | | | |
| 6300 Supplies & Materials | 624 | - | - | 500 | - | - | - |
| Total Food Services | 624 | - | - | 500 | - | - | - |
| 36 CoCurricular Activities | | | | | | | |
| 6100 Payroll | 56,789 | 32,690 | 54,755 | 58,108 | 59,002 | 59,533 | 531 |
| 6200 Contracted Services | 22,156 | 22,352 | 21,611 | 33,780 | 27,435 | 29,600 | 2,165 |
| 6300 Supplies & Materials | 16,838 | 28,319 | 23,592 | 22,720 | 30,770 | 34,315 | 3,545 |
| 6400 Other Operating | 7,348 | 12,702 | 21,882 | 24,647 | 22,254 | 23,326 | 1,072 |
| Total CoCurricular Activities | 103,131 | 96,063 | 121,840 | 139,255 | 139,461 | 146,774 | 7,313 |
| 41 Administrative | | | | | | | |
| 6100 Payroll | 125,468 | 128,828 | 145,799 | 97,202 | 97,203 | 38,336 | (58,867) |
| 6200 Contracted Services | 447,817 | 158,769 | 159,232 | 162,494 | 175,744 | 177,200 | 1,456 |
| 6300 Supplies & Materials | 7,869 | 9,963 | 16,338 | 11,750 | 19,750 | 11,750 | (8,000) |
| 6400 Other Operating | 73,995 | 60,750 | 58,499 | 72,389 | 61,295 | 79,700 | 18,405 |
| Total Administrative | 655,149 | 358,311 | 379,868 | 343,835 | 353,992 | 306,986 | (47,006) |
| 51 Maintenance & Operations | | | | | | | |
| 6100 Payroll | 55,757 | 83,332 | 94,734 | 113,898 | 114,897 | 121,168 | 6,271 |
| 6200 Contracted Services | 417,338 | 443,099 | 518,512 | 642,308 | 652,305 | 600,200 | (52,105) |
| 6300 Supplies & Materials | 57,131 | 35,490 | 60,415 | 89,700 | 92,725 | 87,700 | (5,025) |
| 6400 Other Operating | 54,665 | 52,121 | 59,706 | 110,189 | 90,640 | 106,000 | 15,360 |
| Total Maintenance & Operations | 584,891 | 614,041 | 733,367 | 956,095 | 950,567 | 915,068 | (35,499) |
| 52 Security & Monitoring Services | | | | | | | |
| 6200 Contracted Services | 4,243 | - | - | - | 700 | 5,695 | 4,995 |
| Total Security & Monitoring Services | 4,243 | - | - | - | 700 | 5,695 | 4,995 |
| 53 Data Processing | | | | | | | |
| 6100 Payroll | 144,800 | 143,159 | 151,803 | 72,715 | 78,715 | 128,703 | 49,988 |
| 6200 Contracted Services | 4,243 | 3,768 | 13,359 | 11,500 | 11,500 | 15,100 | 3,600 |
| 6300 Supplies & Materials | 14,746 | 12,455 | 11,074 | 15,000 | 15,000 | 20,000 | 5,000 |
| 6400 Other Operating | 260 | 1,313 | 827 | 5,800 | 5,800 | 5,875 | 75 |
| Total Data Processing | 164,049 | 160,695 | 177,063 | 105,015 | 111,015 | 169,678 | 58,663 |

WESTLAKE ACADEMY
SCHEDULE OF EXPENDITURES BY FUNCTION & OBJECT CODE
GENERAL FUND
For the Year Ending August 31, 2016

| EXPENDITURES | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
Estimated to
Adopted |
|--|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|-------------------------------------|
| 61 Community Services | | | | | | | |
| 6100 Payroll | 76,880 | 86,844 | 101,834 | 109,024 | 110,024 | 112,638 | 2,614 |
| 6400 Other Operating | | - | 4,661 | 1,800 | - | - | - |
| Total Community Service | 76,880 | 86,844 | 106,495 | 110,824 | 110,024 | 112,638 | 2,614 |
| 71 Debt Service | | | | | | | |
| 6500 Debt Service | - | - | 3,733 | 84,186 | 90,565 | 90,565 | - |
| Total Debt Service | - | - | 3,733 | 84,186 | 90,565 | 90,565 | - |
| 81 Facility Acquisition/Construction | | | | | | | |
| 6200 Contracted Services | 15,960 | 27,930 | - | - | - | - | - |
| Total Facility Acquisition/Construction | 15,960 | 27,930 | - | - | - | - | - |
| Total Expenditure | <u>\$4,851,565</u> | <u>\$5,496,177</u> | <u>\$6,733,873</u> | <u>\$7,554,620</u> | <u>\$7,570,240</u> | <u>\$7,851,667</u> | <u>\$ 281,427</u> |

| EXPENDITURES BY OBJECT CODE | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
to
Adopted |
|--------------------------------|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|---------------------------|
| 61XX - Payroll & Related Items | \$3,351,764 | \$4,216,063 | \$4,928,379 | \$5,431,204 | \$5,523,098 | \$5,907,107 | \$ 384,009 |
| 62XX - Contracted Services | 1,021,460 | 811,286 | 910,037 | 1,032,372 | 1,094,239 | 946,140 | (148,099) |
| 63XX - Supplies & Materials | 247,835 | 215,448 | 603,856 | 645,390 | 429,779 | 483,115 | 53,336 |
| 64XX - Other Operating | 230,507 | 253,380 | 287,868 | 361,468 | 432,559 | 424,741 | (7,819) |
| 65XX - Debt Service | - | - | 3,733 | 84,186 | 90,565 | 90,565 | - |
| Total Expenditures | <u>\$4,851,565</u> | <u>\$5,496,177</u> | <u>\$6,733,873</u> | <u>\$7,554,620</u> | <u>\$7,570,240</u> | <u>\$7,851,667</u> | <u>\$ 281,427</u> |

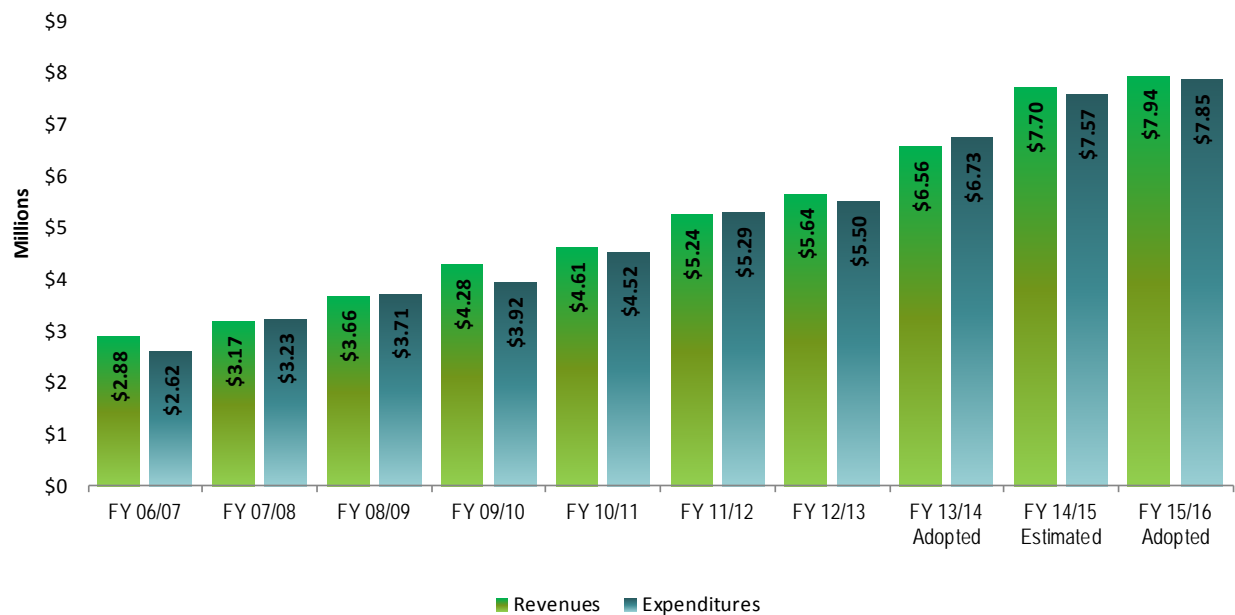
**EXPENDITURES BY
OBJECT CODE**



**WESTLAKE ACADEMY
REVENUE AND EXPENDITURE COMPARISON
GENERAL FUND
Fiscal Year 03/04 through 15/16**

| Fiscal Year | Revenues | inc % | Expenditures | inc % | Net Change |
|--------------------|--------------|-------|--------------|-------|------------|
| FY 03/04 Audited | \$ 1,094,608 | | \$ 1,068,857 | | \$ 25,751 |
| FY 04/05 Audited | 1,831,898 | 67% | 1,612,198 | 51% | 219,700 |
| FY 05/06 Audited | 2,407,526 | 31% | 2,211,897 | 37% | 195,629 |
| FY 06/07 Audited | 2,879,531 | 20% | 2,615,511 | 18% | 264,020 |
| FY 07/08 Audited | 3,168,968 | 10% | 3,226,254 | 23% | (57,286) |
| FY 08/09 Audited | 3,661,645 | 16% | 3,709,086 | 15% | (47,441) |
| FY 09/10 Audited | 4,280,723 | 17% | 3,917,886 | 6% | 362,837 |
| FY 10/11 Audited | 4,608,573 | 8% | 4,518,107 | 15% | 90,466 |
| FY 11/12 Audited | 5,244,170 | 14% | 5,287,757 | 17% | (43,587) |
| FY 12/13 Audited | 5,640,930 | -14% | 5,496,177 | -18% | 144,753 |
| FY 13/14 Audited | 6,560,141 | 25% | 6,733,873 | 27% | (173,732) |
| FY 14/15 Estimated | 7,699,024 | 17% | 7,570,239 | 12% | 128,785 |
| FY 15/16 Proposed | 7,941,626 | 3% | 7,851,666 | 4% | 89,960 |

