



# **SCHOOL FINANCIAL OVERSIGHT REPORT**

## **VOA-MN AUTHORIZED CHARTER SCHOOLS**

### **FEBRUARY 2025**

**Authored by Finance Performance Analyst Rochel Perna  
for the Volunteers of America of Minnesota Charter School Authorizing Program**

**Submitted to Ms. Stephanie Olsen, Senior Program Manager**

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## INTRODUCTION

This report discloses the financial performance of authorized schools for the prior fiscal year. It utilizes information from the Minnesota Department of Education (MDE) website as well as information from individual school documents, which include but is not limited to monthly board meeting minutes, financial reports, and financial audits of the schools.

The finance report methodology incorporates ten financial standards that are expected to be met by each school authorized by VOA-MN. This supports the understanding that these are the contractual standards that VOA-MN authorized schools are aware of and strive to meet throughout the year. In addition, school leadership and VOA-MN representatives work together on these standards throughout the year to strengthen the school's financial health.

With the advent of Covid-19 in early 2020, the VOA-MN network of charter schools have been tasked with introducing flexible learning schedules, innovative platforms to deliver instruction, and safe environments for all students and families. FY 2023 financial oversight was conducted mainly onsite but remotely when conditions were not safe to be onsite. Virtually all charter schools have had access to federal aid through the CARES Act of 2020. The CARES Act included an Education Stabilization Fund, which created two major sources of funding for schools: the Governor's Emergency Education Relief (GEER) Fund and the Elementary and Secondary School Emergency Relief (ESSER) Fund. It also contained section 5001, the Coronavirus Relief Fund (CRF), which established funding to state, local, and Tribal governments navigating the impact of the COVID-19 pandemic. In Addition, many charter schools were able to access federal funds through the CARES Act Paycheck Protection Program due to the non-profit status of charter schools. This federal aid greatly helped charter schools maintain their General Fund balances and fiscally survive the COVID-19 pandemic.

## METHODOLOGY FOR THE REPORT

### VOA-MN Standard Measurement

VOA-MN holds the schools it authorizes accountable in fiscal management using ten financial standards. The VOA-MN financial analyst evaluates the performance of the school on each standard using the following scale:

- 2 = Meets standard
- 1 = Partially meets standard
- 0 = Does not meet standard

The VOA-MN standards were created based on Minnesota Statutes, U. S. Codes, Generally Accepted Accounting Principles, Governmental Accounting Standards Board requirements and best practice norms. These standards are listed below including the point value used in school contract renewals:

**Standard One: The school maintains a balanced budget.**

*2 = surplus budget*

*1 = n/a*

*0 = deficit budget*

*Method of Examination:*

- a. Review original and revised budgets submitted to VOA-MN per the Annual Submission Calendar*
- b. Review the school's annual financial audit report*
- c. Review monthly income statements*

Schools submit an approved current year budget to VOA-MN and the MDE by July 1 of each year. A revised budget is generally submitted during the year as the school updates revenue and expenditure projections. The school's annual financial audit is the data source that is used to verify whether the school has met budget projections by comparing them to actual results. This report is received by VOA-MN by December 31 each year.

Although the VOA-MN standard concentrates on the General Fund, the other major operating funds of Food Service (Fund 2) and Community Service (Fund 4) must also be included in budget projections and reporting.

**Standard Two: The school is compliant with state and federal financial reporting deadlines, including the proper use of public funds.**

*2 = never missed*

*1 = missed 1 time*

*0 = missed > 1 time*

*Method of Examination:*

- a. Review school's prior and current year financial data submitted to VOA-MN per the Annual Submission Calendar including:*
  - a. Preliminary UFARS data*
  - b. ADM report*

*c. Final UFARS data*

Meeting state and federal financial reporting deadlines is critical in the financial success of a school.

**Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor, and the authorizer by December 31.**

*2 = submitted*

*1 = n/a*

*0 = not submitted*

*Method of Examination:*

- a. *Review email and attached MDE documentation sent to VOA-MN from the school confirming the submission of the audit report to these organizations.*

Schools must have a completed audit submitted to the MDE, the Office of the State Auditor (OSA), and the authorizer by December 31.

