



## **STANDARD OPERATING PROCEDURE 4.3**

### **PROCEDURE TITLE: Five-Year Forecast and Annual Budget Monitoring Process**

**Department: Compliance Department**

**Proposed by: Special Projects Coordinator**

**Effective Date: 07/01/2013**

#### **PURPOSE**

The FIVE-YEAR FORECAST AND ANNUAL BUDGET MONITORING PROCESS ensures collection, review, and submission of each sponsored school's five-year forecast for every fiscal year to ensure the schools' compliance with the Ohio Department of Education requirements. The FIVE-YEAR FORECAST AND ANNUAL BUDGET MONITORING PROCESS is conducted to ensure receipt and review of the five-year forecast for each school prior to May 31 and five-year forecast and annual budget prior to November 30 each year.

#### **SCOPE**

The Compliance Department is responsible for ensuring collection of each sponsored school's five-year forecast and annual budget. The Fiscal Operations Department reviews the five-year forecast and budget.

#### **PROCEDURE**

1. Approximately, two (2) months in advance, dependent on the release of the five-year forecast and annual budget forms by the Ohio Department of Education, the Compliance Department distributes a request to all school leaders, treasurers and governing authority presidents for the governing authority approved five-year forecast and annual budget to be submitted at least one week prior to DEW's deadline (annual budget October 31, five-year forecast November 30 and May 31) and a request for the annual budget signed resolution or minutes to be submitted at least one week prior to DEW's deadline of December 31.
2. The Compliance Department maintains a five-year forecast and annual budget tracking sheet for each fiscal year on the shared drive.



3. The Compliance Department sends out reminders for five-year forecasts and annual budgets that have not been received. If the five-year forecast or annual budget is not received by the deadline, the Compliance Department shall contact the Legal Department to initiate the Corrective Action Plan Process (See SOP 3.9).
4. Once the five-year forecast and annual budget have been received, the Fiscal Department reviews the five-year forecast using the five-year forecast and annual budget checklists to determine if they meet all requirements and notifies the treasurer or designee if corrections are needed.
5. The Fiscal Department provides counsel to the President on any significant or recurring issues appropriate to bring to the sponsor's attention.
6. After review and approval by the Fiscal Department, the Compliance Department saves the forecasts and budgets on the shared drive and uploads them to DEW via Epicenter.
7. The Compliance Department updates the five-year forecast and annual budget tracking sheet including date received, date board approved and when it was submitted to DEW.
8. If errors occur or if there is a necessary revision required by DEW after the forecasts and budgets have been uploaded, the Compliance Department may contact the school or the school's treasurer to complete the revision. Upon receipt of the revision, the sponsor resubmits the revision in accordance with the DEW's deadline.
9. If the five-year forecast and annual budget is not received and not submitted to the Department of Education by the deadlines (annual budget October 31, five-year forecast May 31 and November 30) or governing authority approved prior to the deadline, the school will be put on a corrective action plan and monitored for future submissions (See SOP 3.9).

**This SOP is subject to SOP 9.10 Critical Documentation and Deadlines Process.**

### **DOCUMENTATION / VERIFICATION**

The FIVE-YEAR FORECAST AND ANNUAL BUDGET MONITORING PROCESS documentation is maintained by the Compliance and Fiscal Departments and accessed on the shared drive and TEAMS as follows:

*Location of documentation:*

*S:/Five-year forecasts*

*TEAMS: Fiscal Team – Documents/Five-Year Forecasts*



*TEAMS: Fiscal Team – Documents/Annual Budgets*

*Supporting documentation included with this process:*

1. Tracking sheet including date received, approval date, date submitted and link to forecast
2. Acceptable five-year forecast format
3. Acceptable annual budget format
4. Sample email request for five-year forecast and/or annual budget
5. Annual Budget Review Template
6. Five-Year Forecast Review Template

### **DOCUMENT HISTORY**

Orig. Date June 2013  
Rev. Date March 2017  
Rev. Date October 2018  
Rev. Date May 2020  
Rev. Date July 2022  
Rev. Date June 2023  
Rev. Date June 2024

### **REVIEW AND APPROVAL**

Reviewer of the FIVE-YEAR FORECAST AND ANNUAL BUDGET MONITORING PROCESS is as follows:

Reviewed by: Management Team

Date: 06/21/2024

Approved by: President David L. Cash, Jr.

Date: 06/21/2024

The effective date is as of the date signed above. Processes are consistently reviewed and revised as necessary throughout the term. The FIVE-YEAR FORECAST AND ANNUAL BUDGET MONITORING PROCESS may be implemented as currently written and will be formally evaluated and revised as necessary going forward.