Revenue & Expenditure Comparison



WESTLAKE ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND - 199

For the Year Ending August 31, 2016

| | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
Estimated to
Adopted |
|--|-----------------------------|-----------------------------|-----------------------------|--|--|--|--|
| REVENUES | | | | | | | |
| Local Revenues | \$ 781,573 | \$ 899,972 | \$1,272,381 | \$1,553,805 | \$1,518,865 | \$1,526,345 | \$ 7,480 |
| State Program Revenues | 4,362,921 | 4,648,649 | 5,190,308 | 5,782,092 | 6,070,659 | 6,294,943 | 224,284 |
| Total Revenues | 5,144,494 | 5,548,621 | 6,462,689 | 7,335,897 | 7,589,524 | 7,821,288 | 231,764 |
| EXPENDITURES (BY FUNCTION) | | | | | | | |
| 11 - Instructional | 2,824,665 | 3,262,506 | 4,020,270 | 4,493,610 | 4,354,204 | 4,561,011 | 206,807 |
| 12 - Resources & Media | 74,628 | 57,784 | 56,553 | 66,252 | 68,452 | 74,801 | 6,349 |
| 13 - Staff Development | 9,732 | 89,084 | 75,494 | 104,089 | 160,085 | 134,590 | (25,495) |
| 21 - Instructional Leadership | 134,839 | 93,965 | 165,115 | 213,112 | 225,237 | 264,259 | 39,022 |
| 23 - School Leadership | 341,469 | 332,693 | 552,170 | 606,038 | 638,013 | 778,866 | 140,853 |
| 31 - Guidance & Counseling | 229,067 | 241,791 | 282,334 | 246,538 | 280,079 | 205,230 | (74,849) |
| 33 - Health Services | 60,917 | 58,208 | 61,889 | 68,710 | 69,585 | 66,617 | (2,968) |
| 35 - Food Services | 11,517 | - | - | 500 | - | - | - |
| 36 - CoCurricular/Extracurricular Activities | 27,598 | 3,157 | 7,362 | 8,344 | 13,236 | 12,251 | (985) |
| 41 - Administrative | 655,149 | 358,311 | 379,867 | 343,836 | 353,992 | 306,986 | (47,006) |
| 51 - Maintenance & Operations | 584,891 | 614,041 | 733,367 | 956,091 | 950,567 | 915,068 | (35,499) |
| 52 - Security & Monitoring Services | - | - | - | - | 700 | 5,695 | 4,995 |
| 53 - Data Processing | 164,049 | 160,695 | 177,063 | 105,015 | 111,015 | 169,678 | 58,663 |
| 61 - Community Services | 76,880 | 86,844 | 106,497 | 110,824 | 110,024 | 112,638 | 2,614 |
| 71 - Debt Service | - | - | 3,733 | 84,186 | 90,565 | 90,565 | - |
| 81 - Facility Acquisition/Construction | 15,960 | 27,930 | - | - | - | - | - |
| Total Expenditures | 5,211,363 | 5,387,009 | 6,621,714 | 7,407,145 | 7,425,754 | 7,698,254 | 272,500 |
| Excess (Deficiency) of Revenues Over | (66,869) | 161,612 | (159,025) | (71,248) | 163,770 | 123,034 | (40,736) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| 79 - Capital Lease Proceeds | - | - | 256,267 | - | - | - | - |
| 79 - Transfers In | 67,760 | - | - | - | - | - | - |
| 89 - Transfer Out (Use) | (26,124) | - | (75,000) | (45,000) | (45,000) | (45,000) | - |
| Total Other Financing Sources (Uses) | 41,636 | - | 181,267 | (45,000) | (45,000) | (45,000) | - |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| 79 - Extraordinary Item | - | 40,959 | - | - | - | - | - |
| 89 - Extraordinary Item | (124,346) | (40,959) | - | - | - | - | - |
| Total Other Financing Sources (Uses) | (124,346) | - | - | - | - | - | - |
| NET CHANGES IN FUND BALANCE | (149,579) | 161,612 | 22,242 | (116,248) | 118,770 | 78,034 | (40,736) |
| FUND BALANCE, BEGINNING | 878,843 | 729,264 | 890,876 | 913,118 | 913,118 | 1,031,888 | 118,770 |
| FUND BALANCE, ENDING | 729,264 | 890,876 | 913,118 | 796,870 | 1,031,888 | 1,109,922 | 78,034 |
| Assigned - Technology/FF&E Replacement | - | - | - | 125,000 | 125,000 | 125,000 | - |
| Assigned - Uniform/Equipment Replacement | - | - | - | - | - | - | - |
| ENDING FUND BALANCE (UNASSIGNED) | \$ 729,264 | \$ 890,876 | \$ 913,118 | \$ 671,870 | \$ 906,888 | \$ 984,922 | \$ 78,034 |

WESTLAKE ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ATHLETIC ACTIVITIES FUND - 198
For the Year Ending August 31, 2016

| | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
Estimated to
Adopted |
|--|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|-------------------------------------|
| REVENUES | | | | | | | |
| Local Revenues | \$ 49,821 | \$ 56,298 | \$ 60,563 | \$ 64,000 | \$ 69,500 | \$ 81,150 | \$ 14,179 |
| State Revenue | - | - | - | - | - | - | - |
| Total Revenues | 49,821 | 56,298 | 60,563 | 64,000 | 69,500 | 81,150 | 14,179 |
| EXPENDITURES (BY FUNCTION) | | | | | | | |
| 11 - Instructional | - | 1,464 | - | - | - | - | - |
| 12 - Resources & Media | - | - | - | - | - | - | - |
| 13 - Staff Development | - | - | - | - | - | - | - |
| 21 - Instructional Leadership | - | - | - | - | - | - | - |
| 23 - School Leadership | - | - | - | - | - | - | - |
| 31 - Guidance & Counseling | - | - | - | - | - | - | - |
| 33 - Health Services | - | - | - | - | - | - | - |
| 35 - Food Services | - | - | - | - | - | - | - |
| 36 - CoCurricular/Extracurricular Activities | 58,553 | 85,309 | 100,383 | 110,613 | 104,716 | 110,902 | 6,186 |
| 41 - Administrative | - | - | - | - | - | - | - |
| 51 - Maintenance & Operations | - | - | - | - | - | - | - |
| 52 - Security and Monitoring Services | - | - | - | - | - | - | - |
| 53 - Data Processing | - | - | - | - | - | - | - |
| 61 - Community Services | - | - | - | - | - | - | - |
| 71 - Debt Service | - | - | - | - | - | - | - |
| 81 - Facility Acquisition/Construction | - | - | - | - | - | - | - |
| Total Expenditures | 58,553 | 86,773 | 100,383 | 110,613 | 104,716 | 110,902 | 6,186 |
| Excess (Deficiency) of Revenues Over | (8,732) | (30,475) | (39,820) | (46,613) | (35,216) | (29,752) | 5,464 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| 79 - Other Resources | 26,124 | - | 75,000 | 45,000 | 45,000 | 45,000 | - |
| 89 - Other Uses | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | 26,124 | - | 75,000 | 45,000 | 45,000 | 45,000 | - |
| NET CHANGES IN FUND BALANCE | 17,392 | (30,475) | 35,180 | (1,613) | 9,784 | 15,248 | 5,464 |
| FUND BALANCE, BEGINNING | 37,481 | 54,873 | 24,398 | 59,578 | 59,578 | 69,362 | 9,784 |
| FUND BALANCE, ENDING | 54,873 | 24,398 | 59,578 | 57,965 | 69,362 | 84,610 | 15,248 |
| Assigned - Technology/FF&E Replacement | - | - | - | - | - | - | - |
| Assigned - Uniform/Equipment Replacement | - | - | - | 5,000 | 11,350 | 11,350 | - |
| Assigned - Facility Maintenance/FFE | - | - | - | - | - | - | - |
| ENDING FUND BALANCE (UNASSIGNED) | \$ 54,873 | \$ 24,398 | \$ 59,578 | \$ 52,965 | \$ 58,012 | \$ 73,260 | \$ 15,248 |

WESTLAKE ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TRANSPORTATION/PARKING FUND - 197
For the Year Ending August 31, 2016

| | Audited
FY 11/12 | Audited
FY 12/13 | Audited
FY 13/14 | Adopted
Budget
FY 14/15 | Estimated
Budget
FY 14/15 | Adopted
Budget
FY 15/16 | Variance
Estimated to
Adopted |
|--|---------------------|---------------------|---------------------|-------------------------------|---------------------------------|-------------------------------|-------------------------------------|
| REVENUES | | | | | | | |
| Local Revenues | \$ 49,855 | \$ 36,010 | \$ 36,890 | \$ 46,000 | \$ 40,000 | \$ 41,225 | \$ 1,225 |
| State Revenues | - | - | - | - | - | - | - |
| Total Revenues | 49,855 | 36,010 | 36,890 | 46,000 | 40,000 | 41,225 | 1,225 |
| EXPENDITURES (BY FUNCTION) | | | | | | | |
| 11 - Instructional | 862 | 14,798 | 14,940 | 16,561 | 18,261 | 18,890 | 629 |
| 12 - Resources & Media | - | - | - | - | - | - | - |
| 13 - Staff Development | - | - | - | - | - | - | - |
| 21 - Instructional Leadership | - | - | - | - | - | - | - |
| 23 - School Leadership | - | - | - | - | - | - | - |
| 31 - Guidance & Counseling | - | - | - | - | - | - | - |
| 33 - Health Services | - | - | - | - | - | - | - |
| 35 - Food Services | - | - | - | - | - | - | - |
| 36 - CoCurricular/Extracurricular Activities | 16,979 | 7,597 | 14,093 | 20,299 | 21,509 | 23,621 | 2,112 |
| 41 - Administrative | - | - | - | - | - | - | - |
| 51 - Maintenance & Operations | - | - | - | - | - | - | - |
| 52 - Security and Monitoring Services | - | - | - | - | - | - | - |
| 53 - Data Processing | - | - | - | - | - | - | - |
| 61 - Community Services | - | - | - | - | - | - | - |
| 71 - Debt Service | - | - | - | - | - | - | - |
| 81 - Facility Acquisition/Construction | - | - | - | - | - | - | - |
| Total Expenditures | 17,841 | 22,395 | 29,033 | 36,860 | 39,770 | 42,510 | 2,740 |
| (Under) Expenditures | 32,014 | 13,615 | 7,857 | 9,140 | 230 | (1,285) | (1,515) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| 79 - Other Resources | - | - | - | - | - | - | - |
| 89 - Other Uses | - | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - | - | - | - |
| NET CHANGES IN FUND BALANCE | 32,014 | 13,615 | 7,857 | 9,140 | 230 | (1,285) | (1,515) |
| FUND BALANCE, BEGINNING | (1,664) | 30,350 | 43,965 | 51,822 | 51,822 | 52,052 | 230 |
| FUND BALANCE, ENDING | 30,350 | 43,965 | 51,822 | 60,962 | 52,052 | 50,767 | (1,285) |
| Assigned - Parking | - | - | - | - | - | - | - |
| Assigned - Transportation | - | - | - | - | - | - | - |
| ENDING FUND BALANCE (UNASSIGNED) | \$ 30,350 | \$ 43,965 | \$ 51,822 | \$ 60,962 | \$ 52,052 | \$ 50,767 | \$ (1,285) |