**Standard Four: Schools are expected to have audits that are free of all findings.**

*2 = no findings*

*1 = 1 or more "significant deficiency" finding(s)*

*0 = 1 or more "material weakness" or legal compliance finding(s)*

*Method of Examination:*

- a. *Review school's financial audit report*

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Legal compliance findings are found in two categories that are tested in the audit: uniform financial accounting and reporting standards (UFARS), and charter schools.

**Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.**

*2 = never late*

*1 = late 1-2 times*

*0 = late > 3 times*

*Method of Examination:*

- a. *Examine the school's monthly check registers*
- b. *Examine the school's monthly cash flow projection*
- c. *Review the school's board meeting agendas and minutes*

The proper payment of obligations is a strong measure of organizational health and a standard to be met by schools. Boards must strive to meet financial obligations and timely payments of bills.

**Standard Six: The school provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.**

*2 = never missed*

*1 = missed 1 time*

*0 = missed > 2 times*

*Method of Examination:*

- a. *Review the school's board packet for inclusion of all documents*

Regular oversight of the school fiscal condition is a standard that is possibly one of the most important practices for a board to ensure fiscal responsibility and the appropriate use of public funds. The board and VOA-MN typically reviews at least the following financial documents each month: income statement, cash flow projection, check register, student enrollment. It is expected that each board member, at some point in a month, scrutinizes the key data pieces in the reports rather than only one member of the board or the finance committee.

**Standard Seven: The school develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.**

*2 = 20% or >*

*1 = 15-20%*

*0 = < 15%*

*Method of Examination:*

- a. *Review the school's General Fund balance policy*
- b. *Review the school's monthly financial reports*
- c. *Review the school's board meeting agendas and minutes*

This standard considers the existence of a General Fund balance policy that contains conditions necessary to assist in the maintenance of fiscal health. A quality fund balance policy will conform to required parameters of Uniform Financial Accounting and Reporting Standards (UFARS) as well as Government Accounting Standards Board (GASB) 54. Currently, the target for meeting the standard is a minimum of 20%.

A school is judged as having met the standard if they have a quality General Fund balance policy and an actual balance of at least 20%.

**Standard Eight: The school board has a finance committee that meets regularly to review financial reports.**

*2 = 8-12 meetings/year*

*1 = 5-7 meetings/year*

*0 = 0-4 meetings/year*

*Method of Examination:*

- a. *Review the school's board meeting agendas and minutes*

A finance committee is a subcommittee of the school board that meets monthly to review the school's financial reports in detail and subsequently reports the highlights and significant events of the meeting to the full board at the next regularly scheduled meeting. This is a great way to disseminate information to the board through members who are financially adept and able to communicate with the school leaders about financial matters.

**Standard Nine: All finance committee members exhibit working knowledge of financial oversight.**

*2 = all committee members **have** received formal/informal training during the year relating to their roles and responsibilities on the finance committee*

*1 = n/a*

*0 = some committee members **have not** received formal/informal training during the year relating to their roles and responsibilities on the finance committee*

*Method of Examination:*

- a. *Query the school director about finance committee training.*
- b. *Review the school's board meeting agendas and minutes for finance committee member training relating to their roles and responsibilities on the committee.*

Training of finance committee members in their roles and responsibilities on the committee is an important measure to ensure the members have adequate information to effectively monitor the school's financial position.

**Standard Ten: The school is not in Statutory Operating Debt (SOD).**

*0 = in SOD*

*1 = n/a*

*2 = not in SOD*

*Method of Examination:*

- a. *Review budget*
- b. *Review the school's board meeting agendas and minutes*
- c. *Review financial audit*

SOD occurs if the percent of the General Fund balance is less than 2.50% of school unreserved/undesignated operating expenditures. A review of the school's current year budget is the first document that would indicate if the school would be in SOD. The final determination is found in the school's annual financial audit.

**Summary:** If a school meets all ten financial standards, they will receive the VOA-MN Finance Award of Excellence.

## INDIVIDUAL SCHOOL ANALYSIS

### Athlos Academy St. Cloud

3701 33rd Street South  
St. Cloud, MN 56301

Phone: 320-281-4430  
[www.athlosstcloud.org](http://www.athlosstcloud.org)

Executive Director: Jennifer Geraghty

### VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
	2 = surplus position
	1 = n/a
X	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school's original FY 2024 General Fund budget approved at the May 2023 board meeting was based on 600 ADMs and a projected surplus of \$509,499. A revised budget was reviewed and approved by the board at the December 2023 meeting based on enrollment of 300 ADMs and indicated a year-end deficit of \$907,327.

