

STANDARD OPERATING PROCEDURE 6.02: MONTHLY ENROLLMENT, FINANCIAL REVIEW AND FOUNDATION OVERPAYMENT PROCESS

July 1, 2025

A. PURPOSE

The MONTHLY ENROLLMENT AND FINANCIAL REVIEW PROCESS supports compliance with applicable law and the monthly financial monitoring requirement for all schools sponsored by St. Aloysius. The Services Team is responsible for ensuring collection and review of each sponsored school's monthly financial reports to increase the knowledge and awareness of the school's financial wherewithal and stability and to comply with statutory requirements. The Services Team is also responsible for providing written feedback following each month's reviews including, if applicable, proactive recommendations to improve the governing authority's financial and enrollment decision making. The FOUNDATION OVERPAYMENT PROCESS ensures schools develop and comply with repayment of overpayments in foundation funds issued by DEW (this is generally known as "clawback").

B. APPLICABILITY

The MONTHLY ENROLLMENT AND FINANCIAL REVIEW PROCESS and FOUNDATION OVERPAYMENT PROCESS applies primarily to the Services Team and the Legal Department. All CSS Staff attending governing authority meetings may be asked to share information from the fiscal reviews with the governing authorities of St. Aloysius sponsored schools.

C. DEPARTMENT RESPONSIBILITIES

Responsible Department:	Services Team
<i>Other Departments:</i>	<i>Legal Department</i>
	<i>Executive Team</i>
	<i>School Improvement Team</i>
	<i>Management Team</i>
	<i>C Suite Level Executives</i>

D. PROCEDURE

MONTHLY ENROLLMENT AND FINANCIAL REVIEW PROCEDURE

1. The School Improvement Team updates the "FTE Report" spreadsheet with the current month's FTEs for each school, and sends it to the Management Team, the
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Legal Department, the C Suite Level Executives and the Executive Team and shares the spreadsheet at each staff meeting.

2. The Services Team provides annual written communication to all new schools identifying the requirement and process for submitting financials monthly to the sponsor as required by law, including enrollment records in the form of current FTEs.
 3. The Services Team monitors and confirms that schools make monthly submissions of financial reports to the sponsor by the 15th of the following month using a dedicated email: financials@charterschoolspec.com.
 4. When financial reports are received, the Services Team saves the reports to the school's folder on the shared drive. Additionally, the Services Team documents the date the reports were received on the "Fiscal Review Workflow".
 5. The Services Team reviews the financials on a monthly basis using a summary checklist. The checklist contains predetermined financial items and data that have been identified as significant to gain insight into the financial condition of the school. The checklist includes, but is not limited to, a budget analysis (review of budget ledgers or detail general ledger), check register analysis (transaction detail reports), and a review of the five-year forecasts.
 6. Upon reviewing the current FTE of the school, a reduction in 10% or more FTEs will trigger communication with the school and treasurer to discuss ways to prevent overpayment and clawback.
 7. Upon the Services Team's determination of error or necessary revisions, the Services Team contacts the school or the school's fiscal officer within five (5) business days to obtain necessary changes or request additional information.
 8. The Services Team conducts a monthly financial review, prior to the end of the month if the school has made the submission of the financial reports to the sponsor by the 15th of the month and there has not been a determination of an error or necessary revisions by the Services Team. Once the review is complete, the Services Team updates the "Fiscal Review Memo Template" and "Fiscal Review Template" to reflect the current data, saves both files as a PDF in the school's folder, and saves a copy of the "Fiscal Review Template" spreadsheet. Additionally, the Services Team documents the date the fiscal review and memo are completed on the "Fiscal Review Workflow".
 9. Within ten (10) days of the review, the Services Team emails all school treasurers and governing authority presidents a written report signed by the Services Team confirming receipt of the required financial and enrollment information and providing feedback regarding the review. The Services Team documents the date the written reports are sent on the "Fiscal Review Workflow".
 10. When a review indicates areas of financial concern, including but not limited to, enrollment, revenue and expense fluctuations, the Services Team makes
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proactive recommendations to the governing authorities regarding financial and enrollment decision-making.

11. The Legal Department includes a copy of the written report in the school's folder on the shared drive.
12. The Legal Department shall collect Fiscal Reviews and Fiscal Review Memos for all of the selected schools for the Sponsor Evaluation and place these documents in the appropriate folder in the SES Collection folder. The Legal Department shall also highlight the areas as needed in the documents for the Sponsor Evaluation Collection.
13. The Services Team advises the C Suite Level Executives of concerns and reports as necessary regarding the fiscal status of sponsored schools.
14. Sponsor representatives attending governing authority and other appropriate school meetings address enrollment or financial issues as appropriate with the governing authority or management company.
15. The Services Team saves all financial and written reports on the shared drive.
16. Schools that fail to submit financial statements and enrollment records by the 15th of the month will have a notice sent to the fiscal officer on the 16th stating the submissions are late, and they are in violation of the sponsorship agreement and Ohio Revised Code.
17. Schools that fail to submit financial statements and enrollment records by the 22nd of the month will have a notice sent to the fiscal officer, Governing Authority and Operator, when applicable, stating that submissions are late and they are in violation of the sponsorship agreement and Ohio Revised Code and that a CAP will be initiated if not received by the end of the month.
18. Schools that submit financial statements and enrollment records late three times within the same school year will have a corrective action plan initiated.

FOUNDATION OVERPAYMENT PROCEDURE

1. Upon release by DEW, the Services Team shall review the list of schools that received overpayment of foundation payments.
 2. If a school has been identified as at risk of overpayment pursuant to step 6. of the process above, and action is not taken by the school or treasurer to prevent the overpayment, a corrective action plan may be requested.
 3. If a school is on DEW's overpayment list for two or more consecutive years, additional intervention may be initiated, including: Corrective Action Plan, technical assistance, other interventions as deemed appropriate by the Services Team and Legal Department.
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E. DOCUMENTATION

Location of documentation:

Charter School Specialists/Fiscal Team – Documents/Monthly Fiscal Reviews/Fiscal Reviews

F. GLOSSARY

Enrollment, fiscal review, fiscal review memo, financial, foundation overpayment, clawback, FTE, financial records, Fiscal Review Workflow, budget analysis, budget ledger, transaction detail reports, five year forecast, feedback

G. CROSS REFERENCED SOP'S

None

H. REVIEW AND APPROVAL

Approved By: Chief Executive Officer David L. Cash, Jr.

Date: 06/30/2025