WESTLAKE ACADEMY
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ALL SPECIAL REVENUE FUNDS
For the Year Ending August 31, 2016

| | Audited | Audited | Audited | Adopted | Estimated | Adopted | Variance |
|--|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|---------------------|
| | FY 11/12 | FY 12/13 | FY 13/14 | Budget | Budget | Budget | Estimated to |
| | | | | FY 14/15 | FY 14/15 | FY 15/16 | Adopted |
| REVENUES | | | | | | | |
| Local Program Revenues | \$ 349,041 | \$ 165,760 | \$ 267,142 | \$ 47,500 | \$ 504,333 | \$ 105,500 | \$ (398,833) |
| State Program Revenues | 11,934 | 47,891 | 79,333 | - | 33,589 | 142,787 | 109,198 |
| Federal Program Revenues | 147,131 | 81,958 | 80,103 | 73,896 | 162,270 | 90,000 | (72,270) |
| Total Revenues | 508,106 | 295,609 | 426,578 | 121,396 | 700,191 | 338,287 | (361,904) |
| EXPENDITURES (BY FUNCTION) | | | | | | | |
| 11 - Instructional | 344,845 | 179,349 | 246,713 | 111,769 | 352,691 | 326,287 | (26,404) |
| 12 - Resources & Media | - | - | 1,332 | - | - | - | - |
| 13 - Staff Development | 79,425 | 41,358 | 72,863 | 25,500 | 60,175 | 63,000 | 2,825 |
| 21 - Instructional Leadership | 1,122 | - | - | 24,856 | 35,500 | - | (35,500) |
| 23 - School Leadership | 6,046 | 8,345 | 44,905 | 54,582 | 86,485 | 23,000 | (63,485) |
| 31 - Guidance & Counseling | 3,352 | 3,109 | - | - | 90 | - | (90) |
| 33 - Health Services | - | - | - | - | - | - | - |
| 35 - Food Services | - | - | - | - | - | - | - |
| 36 - Extracurricular Activities | 28,841 | 29,073 | 30,421 | 32,000 | 25,000 | 25,000 | - |
| 41 - Administrative | 20,614 | 5,237 | 9,805 | - | - | - | - |
| 51 - Maintenance & Operations | 12,022 | - | - | - | - | - | - |
| 53 - Data Processing | 9,537 | - | - | - | - | - | - |
| 61 - Community Services | - | - | 7,500 | - | - | - | - |
| 71 - Debt Service | - | - | - | - | - | - | - |
| 81 - Facility Acquisition/Construction | - | - | - | - | - | - | - |
| Total Expenditures | 505,804 | 266,471 | 413,538 | 248,707 | 559,941 | 437,287 | (122,654) |
| Excess (Deficiency) of Revenues Over
(Under) Expenditures | 2,302 | 29,138 | 13,040 | (127,311) | 140,250 | (99,000) | (239,250) |
| NET CHANGES IN FUND BALANCE | 2,302 | 29,138 | 13,040 | (127,311) | 140,250 | (99,000) | (239,250) |
| FUND BALANCE, BEGINNING | 2,301 | 4,603 | 33,741 | 46,781 | 46,781 | 187,031 | 140,250 |
| FUND BALANCE, ENDING | 4,603 | 33,741 | 46,781 | (80,530) | 187,031 | 88,031 | (99,000) |
| FUND BALANCE, ENDNG (Unassigned) | \$ 4,603 | \$ 33,741 | \$ 46,781 | \$ (80,530) | \$ 187,031 | \$ 88,031 | \$ (99,000) |

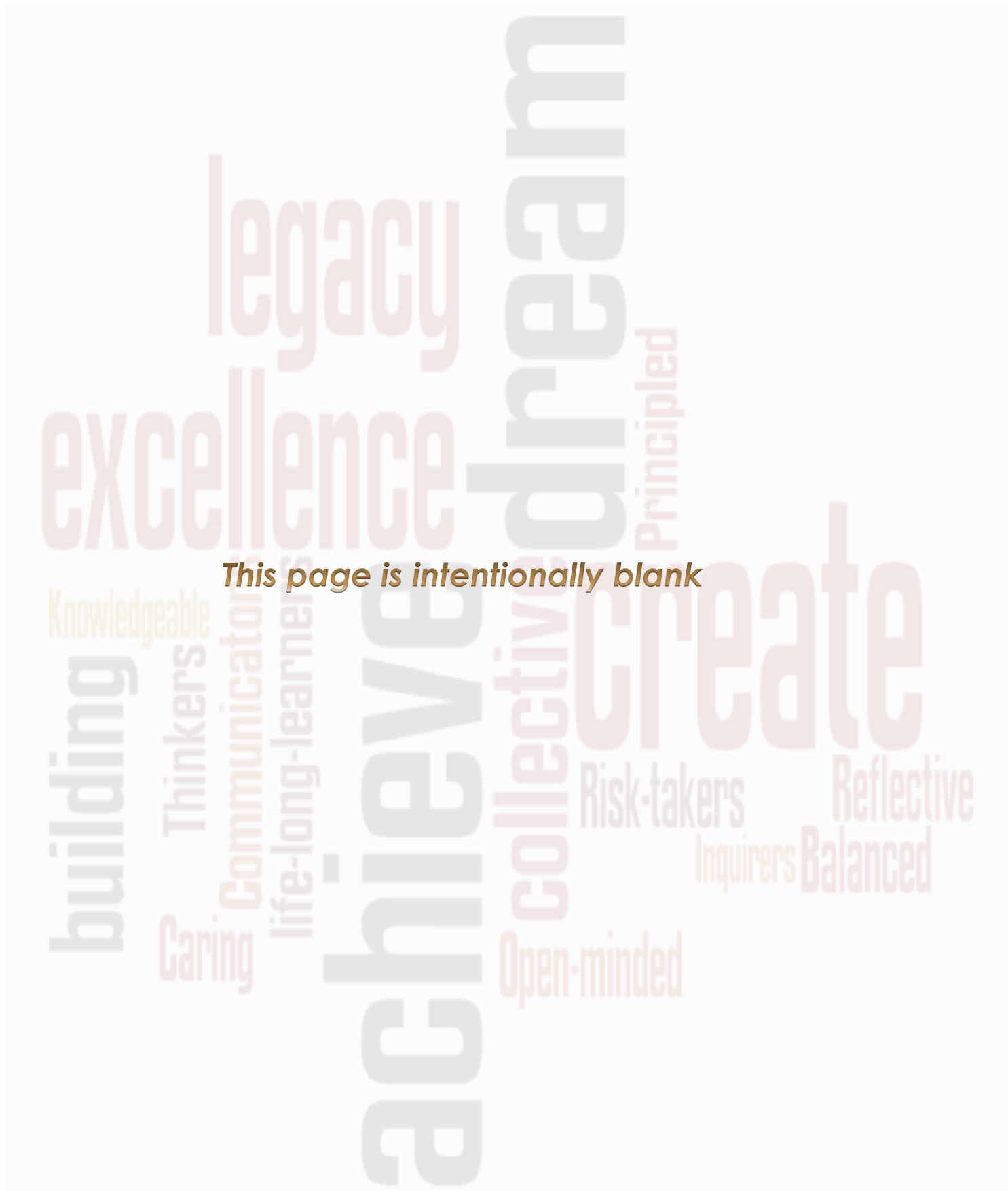
| | Audited | Audited | Audited | Adopted | Estimated | Adopted | Variance |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|---------------------|
| | FY 11/12 | FY 12/13 | FY 12/13 | Budget | Budget | Budget | Estimated to |
| | | | | FY 14/15 | FY 14/15 | FY 15/16 | Adopted |
| EXPENDITURES BY OBJECT CODE | | | | | | | |
| 61XX - Payroll & Related Items | \$ 208,957 | \$ 123,681 | \$ 270,494 | \$ 186,820 | \$ 253,730 | \$ 140,000 | \$ (113,730) |
| 62XX - Contracted Services | 46,901 | 53,886 | 48,172 | 31,887 | 58,000 | 28,000 | (30,000) |
| 63XX - Supplies & Materials | 151,670 | 52,619 | 69,109 | 27,500 | 190,711 | 265,287 | 74,576 |
| 64XX - Other Operating | 98,276 | 37,253 | 25,763 | 2,500 | 57,500 | 4,000 | (53,500) |
| 65XX - Debt Service | - | - | - | - | - | - | - |

WESTLAKE ACADEMY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ALL SPECIAL REVENUE FUNDS
For the Year Ending August 31, 2016

| | IDEA-B
Formula
224 | Materials
Allotment
410 | Campus
Activity
461 | WAF
Fund
an Item
487 | Hudson
Foundation
496 | WAF
Financial
Assistance
497 | International
Mindedness
Symposium
498 | Total
Special
Revenue
Funds |
|--|--------------------------|-------------------------------|---------------------------|-------------------------------|-----------------------------|---------------------------------------|---|--------------------------------------|
| REVENUES | | | | | | | | |
| Local Program Revenues | \$ - | | \$ 45,000 | \$ 50,000 | \$ - | \$ 2,500 | \$ 8,000 | \$ 105,500 |
| State Program Revenues | - | 142,787 | - | - | - | - | - | 142,787 |
| Federal Program Revenues | 90,000 | | - | - | - | - | - | 90,000 |
| Total Revenues | 90,000 | 142,787 | 45,000 | 50,000 | - | 2,500 | 8,000 | 338,287 |
| EXPENDITURES (BY FUNCTION) | | | | | | | | |
| 11 - Instructional | 90,000 | 142,787 | 1,000 | 50,000 | 40,000 | 2,500 | - | 326,287 |
| 13 - Staff Development | - | | - | - | 57,000 | - | 6,000 | 63,000 |
| 21 - Instructional Leadership | | | | | | | | - |
| 23 - School Leadership | - | | - | - | 23,000 | - | - | 23,000 |
| 36 - Co-Curricular Activities | - | | 25,000 | - | - | - | - | 25,000 |
| Total Expenditures | 90,000 | 142,787 | 26,000 | 50,000 | 120,000 | 2,500 | 6,000 | 437,287 |
| Excess (Deficiency) of Revenues
Over (Under) Expenditures | - | - | 19,000 | - | (120,000) | - | 2,000 | (99,000) |
| NET CHANGES IN FUND BALANCE | - | - | 19,000 | - | (120,000) | - | 2,000 | (99,000) |
| FUND BALANCE, BEGINNING | - | - | 65,781 | - | 120,000 | - | 1,250 | 187,031 |
| FUND BALANCE, ENDING | \$ - | | \$ 84,781 | \$ - | \$ - | \$ - | \$ 3,250 | \$ 88,031 |

WESTLAKE ACADEMY
SCHEDULE OF EXPENDITURES
ALL SPECIAL REVENUE FUNDS
For the Year Ending August 31, 2016

| | Estimated
FY 14/15 | Adopted
FY 15/16 | Variance
Estimated
to Adopted |
|---|--------------------------|--------------------------|-------------------------------------|
| <u>Federal Grants through TEA</u> | | | |
| Fund 224 - IDEA B | \$ 162,270 | \$ 90,000 | \$ (72,270) |
| Sub-total Federal Grants | <u>162,270</u> | <u>90,000</u> | <u>(72,270)</u> |
| <u>State Grants through TEA</u> | | | |
| Fund 410 - Material Allotment Disbursement | 33,589 | 142,787 | 109,198 |
| Sub-total State Grants | <u>33,589</u> | <u>142,787</u> | <u>109,198</u> |
| <u>Local Activities</u> | | | |
| Fund 461 - Local Campus Activity | 26,000 | 26,000 | - |
| Fund 484 - Local Grants (HOC & WAF) | 18,000 | - | (18,000) |
| Fund 498 - International Mindedness Symposium | | 6,000 | 6,000 |
| Sub-total Local Activities | <u>44,000</u> | <u>32,000</u> | <u>(12,000)</u> |
| <u>Hudson Foundation Grants</u> | | | |
| Fund 481 - Hudson Foundation Curriculum Development | 3,460 | - | (3,460) |
| Fund 485 - MYP Principal & Discretionary Funds | 100,000 | - | (100,000) |
| Fund 493 - Salary & Curriculum Support | 55,000 | - | (55,000) |
| Fund 496 - Hudson Foundation | 55,000 | 120,000 | 65,000 |
| Sub-total Hudson Foundation Grants | <u>213,460</u> | <u>120,000</u> | <u>(93,460)</u> |
| <u>Westlake Academy Foundation (WAF) Grants</u> | | | |
| Fund 494 - Science Department | 27,850 | - | (27,850) |
| Fund 495 - Fund an Item | 77,773 | 50,000 | (27,773) |
| Fund 497 - Financial Assistance | 1,000 | 2,500 | 1,500 |
| Sub-total Foundation Grants | <u>106,623</u> | <u>52,500</u> | <u>(54,123)</u> |
| Grant Total - All Special Revenue Funds Expenditures | <u>\$ 559,941</u> | <u>\$ 437,287</u> | <u>\$ (122,654)</u> |