The school ended FY 2024 with a deficit of \$1,127,016 in the General Fund and ADM of 247 based on results reported in the FY 2024 financial audit.

The school has not maintained a balanced budget for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
	2 = never missed
	1 = missed 1 time
X	0 = missed > 1 time



Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.
--

The school missed multiple state or federal financial reporting deadlines throughout FY 2024 including the reporting of a Title III grant and student enrollment to the Minnesota Department of Education (MDE). In addition, there have been numerous (twelve) FY24 Annual VOA-MN Submissions Calendar late and unsubmitted items.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor, and the authorizer by December 31.</b>
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X	2 = submitted
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	1 = n/a
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	0 = not submitted
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Data Source: Email from the school with attached MDE documentation.
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The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>
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	2 = no findings
--	-----------------

	1 = 1 or more "significant deficiency" finding(s)
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X	0 = 1 or more "material weakness" or legal compliance finding (s)
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Data Source: The school's financial audit report.
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The school's FY 2024 financial audit contained two internal control findings that are considered significant deficiencies; Lack of Supporting Documentation and Debt Service Coverage/Days Cash on Hand reporting and two legal compliance findings; Late Payment of Claims and Public Reporting CMO Agreements as reported on pages 88 – 91 of the FY24 financial audit.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>
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	2 = never late
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	1 = late 1-2 times
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X	0 = late > 3 times
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Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.
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The VOA-MN financial analyst discovered many delinquent or late payments to vendors of the school through June 2024. Vendors were consistently paid late and the school held vendor payments due to their cash position.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school provided financial reports and data to the board or VOAMN in a timely manner throughout FY 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
	2 = 20% or >
	1 = 15-20%
X	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$796,320	\$675,896	\$934,808	\$192,208
<b>Fund Balance Percent</b>	8.4%	7.3%	11.8%	(2.7%)

The school has a fund balance policy in place which states:

*"Minimum unassigned fund balance – Athlos Academy of St. Cloud will maintain a minimum unassigned fund balance in its General Fund that meets or exceeds the target described below. This minimum fund balance is to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment.*

*1. Athlos Academy of St. Cloud's ultimate target fund balance is 20%.*

2. In the first year of operation, Athlos Academy of St. Cloud will have a target fund balance of 1%

3. The target fund balance will increase annually at a minimum of 1% per year and will reach the ultimate target fund balance in as few years as is fiscally responsible.”

The school’s FY 2024 ending General Fund balance decreased 14.5% from the prior year and moved into Statutory Operating Debt. The board will file a plan with the MDE by January 31, 2024 on what caused this and how the school plans to move out of SOD.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school’s finance committee met eight times during FY 2024.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School director queries, board meeting agendas and minutes.	

All finance committee members received formal/informal training during FY24 relating to their roles and responsibilities on the finance committee. The following was received via email on June 24, 2024 from the school’s corporate partner:

Hello Authorizer,  
Please accept this email confirmation of Finance Committee Training:

Description of Training: VOA MN Financial Award Finance Video.  
Date of Training: June 21, 2024.  
Finance Committee: Kerin Helmke and Pat King.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>
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	2 = not in SOD
	1 = n/a
X	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is in Statutory Operating Debt.

## Athlos Leadership Academy

10100 Noble Parkway North  
Brooklyn Park, MN 55443

Phone: 763-777-8942

[www.athlosbrooklynpark.org](http://www.athlosbrooklynpark.org)

Superintendent/Principal: Jennifer Geraghty

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
	2 = surplus position
	1 = n/a
X	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school's original FY 2024 General Fund budget was approved at the April 2023 board meeting and reflected a surplus of \$240,659 based on 850 ADMs. The school revised the budget in May 2024 to 712 ADMs and projected a surplus of \$81,840. The school ended the year with a deficit in the General Fund of \$186,252 and 712 ADMs, with an ending fund balance of \$3,243,041. The large enrollment decrease from the projection was due to a shift of students during and after the Minneapolis riots from the school's surrounding area in Brooklyn Park to the Dayton/Ramsey area. The school has expanded the transportation area in FY 2025 to include the students that left in FY 2024 and has been successful in getting most of them back. In addition, the large Employment Retention Credit of approximately \$900,000 received in FY 2024 offset the lower enrollment.

