

Three Cedars Waldorf School

Extract from TCWS – ED action plan 2011-2013
Revised 05-24-2013 – to serve as Budget Cycle

A- Finances

Background and Rationale

The Three Cedars Waldorf School believes its mission to be relevant for a long-time to come. Therefore, the school strives to deliver its mission within thoughtful strategic choices that ensure sufficient financial resources. To achieve its long-term sustainability the school must anchor its financial position in a comprehensive long-term financial plan that includes prudent management of its resources, predictable and manageable income streams, and adequate reserves.

To sustain adequate operating income, the school will build and maintain adequate enrollment and tuition levels that reflect the true value and costs of its programs. To attract qualified staff the school must offer competitive levels of compensation.

FOCUS

Secure the long-term sustainable financial operation of the school.

Task I

Develop a revolving long-term financial plan derived from the intentions and commitments outlined in the ED work-plan

1. **Maintain a multi-year financial** plan including current year's budget plus four years.
2. Revolve annually and revise to accommodate plan updates, enrollment, updated income and expenses.

Task II

Strengthen the school's financial position by maximizing its current assets base and revenue sources.

1. Build tuition income revenue to phase out dependence on soft income and balance operating budget by 2015-16.
2. **Consider refinancing mortgages** to soften operating expenses and generate additional reserves for plan implementation.

Task III

Develop an adequate and comprehensive method of reporting to ensure that the Board, employees, and school community is fully cognizant of the school's financial position and plans.

1. **Appoint a member of the board as Treasurer**
2. **Hire a full-time Business Manager.**
3. Revise reporting to provide appropriate level and frequency.
 - a. **Budget line managers** – detailed monthly budget line report for respective accounts.
 - b. **ED – detailed monthly budget line report** for respective accounts, year-end account reports for all accounts prior to closing year, quarterly year-end projections, balance sheet, cash-flow, annual current budget review, annual audit and 990 review.
 - c. **Board – quarterly updated year-end** projections, balance sheet summary, annual audit (see table below).

Details

First Quarter – August, September, October - **Second Quarter** – November, December, January

Third Quarter – February, March, April - **Fourth Quarter** – May, June, July

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Budget cycle

Date	Report	Content
August – 4 th week	ED to Board	2.3 & 2.4 Monitoring reports submitted to Board for approval in September
September - 4th week		Current year budget – review
September Board meeting	ED to Treasurer	2.3 & 2.4 monitoring report approval
October Board meeting	ED to Board	Approved current year budget
		1 st Quarter year-end projection
		1 st Quarter balance sheet (including reserve summary, debt position, receivables)
		5 year budget review
		Cash flow
November - 4th week	ED to Treasurer	Tuition and fees for following year – review
		1 st Quarter year-end projection and balance sheet summary
		Approved tuition and fees for following year
		5 year budget
December Board meeting	ED to Board	2.3 & 2.4 Monitoring reports submitted to Board for approval in January
January – 2 nd weeks		Audit Review
January - 4th week	ED to Treasurer	990 Review
		2.3 & 2.5 monitoring report approval
February Board meeting	Auditor to Board	Audit and 990 – Presentation
		2 nd Quarter year-end projection
		2 nd Quarter balance sheet (including reserve summary, debt position, receivables)
		cash flow projections
		Update 5 year budget
February - 4th week	ED to Treasurer	2.3 & 2.4 Monitoring reports
		2 nd Quarter year-end projection and balance sheet
		Proposed budget for following year
March Board meeting	ED to Board	2.3 & 2.4 Monitoring reports submitted to Board for approval in April
April Board meeting	ED to Board	2.3 & 2.5 monitoring report approval
		3 rd Quarter year-end projection
		3 rd Quarter balance sheet (including reserve summary, debt position, receivables)
		Cash flow projections
May - 4th week	ED to Treasurer	2.3 & 2.4 Monitoring reports
		3 rd Quarter year-end projection and balance sheet summary
June Board meeting	ED to Board	