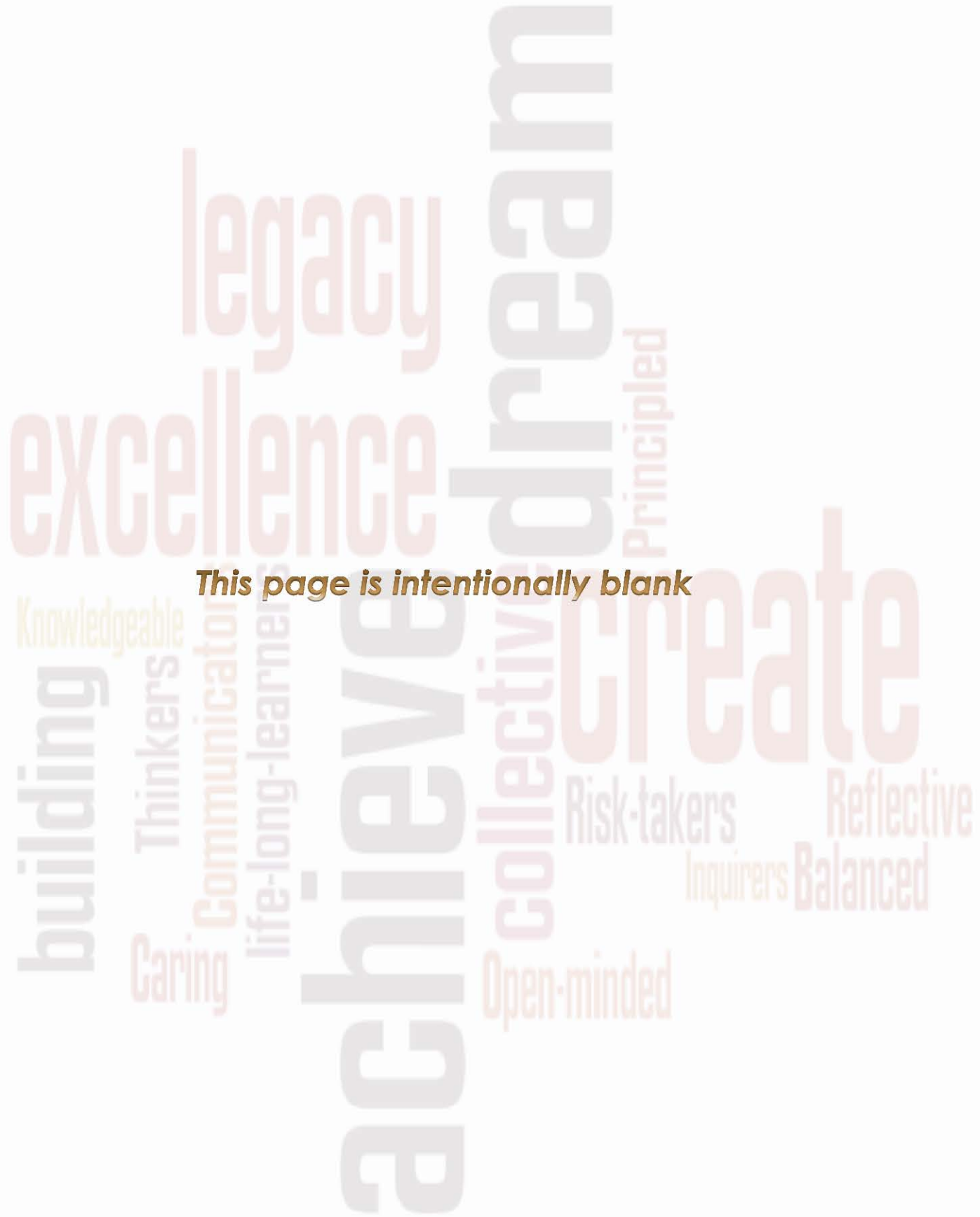
This page is intentionally blank

INFORMATIONAL SECTION



Dream... Create... Achieve

BUILDING A COLLECTIVE LEGACY OF EXCELLENCE

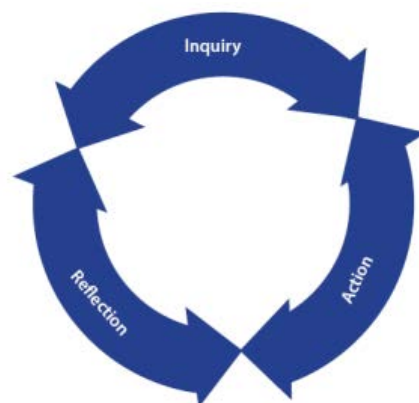


This page is intentionally blank

ACADEMIC PROGRAMS

Westlake Academy is authorized by the International Baccalaureate (IB) to offer:

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



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

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."

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

COST FOR MAINTAINING THE IB PROGRAMME

IB programme related costs in FY 15/16 total \$26,000, and are comprised of the annual fees described below:

| Programme | PYP | MYP | DP | Total |
|-------------|---------|---------|----------|----------|
| Annual Fees | \$7,250 | \$8,500 | \$10,200 | \$26,000 |

IB LEARNER PROFILE

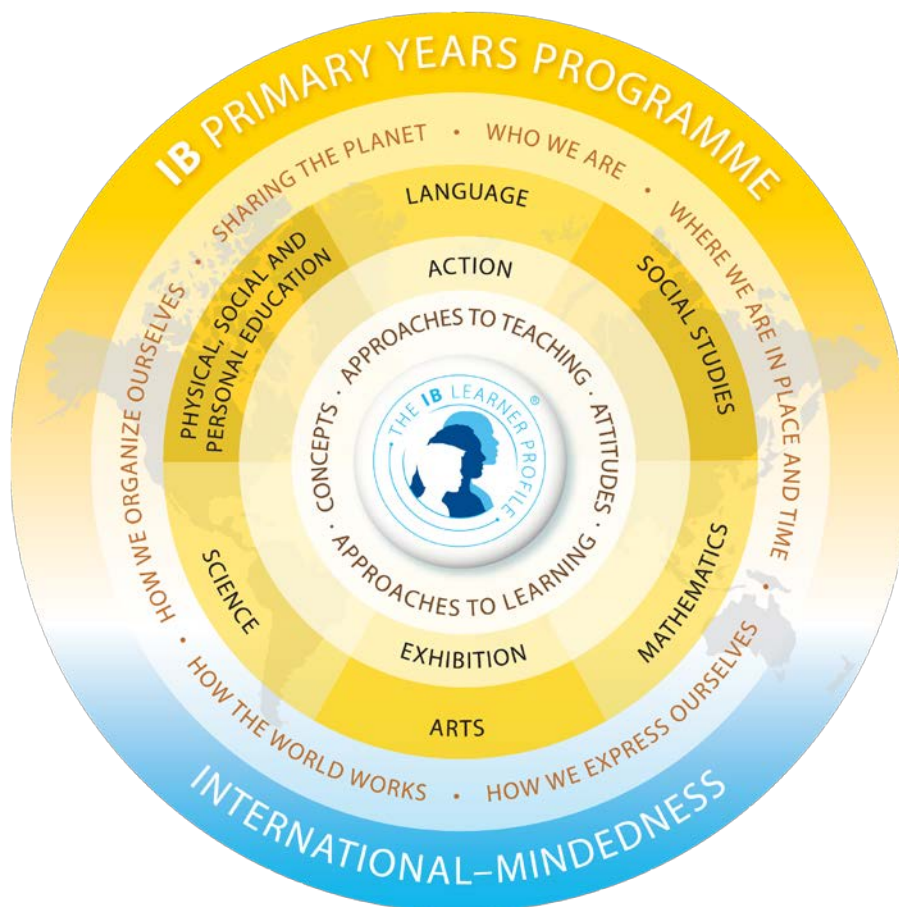
The International Baccalaureate learner profile describes a broad range of human capacities and responsibilities that go beyond academic success. These traits imply a commitment to help all members of the school community learn to respect themselves, others and the world around them. IB learners strive to be:

- **Inquirers** - They develop their natural curiosity. They acquire the skills necessary to conduct inquiry and research and show independence in learning. They actively enjoy learning and this love of learning will be sustained throughout their lives.

- **Knowledgeable** - They explore concepts, ideas and issues that have local and global significance. In so doing, they acquire in-depth knowledge and develop understanding across a broad and balanced range of disciplines.
- **Thinkers** - They exercise initiative in applying thinking skills critically and creatively to recognize and approach complex problems and make reasoned, ethical decisions.
- **Communicators** - They understand and express ideas and information confidently and creatively in more than one language and in a variety of modes of communication. They work effectively and willingly in collaboration with others.
- **Principled** - They act with integrity and honesty, with a strong sense of fairness, justice and respect for the dignity of the individual, groups and communities. They take responsibility for their own actions and the consequences that accompany them.
- **Open-minded** - They understand and appreciate their own cultures and personal histories, and are open to the perspectives, values and traditions of other individuals and communities. They are accustomed to seeking and evaluating a range of points of view, and are willing to grow from the experience.
- **Caring** - They show empathy, compassion and respect towards the needs and feelings of others. They have a personal commitment to service, and act to make a positive difference to the lives of others and to the environment.
- **Risk-takers** - They approach unfamiliar situations and uncertainty with courage and forethought, and have the independence of spirit to explore new roles, ideas and strategies. They are brave and articulate in defending their beliefs.
- **Balanced** - They understand the importance of intellectual, physical and emotional balance to achieve personal well-being for themselves and others.
- **Reflective** - They give thoughtful consideration to their own learning and experience. They are able to assess and understand their strengths and limitations in order to support their learning and personal development.