Overall, the school has not maintained a balanced budget.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
X	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained no findings as stated on page 74 of the financial audit.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school has consistently provided complete financial reports in the monthly board packets to VOA-MN and the school board for FY 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >
	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$2,924,819	\$3,288,454	\$3,429,293	\$3,243,041
<b>Fund Balance Percent</b>	25.76%	28.01%	26.05%	27.25%

The school has maintained a healthy General Fund balance over the past three years, which is indicative of a well-run school board and strong internal financial management.  
The school has a fund balance policy in place which states:

***V. MINIMUM FUND BALANCE***

*The school district will strive to maintain a minimum unassigned general fund balance of 5% - 30% percent of the annual budget.*

The school has met the VOA-MN General Fund balance target of 20% and has met the range stated in their fund balance policy.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school has a finance committee that met eleven times in FY 2024.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per the school's director all finance committee members received training during FY 2024.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Birch Grove Community School

PO Box 2383  
Tofte, MN 55615

Phone: 218-663-0170  
[www.birchgroveschool.com](http://www.birchgroveschool.com)

Director: Diane Blanchette

### VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school's original FY 2024 budget approved in June 2023 was based on 51 ADM with a projected surplus of \$68,233. The school did not revise the budget in FY 2024.

The school ended the year with 43 ADMs and a FY 2024 General Fund surplus of \$122,174 resulting in an ending General Fund balance of 32.64%.

Overall, the school has maintained a balanced General Fund budget for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a



	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
	2 = no findings
X	1 = 1 or more “significant deficiency” finding(s)
	0 = 1 or more “material weakness” or legal compliance finding (s)
Data Source: The school’s financial audit report.	

The school’s FY 2024 financial audit contained one finding considered to be a significant deficiency in internal control; Preparation of Financial Statements as noted on page 58-60 of the audit report.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school board reviews and approves various financial reports at each meeting and regularly receives an update from the finance and fundraising committees. The school provided all monthly financial reports in a timely manner in FY 2024.

<b>Standard Seven: The school develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >
	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$120,885	\$127,527	\$150,309	\$272,483
<b>Fund Balance Percent</b>	22.28%	22.92%	23.13%	32.64%

The school's FY 2024 General Fund balance increased from the prior year. The school has a fund balance policy in place which states:

*The school will strive to maintain a minimum unassigned general fund balance of 20-25% of the annual expenditure budget.*

The school has met the goals set in the General Fund balance board policy for the past three years and the VOA-MN standard of 20% of greater.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school has a finance committee that met eight times in FY 2024.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee

Data Source: School board members queries, board meeting agendas and minutes.
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Per the school director, all finance committee members received training in FY 2024.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Bluffview Montessori School

1321 Gilmore Ave,  
Winona, MN 55987  
Phone: 507-452-2807

<https://www.bluffviewmontessori.org/>

Head of School: Henry Schantzen

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school board approved the FY 2024 original budget in May 2023 based on 212 ADMs and a resulting deficit of \$117,371. The budget was revised in April 2024 to reflect a deficit of \$163,120 and a decrease to 209 ADMs. Per the Head of School, the projected deficit is a controlled spend

down of the General Fund balance, approved by the board. The school ended the year with 213 ADMs and a deficit of \$156,388. The school has maintained a balanced budget in FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
X	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained no findings as noted on pages 64-66 of the FY24 audit report.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school has consistently provided complete financial reports in the monthly board packets to VOA-MN and the school board for FY 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >
	1 = 15-20%
	0 = < 15%
Data Source: The school’s General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school’s General Fund balance/SOD calculation:

THREE YEAR FUND BALANCE HISTORY				
	FY 2021	FY 2022	FY 2023	FY 2024
Fund Balance Amount	-	\$1,188,653	\$1,285,533	\$1,129,145
Fund Balance Percent	-	42.3%	42.3%	35.4%

The school board has a General Fund balance policy that states:  
*Bluffview Montessori School will strive to maintain a minimum unassigned general fund balance of 30 percent of the annual budget.*

The school has maintained a General Fund balance of 35.4% which is more than the school’s policy and the authorizers target for FY 2024.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school has a finance committee that met eleven times in FY 2024 and is doing the appropriate work.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

All finance committee members were trained by the schools contracted financial manager on October 25, 2023.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## **FIT Academy**

7200 147<sup>th</sup> Street West  
Apple Valley, MN 55124

Phone: 952-847-3798  
[fitacademymn.org/](http://fitacademymn.org/)

Founder and Executive Director: Claud Allaire

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The board approved the original FY24 budget in May 2023 based on 405 ADMs and a resulting surplus of \$7,961. The budget was revised in March 2024 to reflect a decrease in ADMs to 397 and an operating surplus of \$41,108. The school ended the year with 392 ADM's and a surplus of \$104,656.