PRIMARY YEARS PROGRAMME

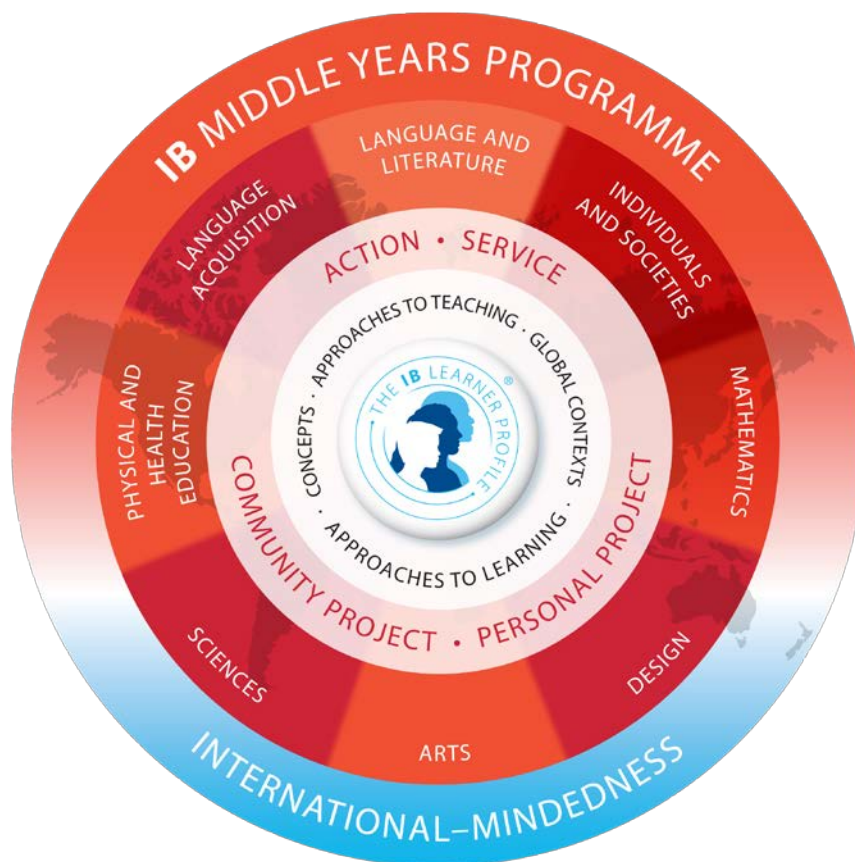


The PYP is a curriculum framework for children aged 3-12 that prepares students for the intellectual challenges of further education and their future careers, focusing on the development of the whole child as an inquirer, both in the classroom and in the world outside. By emphasizing critical thinking and fostering the development of universal human values, the PYP is a powerful means of going beyond classroom learning, asking students to use their knowledge and skills to solve real-world problems. Students become responsible for their own learning and must work collaboratively with peers, building on each member's strength.

The five essential elements of the PYP are:

- **Knowledge**, which is both disciplinary, represented by traditional subject areas (language, math, science, social studies, arts, PSPE) and transdisciplinary
- **Concepts**, which students explore through structured inquiry in order to develop coherent, in-depth understanding, and which have relevance both within and beyond subject areas
- **Skills**, which are the broad capabilities students develop and apply during learning and in life beyond the classroom
- **Attitudes**, which contribute to international-mindedness and the wellbeing of individuals and learning communities, and connect directly to the IB learner profile
- **Action**, which is an expectation in the PYP that successful inquiry leads to responsible, thoughtful and appropriate action.

MIDDLE YEARS PROGRAMME



The MYP is a challenging framework that encourages students to make practical connections between their studies and the real world. The programme aims to develop active learners and internationally minded young people who can empathize with others and pursue lives of purpose and meaning. The programme empowers students to inquire into a wide range of issues and ideas of significance locally, nationally and globally. The result is young people who are creative, critical and reflective thinkers.

The Years Programme (MYP) comprises eight subject groups:

- ❖ Language acquisition ❖ Language and literature ❖ Individuals and societies
- ❖ Sciences ❖ Mathematics ❖ Arts
- ❖ Design ❖ Physical and health education

The MYP requires at least 50 hours of teaching time for each subject group in each year of the programme. In years 4 and 5, students have the option to take courses from six of the eight subject groups within certain limits, to provide greater flexibility in meeting local requirements and individual student learning needs. Each year, students in the MYP also engage in at least one collaboratively planned interdisciplinary unit that involves at least two subject groups. MYP students also complete a long-term project, where they decide what they want to learn about, identify what they already know, discovering what they will need to know to complete the project, and create a proposal or criteria for completing it.

DIPLOMA PROGRAMME



The International Baccalaureate Diploma Programme (DP) is a challenging two-year curriculum for students aged 16 to 19. The Diploma Programme is recognized and highly regarded by the world's leading universities, and evidence suggests that higher rates of DP students go on to university and higher education study than non-IB students.

Through the DP, schools are able to develop students who:

- Have excellent breadth and depth of knowledge
- Flourish physically, intellectually, emotionally and ethically
- Study at least two languages
- Excel in traditional academic subjects
- Explore the nature of knowledge through the programme's unique Theory of Knowledge course.

The DP curriculum is made up of six subject groups and the DP core, comprising Theory of Knowledge (TOK), Creativity, Activity, Service (CAS) and the Extended Essay.

Through the DP core, students reflect on the nature of knowledge, complete independent research and undertake a project that often involves community service.

DIPLOMA PROGRAMME MODEL

DP students study six subject groups, including language acquisition, language and literature, individuals and societies, mathematics, the arts, and sciences. Normally three subjects are studied at a higher level (courses representing 240 teaching hours) and the remaining three subjects are studied at a standard level (courses representing 150 teaching hours).

Made up of three required components, the DP core aims to broaden students' educational experience and challenge them to apply their knowledge and skills. The three core elements include:

- **Extended Essay** - The extended essay offers the student the opportunity to investigate a topic of individual interest, and acquaints students with the independent research and writing skills expected at university.
- **Theory of Knowledge (TOK)** - The TOK course plays a special role in the Diploma Programme by providing an opportunity for students to reflect on the nature of knowledge, and on how we know what we claim to know. As a thoughtful and purposeful inquiry into different ways of knowing, and into different kinds of knowledge, TOK is composed almost entirely of questions. The most central of these is "How do we know?", while other questions include:
 - What counts as evidence for X?
 - How do we judge which is the best model of Y?
 - What does theory Z mean in the real world?

Through discussions of these and other questions, students gain greater awareness of their personal and ideological assumptions, as well as developing an appreciation of the diversity and richness of cultural perspectives.

- **Creativity, Action, Service (CAS)** - Participation in the school's CAS programme encourages students to be involved in artistic pursuits, sports and community service work, fostering student awareness and appreciation of life outside the academic arena.

Students are assessed both internally by WA instructors and externally by IB examiners in ways that measure individual performance against stated objectives for each subject.

- **Internal assessment** - In nearly all subjects at least some student assessment is carried out internally by WA teachers, who mark individual pieces of work produced as part of a course of study. Examples include oral exercises in language subjects, projects, student portfolios, class presentations, practical laboratory work, mathematical investigations and artistic performances.
- **External assessment** - Some assessment tasks are conducted and overseen by Academy teachers but marked externally by IB examiners. Examples include world literature assignments for language A1, written tasks for language A2, essays for theory of knowledge and extended essays. Because of the greater degree of objectivity and reliability provided by the standard examination environment, externally marked examinations form the greatest share of the assessment for each subject.

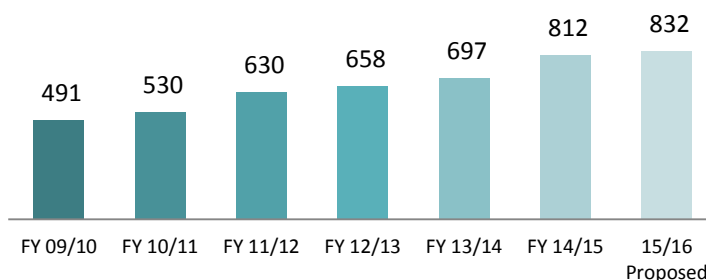
STUDENT ENROLLMENT

Westlake Academy has added 341 students since FY 2009/10 as the result of increased demand and planned expansions. The Academy will be able to serve approximately 832 students in the 2015/16 school year. Future enrollment must be carefully managed to ensure adequate space for primary boundary residents. The Academy plans to maintain 18 students per class in grades K-5 and 25 students in grades 6-12.

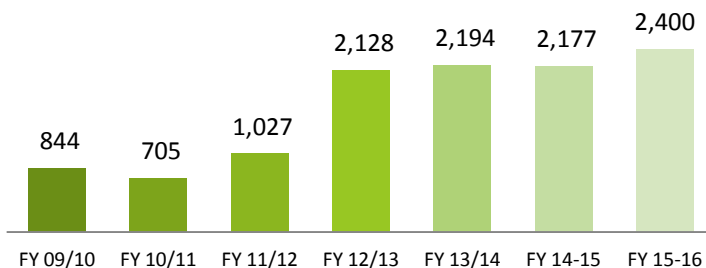
As an open enrollment charter school, Westlake Academy has the ability to set and maintain enrollment numbers at levels determined by the Board of Trustees. The Academy currently has over 2,000 students on a waiting list spanning kindergarten through grade eleven. The waiting list is developed each year through a lottery process that allows the Academy to fill seats if student attrition occurs and maintains a stable student population and classroom size.

Westlake Academy's student enrollment is established by two sets of boundaries. The primary boundary encompasses the Town of Westlake and allows Westlake residents automatic entry into Westlake Academy. The secondary boundaries are comprised of 31 of the surrounding school district's boundaries. While any school-age child residing within these district boundaries is allowed to attend the Academy, demand for entrance exceeding capacity may necessitate that child being placed on the waiting list.

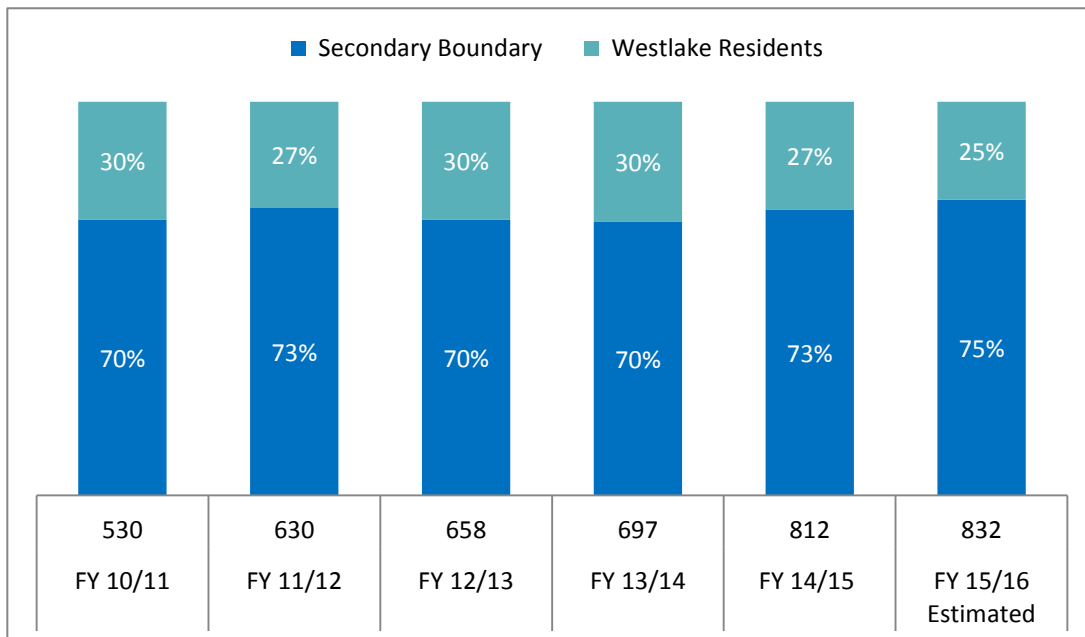
WA Student Enrollment



Waiting List

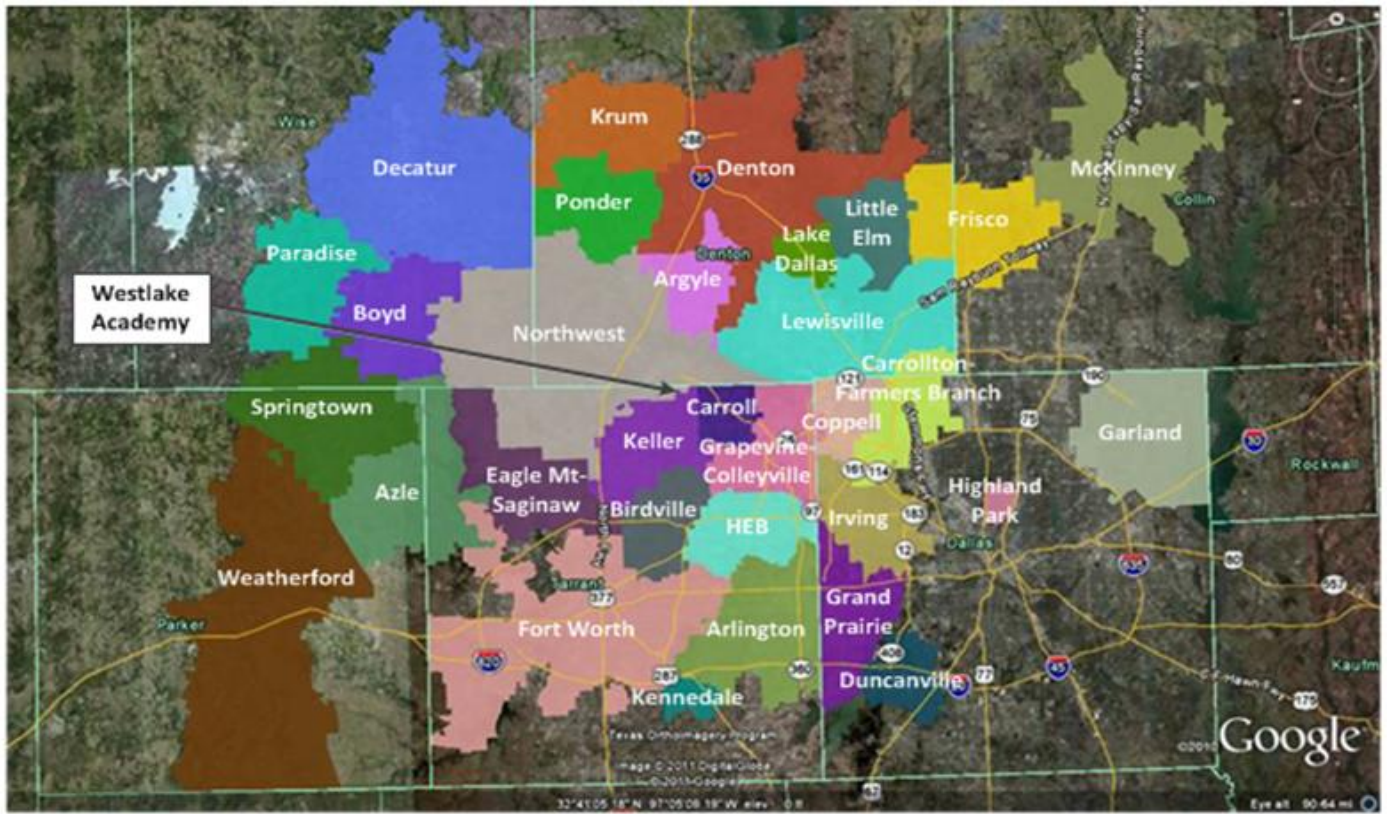


Secondary Boundary Westlake Residents



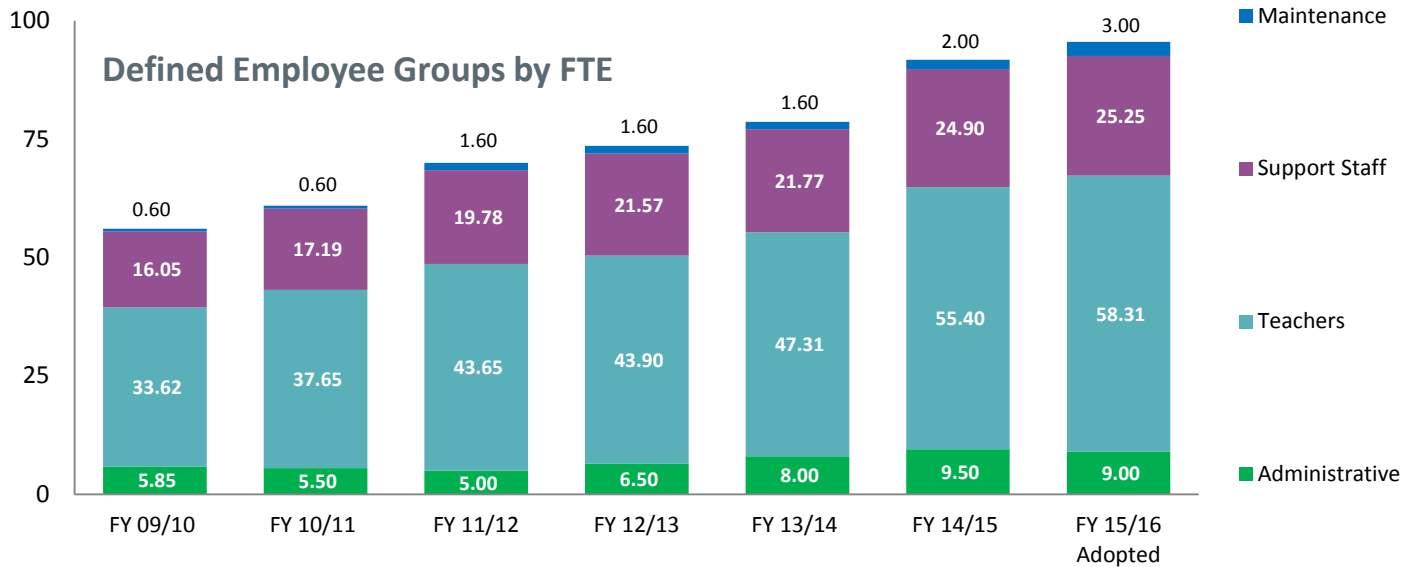
Westlake Academy's secondary boundaries are comprised of the following Independent School District boundaries:

Argyle ISD, Arlington ISD, Azle ISD, Birdville ISD, Boyd ISD, Carroll ISD, Carrollton-Farmers Branch ISD, Coppell ISD, Decatur ISD, Denton ISD, Duncanville ISD, Eagle Mountain-Saginaw ISD, Fort Worth ISD, Frisco ISD, Garland ISD, Grand Prairie ISD, Grapevine-Colleyville ISD, Highland Park ISD, Hurst-Euless-Bedford ISD, Irving ISD, Keller ISD, Krum ISD, Lake Dallas ISD, Lewisville ISD, Little Elm ISD, McKinney ISD, Northwest ISD, Paradise ISD, Ponder ISD, Springtown ISD, and Weatherford ISD



PERSONNEL & STAFFING

The following charts break down the number of employees by job function (primary school teachers, secondary school teachers, instructional administration, etc.). Employee growth has been driven by Academy expansions as the school matured into a full K-12 campus.



| Administrative Staff | FY 09/10
Actual | FY 10/11
Actual | FY 11/12
Actual | FY 12/13
Actual | FY 13/14
Actual | FY 14/15
Actual | FY 15/16
Adopted |
|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Executive Principal | - | - | - | - | 0.50 | 0.50 | 1.00 |
| Primary Principal | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Secondary Principal | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Asst. Secondary Principal | - | - | - | 0.50 | 1.00 | 1.00 | 1.00 |
| DP Principal | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| MYP Academic Dean | - | - | - | - | - | - | 1.00 |
| Admin Coordinator | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | - |
| Dir. of Student Life | - | - | - | - | - | 1.00 | - |
| Dir. of Curriculum | - | - | - | - | 0.50 | 1.00 | - |
| Student Services Coordinator | - | - | - | - | - | - | 1.00 |
| PYP Coordinator | 0.60 | 0.60 | 0.60 | 1.00 | 1.00 | 1.00 | 1.00 |
| MYP Coordinator | 0.50 | 1.00 | 0.50 | 1.00 | 1.00 | 1.00 | 1.00 |
| DP Coordinator | 0.50 | 0.40 | 0.40 | 0.50 | 0.50 | 0.50 | 0.50 |
| Athletic Director | 0.75 | - | - | - | - | - | - |
| Total Administrative | 5.85 | 5.50 | 5.00 | 6.50 | 8.00 | 9.50 | 9.00 |

| Teaching Staff | FY 09/10
Actual | FY 10/11
Actual | FY 11/12
Actual | FY 12/13
Actual | FY 13/14
Actual | FY 14/15
Actual | FY 15/16
Adopted |
|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Primary - K | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 3.00 | 3.00 |
| Primary 1 | 1.70 | 2.00 | 2.00 | 2.00 | 2.00 | 3.00 | 3.00 |
| Primary 2 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 3.00 | 3.00 |
| Primary 3 | 2.00 | 2.00 | 3.00 | 2.00 | 3.00 | 3.00 | 3.00 |
| Primary 4 | 2.00 | 2.00 | 2.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Primary 5 | 2.00 | 3.00 | 2.00 | 2.00 | 3.00 | 3.00 | 3.00 |
| Primary - PE | 1.00 | 1.50 | 1.50 | 2.00 | 2.00 | 2.00 | 2.00 |
| Primary - Reading Spec. | 0.40 | 1.00 | 0.40 | 1.00 | 1.00 | 1.00 | 1.00 |
| Primary - Art | 0.90 | 1.00 | 1.00 | 1.00 | 1.00 | 1.50 | 1.50 |
| Primary - Math | - | - | - | - | 1.00 | 1.00 | 1.00 |
| Primary - Music | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Primary - Spanish | 1.20 | 1.00 | 1.60 | 2.00 | 2.00 | 2.00 | 2.00 |
| Primary - IT | - | 0.40 | 0.40 | - | - | - | - |
| Secondary Theater Arts | - | - | 1.00 | 1.00 | 1.00 | 0.25 | 1.00 |
| Secondary - Grade 6 | 1.80 | 2.00 | 3.00 | 3.00 | 2.00 | 3.00 | 3.00 |
| Secondary - Art | 1.00 | 0.85 | 0.90 | 0.90 | 0.90 | 1.40 | 1.40 |
| Secondary English | 3.00 | 3.00 | 3.50 | 3.00 | 3.00 | 4.00 | 4.00 |
| Secondary - Humanities | 3.10 | 3.00 | 4.00 | 4.00 | 4.25 | 3.75 | 4.50 |
| Secondary - Economics | - | - | - | - | - | 1.00 | 1.00 |
| Secondary - IT | 0.30 | 0.20 | 1.00 | - | - | - | - |
| Secondary - Math | 2.00 | 2.00 | 3.00 | 3.00 | 3.00 | 5.00 | 5.50 |
| Secondary - Psychology | - | - | - | - | - | - | 0.25 |
| Secondary - Science | 3.25 | 3.60 | 3.60 | 3.50 | 3.66 | 3.50 | 4.00 |
| Secondary - Foreign Lang. | 2.00 | 2.60 | 3.00 | 3.34 | 4.34 | 4.34 | 5.16 |
| Secondary - PE | 0.72 | 1.50 | 1.50 | 1.50 | 1.50 | 2.00 | 2.00 |
| Secondary - Reading Spec. | - | - | 0.25 | 0.66 | 0.66 | 0.66 | - |
| Secondary - CAS | 0.25 | - | - | - | - | - | - |
| Total Teachers | 33.62 | 37.65 | 43.65 | 43.90 | 47.31 | 55.40 | 58.31 |