The school has maintained a balanced budget in FY24.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
	2 = no findings
	1 = 1 or more “significant deficiency” finding(s)
X	0 = 1 or more “material weakness” or legal compliance finding (s)
Data Source: The school’s financial audit report.	

The school’s FY 2024 financial audit contained one legal compliance finding; Prompt Payment of Vendor Claims as noted on pages 61-63 of the financial audit.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024. Since the school received an audit finding on late payments reported in Standard Four, they will be held harmless in this standard.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school has consistently provided complete financial reports in the monthly board packets to VOA-MN and the school board for FY 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
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	2 = 20% or >
X	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

FOUR YEAR FUND BALANCE HISTORY				
	FY 2021	FY 2022	FY 2023	FY 2024
<b>Fund Balance Amount</b>	\$234,856	\$272,445	\$752,089	\$856,745
<b>Fund Balance Percent</b>	5.82%	6.42%	14.50%	15.00%

The school's General Fund balance increased slightly from FY 2023 to FY 2024 but has not met the school's or authorizer target of 20%. The school's General Fund balance policy states:

*The school district will strive to maintain a minimum unassigned general fund balance of 20 percent of the annual budget.*

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school has a finance committee that met twelve times in FY 2024. The financial statements and management reports are generally presented by the contracted financial manager and discussed with the group. A summary report is then shared at the upcoming board meeting with all board members for review and approval.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per the director, all finance committee members have received training in FY24.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Harbor City International School

332 West Michigan Street, Ste 300  
Duluth, MN 55802

Phone: 218-722-7574  
[www.harborcityschool.org](http://www.harborcityschool.org)

Executive Director: Aryn Bergsven

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
	2 = surplus position
	1 = n/a
X	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school's original FY 2024 budget was approved by the school board in June 2023 with a projected deficit of \$38,030 and an ADM of 190. The school revised the budget in May 2024 reflecting a surplus of \$96,950 with ADM unchanged. The school's FY 2024 General Fund ended the year with a deficit of \$42,274 and 190 ADMs.

Overall, the school has not maintained a balanced General Fund budget in FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
X	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained no findings as noted on page 45 of the audit.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school provided all monthly financial information to the school board and VOA-MN consistently in FY 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
	2 = 20% or >
X	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$1,000,673	\$774,120	\$586,919	\$544,645
<b>Fund Balance Percent</b>	36.77%	26.37%	19.44%	17.64%

The school has a fund balance policy in place which states in part:

*Minimum unassigned fund balance – The school will maintain a minimum unassigned fund balance in its General Fund of [20] percent of [the subsequent year's budgeted expenditures and outgoing transfers].*

*Replenishing deficiencies – when fund balance falls below the minimum [20] percent, the school will replenish shortages/deficiencies using the budget strategies and timeframes described below.*

*The following budgetary strategies shall be utilized by the school to replenish funding deficiencies:*

- *The school will reduce recurring expenditures to eliminate any structural deficit or,*
- *The school will increase revenues or pursue other funding sources, or,*
- *Some combination of the two options above*

The General Fund balance decreased from 19.44% in FY 2022 to 17.64% in FY 2024, which is below both the schools and the VOA-MN target fund balance.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school has a finance committee that met ten times in FY 2024. All monthly financial reports are reviewed in detail at these meetings. The finance committee meeting is doing appropriate work.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per the director, all finance committee members received financial training on their roles and responsibilities in FY 2024. The committee members, who are also board members, go through annual financial training each May.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Kaleidoscope Charter School

7525 Kalland Avenue Northeast  
Otsego, MN 55301

Phone: 763-428-1890

[www.kcsmn.org](http://www.kcsmn.org)

Executive Director: Brad Sellner

### VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school board approved the original FY 2024 budget based on 503 ADM in April 2023 projecting a surplus of \$152,532 and revised the budget in April 2024 with a decrease in enrollment to 477 ADM and a surplus of \$1,265,447. The school ended with actual results of 468 ADMs and a surplus of \$1,011,916.