| Support & Maintenance
Staff | FY 09/10
Actual | FY 10/11
Actual | FY 11/12
Actual | FY 12/13
Actual | FY 13/14
Actual | FY 14/15
Actual | FY 15/16
Adopted |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Teaching Intern | - | - | 0.75 | - | - | - | - |
| Teaching Aides | 3.70 | 3.66 | 4.50 | 5.87 | 6.07 | 8.00 | 8.00 |
| Study Hall/Tutor | - | - | - | 1.00 | 1.00 | 1.00 | - |
| Speech | - | - | - | 0.17 | 0.17 | - | 0.50 |
| Strings Staff | 0.25 | 0.33 | 0.33 | 0.33 | 0.33 | 1.00 | 1.00 |
| Special Education | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 3.00 | 3.50 |
| Librarian/Aide | 1.00 | 1.00 | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Counselors | 2.00 | 3.00 | 3.00 | 3.00 | 3.00 | 2.70 | 2.00 |
| Nurse | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| IT Tech | 1.70 | 1.80 | 1.80 | 1.80 | 1.80 | 1.10 | 1.00 |
| IT Coordinator | - | - | - | - | - | - | 1.00 |
| IT Integration | - | - | - | 1.00 | 1.00 | 1.00 | 1.00 |
| Asst. to Head of School | - | - | - | - | - | - | - |
| Registrar | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Office Aide | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 4.10 | 4.00 |
| Crossing Guards | - | - | - | - | - | - | 0.25 |
| Lunchroom Personnel | 0.40 | 0.40 | 0.40 | 0.40 | 0.40 | - | - |
| Total Support Personnel | 16.05 | 17.19 | 19.78 | 21.57 | 21.77 | 24.90 | 25.25 |
| Facilities Day Porter | 0.60 | 0.60 | 0.60 | 0.60 | 0.60 | 1.00 | 2.00 |
| Facilities Technician | - | - | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Total Maintenance | 0.60 | 0.60 | 1.60 | 1.60 | 1.60 | 2.00 | 3.00 |

PERFORMANCE & BENCHMARK DATA

In FY 2014/15, Westlake Academy was ranked by the Washington Post as one of the best public high schools in America. This recognition marks the fourth year in which the Academy has been recognized by national ranking organizations due to rigorous and extraordinary academic performance.

The State of Texas is currently phasing in the use of the State of Texas Academic Achievement and Readiness (STAAR) test to assess student aptitude in reading, writing, math, science, and social studies as required under Texas education standards. The STAAR exam has increased rigor over previous testing standards and complies with the requirements of the No Child Left Behind Act (NCLB). The following tables display student standardized test performance for the last two years.

| SCIENCE | | | | |
|-------------|-----------------|----------------------------------|--------------------|--|
| Grade Level | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
| | 2013-2014 | 94% | 13% | N/A |
| 5 | 2014-2015 | 87% | 20% | 83% |
| | 2013-2014 | 87% | 26% | N/A |
| 8 | 2014-2015 | 97% | 28% | 88% |
| 9 EOC | 2013-2014 | 100% | 34% | N/A |
| Biology | 2014-2015 | 99% | 38% | 88% |

| WRITING | | | | |
|-------------|-----------------|----------------------------------|--------------------|--|
| Grade Level | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
| | 2013-2014 | 93% | 11% | N/A |
| 4 | 2014-2015 | 93% | 20% | 83% |
| | 2013-2014 | 94% | 26% | N/A |
| 7 | 2014-2015 | 97% | 39% | 93% |

| ENGLISH – END OF COURSE | | | | |
|-------------------------|-----------------|----------------------------------|--------------------|--|
| Grade Level | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
| | 2013-2014 | 97% | 35% | N/A |
| 9 – English I | 2014-2015 | 100% | 60% | 100% |
| | 2013-2014 | 95% | 9% | N/A |
| 10 – English II | 2014-2015 | 99% | 24% | 99% |

| HUMANITIES | | | | |
|--------------|-----------------|----------------------------------|--------------------|--|
| Grade Level | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
| | 2013-2014 | 80% | 9% | N/A |
| 8 | 2014-2015 | 99% | 31% | 89.5% |
| 11 EOC | 2013-2014 | 98% | 22% | N/A |
| U.S. History | 2014-2015 | 100% | 62% | 100% |

| ALGEBRA 1 END OF COURSE | | | | |
|-------------------------|-----------------|----------------------------------|--------------------|--|
| Grade Level | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
| 8 EOC | 2013-2014 | 87% | 17% | N/A |
| Algebra | 2014-2015 | 100% | 52% | 97% |

| READING | | | | |
|-------------|-----------------|----------------------------------|--------------------|--|
| Grade Level | Comparison Year | Level II Satisfactory Phase-In 1 | Level III Advanced | Level II Satisfactory Phase-In 2 (Effective 2015-16) |
| | 2013-2014 | 93% | 21% | N/A |
| 3 | 2014-2015 | 94% | 47% | 89.5% |
| | 2013-2014 | 91% | 36% | N/A |
| 4 | 2014-2015 | 98% | 38% | 98% |
| | 2013-2014 | 98% | 43% | N/A |
| 5 | 2014-2015 | 98% | 38% | 98% |
| | 2013-2014 | 98% | 38% | N/A |
| 6 | 2014-2015 | 100% | 54% | 96% |
| | 2013-2014 | 97% | 54% | N/A |
| 7 | 2014-2015 | 99% | 58% | 93% |
| | 2013-2014 | 95% | 61% | N/A |
| 8 | 2014-2015 | 100% | 65% | 100% |

SAT Distribution for Class of 2016*

| | Middle 50% | Mean |
|------------------|-------------------|-------------|
| Critical Reading | 510 - 630 | 566 |
| Mathematics | 520 - 650 | 584 |
| Writing | 480 - 610 | 551 |

*Numbers reflect testing through Spring 2015

ACT Distribution for Class of 2016*

| | Middle 50% | Mean |
|-------------|-------------------|-------------|
| English | 24 - 30 | 27.1 |
| Mathematics | 24 - 28 | 25.9 |
| Reading | 24 - 32 | 27.9 |
| Science | 23 - 30 | 26.2 |
| Composite | 25 - 29 | 26.6 |

*Numbers reflect testing through Spring 2015

BENCHMARK DATA

In 2014 Westlake Academy was awarded a four and one-half star rating from the Texas State Comptroller's FAST School District Rating System for providing quality education at a reasonable per student cost. Future enrollment increases will further improve efficiencies and reduce per student cost.

| 2014 | | DISTRICT LISTINGS | | Financial Allocation Study for Texas. | | | | FAST | | |
|-------------------------------------|----------|-------------------|--------------------------------|---------------------------------------|-----------------------------|-------------------------------|---|----------------|---|--------------|
| DISTRICT NAME | COUNTY | ENROLLMENT | 2014 TEA ACCOUNTABILITY RATING | MATH PROGRESS PERCENTILE | READING PROGRESS PERCENTILE | FAST COMPONENTS | | | | |
| | | | | | | COMPOSITE PROGRESS PERCENTILE | + | SPENDING INDEX | = | *FAST RATING |
| WESLACO ISD | HIDALGO | 17,830 | MET STANDARD | 57 | 11 | 26 ■■■■ | + | AVERAGE | = | ★★★★★ |
| WEST HARDIN COUNTY CISD | HARDIN | 584 | MET STANDARD | 25 | 25 | 22 ■■■■ | + | LOW | = | ★★★★★ |
| WEST HOUSTON CHARTER SCHOOL (C) | HARRIS | 320 | MET STANDARD | 2 | 43 | 8 ■■■■ | + | VERY LOW | = | ★★★★★ |
| WEST ISD | MCLENNAN | 1,440 | MET STANDARD | ** | ** | ** | + | AVERAGE | = | ** |
| WEST ORANGE-COVE CISD | ORANGE | 2,349 | MET STANDARD | 15 | 31 | 20 ■■■■ | + | AVERAGE | = | ★★★★★ |
| WEST OSO ISD | NUECES | 2,030 | MET STANDARD | 44 | 33 | 36 ■■■■ | + | VERY HIGH | = | ★★★★★ |
| WEST RUSK ISD | RUSK | 998 | MET STANDARD | 25 | 34 | 28 ■■■■ | + | AVERAGE | = | ★★★★★ |
| WEST SABINE ISD | SABINE | 649 | MET STANDARD | 53 | 19 | 32 ■■■■ | + | LOW | = | ★★★★★ |
| WESTBROOK ISD | MITCHELL | 219 | MET STANDARD | 52 | 35 | 40 ■■■■ | + | VERY HIGH | = | ★★★★★ |
| WESTHOFF ISD | DEWITT | 69 | MET STANDARD | 7 | 23 | 11 ■■■■ | + | VERY HIGH | = | ★★★★★ |
| WESTLAKE ACADEMY CHARTER SCHOOL (C) | TARRANT | 670 | MET STANDARD | 84 | 95 | 94 ■■■■ | + | LOW | = | ★★★★★ |
| WESTPHALIA ISD | FALLS | 155 | MET STANDARD | 98 | 74 | 95 ■■■■ | + | AVERAGE | = | ★★★★★ |

Benchmarking against the surrounding local ISDs, Westlake Academy's expenditures are near the median when comparing expenditures per student. Westlake's student-teacher ratio compares favorably to surrounding school districts.

Student-Teacher Ratio Comparison

| Fiscal Year | Keller ISD | Carroll ISD | Northwest ISD | Westlake Academy |
|-------------|------------|-------------|---------------|------------------|
| 13/14 | 16.40 | NA | 15.26 | 14.73 |
| 12/13 | 17.20 | 15.06 | 14.79 | 14.99 |
| 11/12 | 17.70 | 14.90 | 14.94 | 14.43 |
| 10/11 | 16.40 | 14.69 | 13.74 | 14.08 |
| 09/10 | 16.20 | 14.20 | 14.06 | 14.60 |

Per-Pupil Expenditure Comparison

| Fiscal Year | Keller ISD | Carroll ISD | Northwest ISD | Westlake Academy |
|-------------|------------|-------------|---------------|------------------|
| 13/14 | \$ 7,686 | \$ 8,674 | \$ 8,498 | \$ 10,249 |
| 12/13 | 7,082 | 8,336 | 8,264 | 8,715 |
| 11/12 | 6,538 | 8,137 | 8,175 | 9,171 |
| 10/11 | 6,322 | 8,130 | 9,085 | 8,967 |
| 09/10 | 6,551 | 8,314 | 8,806 | 8,429 |
| 08/09 | 6,348 | 8,546 | 8,238 | 8,927 |
| 07/08 | 6,620 | 8,247 | 8,046 | 8,721 |
| 06/07 | 6,325 | 7,266 | 7,845 | 7,725 |
| 05/06 | 6,052 | 7,702 | 8,116 | 6,944 |
| 04/05 | 5,747 | 7,790 | 8,025 | 7,111 |

Westlake Academy Unaudited Per Pupil Expenditures

| Fiscal Year | Enrollment | Estimated Operating Expenditures | PPE |
|-------------|----------------------|----------------------------------|----------|
| 14/15 | 812 | \$8,130,181 | \$10,013 |
| Fiscal Year | Projected Enrollment | Projected Operating Expenditures | PPE |
| 15/16 | 832 | \$8,228,953 | \$9,891 |

*Sources: Westlake Academy Comprehensive Annual Financial Reports (FY04/05 – FY 13/14), available online at www.westlake-tx.org; Keller Independent School District FY 13/14 Comprehensive Annual Financial Report, available online at www.kellerisd.net; Northwest Independent School District FY 13/14 Comprehensive Annual Financial Report, available online at www.nisdtx.org; Carroll Independent School District Financial Services Department

**Comparisons are based on operating expenditures, which include general and special revenue funds, but exclude objects of debt service, capital outlay, and intergovernmental charges.