The school has maintained a balanced budget for FY24.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
X	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained no findings.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times

Data Source: Board packets
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The board receives a finance committee report at each board meeting which includes a review of monthly financial statements. The school has consistently provided required monthly financial reports to VOA-MN and the board through June 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >
	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$2,850,454	\$2,970,127	\$3,375,081	\$4,386,997
<b>Fund Balance Percent</b>	40.83%	40.6%	48%	56%

As the table indicates, the school has maintained a healthy General Fund balance over the past four years. The school's FY 2024 unassigned General Fund balance of over 50% is well above the range of the school board policy which states:

*KCS will strive to maintain a minimum unassigned general fund balance of 25 percent of budgeted expenditures. The projected budget shall also maintain 25 percent of budgeted expenditures.*

*This fund balance is needed for emergencies, unforeseen events, new program initiatives or capital improvements not covered by the landlord.*

*The minimum unassigned fund balance target will be reviewed annually and during the setting of a subsequent operational year budget.*

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	



The school has a finance committee that met twelve times in FY24 and has been using this committee appropriately.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

The finance committee members received financial training in FY 2024. An email from the director stated:

*We completed this training on 08.17.23 (see attached minutes) for the finance committee. School Board members on the finance committee are Deby Ziesmer, Renee Suess, Sharlet Mullen. Our finance director, Todd Netzke, from SMS, completed this training for us (see attached PPT). Our full school board also went through this training on 09.28.23 (see attached - minutes; new business Item B). Todd again completed the training.*

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## **KIPP MN Public Schools**

5034 North Oliver Avenue  
Minneapolis, MN 55430

Phone: 6120-287-9700  
[www.kippminnesota.org](http://www.kippminnesota.org)

Chief Executive Officer: Shana Ford

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school board approved the original FY 2024 budget based on 398 ADMS in June 2023 projecting a surplus of \$4,707. The board revised the budget in March 2024 reflecting a decrease in enrollment to 255 ADMs and an ending surplus of \$137,330.

The school ended FY 2024 with a surplus of \$575,188 based on 263 ADM. The decrease in student enrollment/ADM over the past three years is of great concern:

- FY 2021 657 ADM
- FY 2022 563 ADM
- FY 2023 379 ADM
- FY 2024 263 ADM

The school has received extensive support from the KIPP Foundation and other donors for prior years and FY 2024 and has been able to maintain a balanced budget due to this funding despite the sharp decrease in enrollment. KIPP has been addressing this concern over the past few years and is encouraged to continue all efforts to attract additional students to the school to stabilize financial health without being dependent on donors.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
X	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained no findings.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payment to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times

Data Source: Board packets
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The school has consistently provided required monthly financial reports to VOA-MN and the board in FY 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
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X	2 = 20% or >
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	1 = 15-20%
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	0 = < 15%
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Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.
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The table below contains the history of the school's General Fund balance/SOD calculation:

FOUR YEAR FUND BALANCE HISTORY				
	FY 2021	FY 2022	FY 2023	FY 2024
<b>Fund Balance Amount</b>	\$3,608,270	\$3,976,789	\$4,339,749	\$4,914,937
<b>Fund Balance Percent</b>	32.36%	34.37%	44.66%	58.18%

The school ended FY24 with a 58% General Fund balance and has met the school board's General Fund balance policy and the VOA-MN standard of 20%.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
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X	2 = 8-12 meetings/year
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	1 = 5-7 meetings/year
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	0 = 0-4 meetings/year
--	-----------------------

Data Source: Board meeting packets, agendas, and minutes.
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The school has a finance committee that met nine times in FY24 and has been using it appropriately.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
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X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
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	1 = n/a
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	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

All finance committee members have received training in FY 2024 which was confirmed by the April board meeting and June finance committee meeting minutes.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Lakes International Language Academy, District 4116

246 11<sup>th</sup> Avenue SE  
Forest Lake, MN 55025

Phone: 651-464-0771  
[www.mylila.org](http://www.mylila.org)

Executive Director: Shannon Peterson

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school board approved the original FY 2024 budget based on 1,299 ADM's and a surplus of \$188,513 in June 2023 and made a final revision to the budget with a decrease in enrollment to 1,263 ADM's projecting a surplus of \$99,597. The school ended the year with a surplus of \$183,738 and 1,262 ADMs.

The school has maintained a balanced budget for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
X	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained one finding considered to be a material weakness described in the audit report on page 70 as follows:

***Material Audit Adjustment***

*During the course of our engagement, we proposed a material audit adjustment that would not have been identified as a result of the Academy's existing system of internal control and, therefore, could*

*have resulted in a material misstatement of the Academy's financial statements.*

*In order to ensure financial statements were free from material misstatement, an audit adjustment was required to adjust amounts due from the Minnesota Department of Education and related revenue.*

The school has no disagreement with the finding and plans to correct it by June 30, 2025.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The board receives a finance committee report at each board meeting which includes a review of monthly financial statements. The school has consistently provided required monthly financial reports to VOA-MN and the board through June 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >

	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance from the FY24 audit Communications Letter on page 12:

FOUR YEAR FUND BALANCE HISTORY				
	FY 2021	FY 2022	FY 2022	FY 2023
<b>Fund Balance Amount</b>	\$4,714,293	\$4,550,710	\$4,949,518	\$5,133,256
<b>Fund Balance Percent</b>	33.2%	28.9%	31.1%	29.7%

As the table indicates the school has a strong General Fund balance ending FY 2024 with 29.7%. The school's ability to maintain this healthy fund balance level over the past four years is indicative of a well-run, high functioning school board and strong internal financial management. The school has a fund balance policy in place which states in part:

*Minimum Unassigned Fund Balance*

*1. According to the Loan Agreement between the City of Forest Lake, Minnesota, and Lakes International Language Academy and the LILA Building Company relating to the Lease Revenue bonds and Taxable Lease Revenue Bonds, the School must move toward a 20% fund balance in its general fund. It is the policy of the School to follow that directive.*

*2. It is therefore LILA's goal to achieve and maintain an unassigned fund balance in the General Fund equal to 20% of expenditures. LILA considers a balance of less than 20% to be cause for concern, barring unusual or deliberate circumstances.*

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school's finance committee met twelve times in FY 2024. The committee reviews the financial statements in detail.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>
---



X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

The school's CFO provided training details on all committee members for FY 2024.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Naytahwaush Community Charter School

PO Box 9, 242 Church Street  
Naytahwaush, MN 56566

Phone: 218-935-5025  
[www.naytahwaush.org](http://www.naytahwaush.org)

Director: Beth Zietz

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position

Data Source: Original and revised budgets, annual financial audit report, monthly income statements.
--

The school board adopted the FY 2024 budget in June 2023 reflecting a total General Fund deficit of \$282,802 based on 140 ADM. The budget was not revised during the year. The school ended FY 2024 with a surplus of \$204,730 and an ADM of 143. Actual total revenues were greater than budgeted revenues mostly due to federal resources, state sources, and investment earnings being over budget. Actual total expenditures were greater than budgeted expenditures due to the additional revenue although not to the same extent as revenues.

The school has maintained a balanced budget for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>
---

X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time

Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.
--

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>
---

X	2 = submitted
	1 = n/a
	0 = not submitted

Data Source: Email from the school with attached MDE documentation.
---

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>
--

X	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
	0 = 1 or more "material weakness" or legal compliance finding (s)

Data Source: The school's financial audit report.
---

The school's FY 2024 financial audit contained no findings as is evidenced on page 58 of the audit report.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The board receives a finance committee report at each board meeting which includes a review of monthly financial statements. The school has consistently provided required monthly financial reports to VOA-MN and the board through June 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >
	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>

<b>Fund Balance Amount</b>	\$2,780,560	\$2,797,077	\$2,723,719	\$2,928,449
<b>Fund Balance Percent</b>	93.01%	74.96%	72.57%	71.39%

As the table above indicates, the school has a history of a very strong General Fund balance. In FY 2024, the schools ending balance was 71% which is well above the schools General Fund Policy which states:

*The School Board adopted a formal fund balance policy in 2010 that strives to maintain an unassigned fund balance in the General Fund amounting to 25% of the General Fund operating expenditures for each fiscal year.*

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school's finance committee meets prior to the regular monthly meeting to review the school's financial reports in detail and met ten times during FY 2024. The committee is doing the appropriate work.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per the school director all members received training in FY 2024.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## New Century School

1380 Energy Lane, Ste 108  
St Paul, MN 55108

Phone: 651-478-4535  
<http://newcenturyschool.net/>

Director: Ahmed Ali

### VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
	2 = surplus position
	1 = n/a
X	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school board approved an original FY24 budget in June 2023 projecting 740 ADM and a surplus of \$115,935. The budget was revised and approved in June 2024 estimating 748 ADM and a deficit of \$532,020. The difference in the original and revised budget is mainly due to an error in the projection of compensatory revenue on the new school site.