2014/15 ACADEMIC ACHIEVEMENTS

NATIONAL RECOGNITION

- Westlake Academy was ranked #42 out of approximately 1,900 public high schools in the United States in the Washington Post Challenge Index.

STAFF ACCOMPLISHMENTS:

- Several faculty members continue to represent the International Baccalaureate as Workshop Leaders, Site Visitors and Consultants.
- Westlake Academy received the Distinguished Budget Presentation Award from the Government Finance Officers Association.
- The Academy received the Meritorious Budget Award from the Association of School Business Officials International (ASBO).
- Teacher received the prestigious Distinguished Apple Educator Award.
- Teacher received the Claes Nobel Educator of Distinction in recognition of their impact as an educator, leader and role model.

STUDENT ACCOMPLISHMENTS:

- 31 Academy graduates from the Class of 2015 received the prestigious IB Diploma.
- The graduating class of 2015 received \$3.9 million in scholarship and grant offers. All students were accepted into at least one four-year college/university, with many into top tier schools across the State and the U.S.
- Two graduates from the class of 2015 received Division I athletic scholarships.



2014/15 ATHLETIC ACHIEVEMENTS

The 2014/15 school year saw 29 High School athletes earn All-State Honors and 53% of the student body in grades 9-12 play at least one sport. 58% of students in grades 6-12 participated in at least one sport. Achievements include:



Junior Varsity Volleyball
District & Regional Champions

Junior Varsity Women's Basketball
District Champions

Varsity Volleyball
District & State Champions

Junior High Men's & Women's Basketball
District & Regional Champions

Junior High Football
District & Regional Champions

Varsity Baseball
District & State Champions

Varsity Soccer
District & State Champion

Varsity Softball
State Runner-Up

Junior High Soccer
District & Regional Champions

Varsity Tennis
State Champion

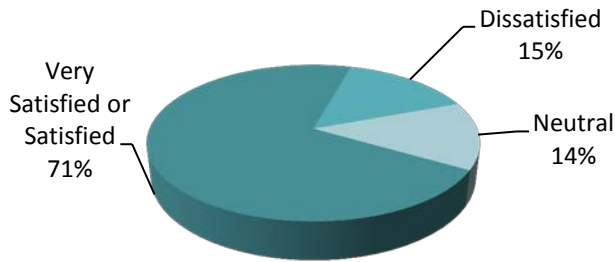
Cross Country
Individual Women's State Champion

Men's and Women's Varsity Golf
State Champions

PARENT SURVEY RESULTS

Westlake Academy is focused on delivering high quality educational services and depends upon input from our stakeholders. Westlake Academy routinely conducts an Annual Parent Survey to help identify any future needs and to prioritize resource allocation. The FY 2014/15 Westlake Academy Parent Survey was conducted in May of 2015 and we saw an overall decrease in the satisfaction rate of 10% with the quality of educational services that were provided.

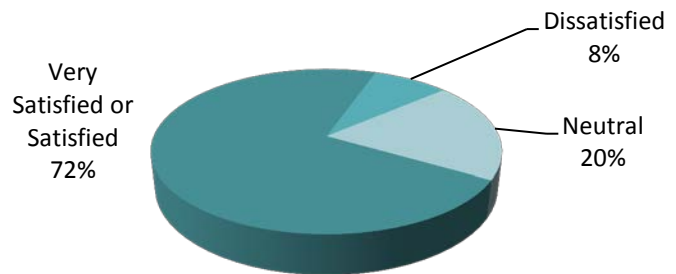
Overall Satisfaction with Quality of Education



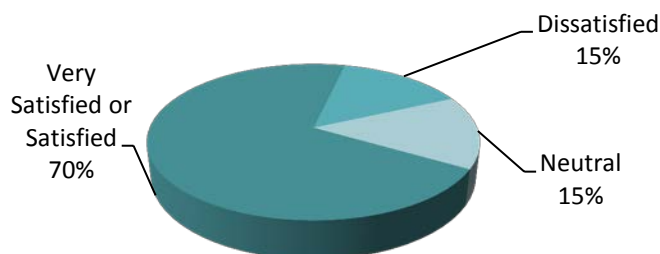
71% of the parent's surveyed were very satisfied or satisfied with the overall quality of education Westlake Academy delivers to its students.

72% of our respondents were very satisfied or satisfied with the IB Curriculum / Framework

Overall Satisfaction with the IB Framework



Overall Satisfaction with Academic Progress of Child



70% of the parent's surveyed were either very satisfied or satisfied with the academic progress of their child



Westlake Academy Academic Calendar 2015 - 2016

Sem. 1
88

Sem. 2
89

Total
177

August 2015

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | | | | | | 1 |
| 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | 31 | | | | | |

September 2015

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | | | |
| | | | | | | |

October 2015

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | | | | 1 | 2 | 3 |
| 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 31 |
| | | | | | | |

Date Event

| | |
|------------------|---|
| August | 10-12 New Teacher Orientation
13-19 All Teacher Orientation
20: First Day of School |
| September | 4: Teacher Professional Day - Early Release
7: Labor Day (No School) |
| October | 8: Conferences - Early Release
9: Teacher Professional Day (No School)
12: Columbus Day (No School)
23: Secondary End of 1st Quarter (44 days) |
| November | 20: Teacher Professional Day - Early Release
23 - 27: Thanksgiving Break |
| December | 18: Teacher Professional Day - Early Release
21 - 31: Winter Break |
| January | 1: Winter Break
4: Teacher Professional Day (No school)
12 - 15: G7 -G11 Exams / PYP Summative Assessment
15: Secondary End of 2nd Quarter (44 days)
18: Martin Luther King, Jr (No School) |
| February | 12: Teacher Professional Day - Early Release
15: Presidents' Day (Observed) (No School) |
| March | 14-18 Spring Break
25: Bad Weather Make Up Day
31: Secondary End of 3rd Quarter (46 Days) |
| April | 8: Conferences - Early Release
11: Teacher Professional Day (No school) |
| May | 27: Bad Weather Make-Up Day
30: Memorial Day (No School)
31: Secondary Semester Exams- Early Release |
| June | 1-3: Secondary Semester Exams - Early Release
3: Last Day of School
3: Secondary End of 4th Quarter (43 Days)
4: Senior Commencement |

November 2015

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | | | | | |
| | | | | | | |

December 2015

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |
| | | | | | | |

January 2016

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | | | | | | |

February 2016

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | | | | | |
| | | | | | | |

March 2016

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |
| | | | | | | |

April 2016

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| | | | | | | |

May 2016

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 | | | | |
| | | | | | | |

June 2016

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | | | 1 | 2 | 3 | 4 |
| 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | | |
| | | | | | | |

July 2016

| S | M | T | W | Th | F | Sa |
|----|----|----|----|----|----|----|
| | | | | | 1 | 2 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | | | | | | |

| | |
|--|------------------------------------|
| | First / Last Day of School |
| | Early Release Days |
| | No School |
| | Professional Day - Student Holiday |
| | Bad weather make up |

| | |
|--|--|
| | Whole School Early Release |
| | Parent/Student Conferences - Early Release |
| | Semester Exams / PYP Assessments - Early Release |
| | Senior Commencement |

| | |
|--|---------|
| | A - Day |
| | B - Day |

GLOSSARY

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 actually received or a payment is actually 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 actually received or the payment is actually 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 amounts that are constrained by the government's intent that they will be used for specific purposes. Decision making with regard to 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 manner in which the government's resources were actually 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 in excess of \$5,000 and a useful life expectancy of greater than 1 year.

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 provides assistance to 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 also 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 of time 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 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 of time 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 the purpose of 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.

Furniture: Those moveable items used for school operation that are not of a mechanical nature. Chairs, tables, desks, file cabinets, pictures, chalkboards, lamps, lockers and carpets, etc., are examples of furniture.

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

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).

Modified Accrual Basis of Accounting: Basis of accounting according to 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 in connection with a governmental body's transaction of official business. PIA provides 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.

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.

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.

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.

Special Revenue Funds: Funds that are used to account for funds awarded to the Academy for the purpose of 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.

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 learning 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 learning 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 III, 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, according to 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 learning 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 technology, bilingual, gifted and talented, and compensatory education. A weighted student count is used to distribute guaranteed-yield funding and establish Chapter 41 thresholds.



WESTLAKE ACADEMY

RESOLUTION NO. 15-14

A RESOLUTION OF THE BOARD OF TRUSTEES OF WESTLAKE ACADEMY TO ADOPT THE REVISED OPERATING BUDGET FOR FISCAL YEAR ENDING AUGUST 31, 2015 AND THE PROPOSED BUDGET FOR FISCAL YEAR ENDING AUGUST 31, 2016 INCLUDING INVESTMENT POLICY, FISCAL AND BUDGETARY POLICIES, COMMITTED AND ASSIGNED FUND BALANCES.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WESTLAKE ACADEMY:

WHEREAS, Section 44.002 of the Education Code of the Texas Education Agency Texas School Law Bulletin states the budget must be prepared according to generally accepted accounting principles, and

WHEREAS, the budget must be approved by the Board of Trustees prior to August 31st according to Texas Education Agency's Financial Accountability System Resource Guide, Section 2.6.2 – TEA Legal Requirements; and

WHEREAS, the Board of Trustees held a Public Hearing on August 10th, 2015; and

WHEREAS, the Board of Trustees finds that the passage of this Resolution is in the best interest of the citizens of Westlake as well as the students, their parents, and faculty of Westlake Academy.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE WESTLAKE ACADEMY:

SECTION 1: That, all matters stated in the recitals hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2: That the Board of Trustees hereby adopts the revised Westlake Academy Operating Budget for the fiscal year ending August 31, 2015 and the proposed Westlake Academy Annual Operating Budget for the fiscal year ending August 31, 2016 and appropriates the funds contained therein attached to this resolution as *Exhibit "A"*.

SECTION 3: That the Board of Trustees hereby adopts the Fiscal and Budgetary Policies, Investment Policies, and the Committed and Assigned Fund Balance designations that are also included in Exhibit A.

SECTION 4: That a copy of the official adopted 2015-2016 Budget shall be kept on file in the office of the Town Secretary.

SECTION 5: If any portion of this resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Council hereby determines that it would have adopted this Resolution without the invalid provision.

SECTION 6: That this resolution shall become effective from and after its date of passage.

PASSED AND APPROVED ON THIS 10th DAY OF AUGUST, 2015.

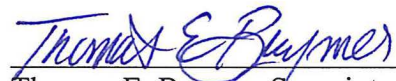


Laura Wheat, President

ATTEST:




Kelly Edwards, Board Secretary



Thomas E. Brymer, Superintendent

APPROVED AS TO FORM:



L. Stanton Lowry or Janet S. Bubert,
School Attorney