The school ended FY 2024 reporting 489 ADM at year-end and a deficit of \$538,163. Overall, the school has not maintained a balanced budget for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time

Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.
--

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>
---

X	2 = submitted
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	1 = n/a
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	0 = not submitted
--	-------------------

Data Source: Email from the school with attached MDE documentation.
---

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>
--

	2 = no findings
--	-----------------

	1 = 1 or more "significant deficiency" finding(s)
--	---

X	0 = 1 or more "material weakness" or legal compliance finding (s)
---	---

Data Source: The school's financial audit report.
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The school's FY24 financial audit contained two legal compliance findings; Prompt Payment of Claims and Uniform Financial Accounting and Reporting Standards (UFARS) Error as noted on pages 86-87 of the audit.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>
---

X	2 = never late
---	----------------

	1 = late 1-2 times
--	--------------------

	0 = late > 3 times
--	--------------------

Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.
---

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024. Since the school received an audit finding on late payments reported in Standard Four, they will be held harmless in this standard.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily</b>
---

<b>Membership).</b> The board should review and approve the financials at each board meeting.	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school has consistently provided required monthly financial reports to VOA-MN and the board through June 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
	2 = 20% or >
	1 = 15-20%
X	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$2,196,290	\$2,569,590	\$599,534	\$61,371
<b>Fund Balance Percent</b>	37%	41.39%	6.17%	.31%

The school boards approved General Fund balance policy states:

*The school will strive to maintain a minimum unassigned general fund balance of between 10-15% of the annual expenses. In the event of a combined unassigned fund balance of less than 10% of annual expenses, the school administration and board of directors will take immediate financial and budgetary action to retain the minimum unassigned fund balance percentage.*

The school has not controlled spending successfully to achieve the targeted General Fund balance stated in its board policy of between 10-15% for FY 2024. The school ended with a .31% General Fund balance.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>
---

X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school has a finance committee that meets on a regular basis. Per the director the committee met eight times in FY 2024.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per the director, all finance committee members have received training during FY 2024.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## PACT Charter School

7250 E Ramsey Pkwy NW  
Ramsey, MN 55303

Phone: (763) 712-4200  
<https://pact.charter.k12.mn.us/>

Executive Director of Operations: Josh Nyquist

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:



- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
	2 = surplus position
	1 = n/a
X	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school board approved the original FY24 budget in April 2023 projecting 1078 ADM and a surplus of \$13,518. The budget was revised and approved in April 2024 with no change in ADM and a surplus of \$17,617.

FY 2024 marked the thirtieth (30) year the school served students, reporting 1053 ADM at year-end and a deficit of \$877,208. Per the audit report on page 23:

*The General fund balance decreased over the previous fiscal year as shown in the table above. The decrease is largely due to expenditures in excess of budgeted amounts, primarily in elementary and secondary instruction and special education instruction.*

Overall, the school has not maintained a balanced budget for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a

	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
X	2 = no findings
	1 = 1 or more “significant deficiency” finding(s)
	0 = 1 or more “material weakness” or legal compliance finding (s)
Data Source: The school’s financial audit report.	

The school’s FY24 financial audit contained no findings.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school consistently provided all financial reports and information to the school board and VOA-MN for FY2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a</b>	
---	--

<b>standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
	2 = 20% or >
X	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>THREE YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2022</b>	<b>FY2023</b>	<b>FY2024</b>	
<b>Fund Balance Amount</b>	\$3,219,942	\$3,408,856	\$2,531,648	
<b>Fund Balance Percent</b>	40%	38%	17%	

The school boards approved General Fund balance policy states:

*PACT's policy will be to achieve a range of 20-30% general fund unreserved fund balance as a percentage of yearly general fund expenditures.*

PACT's General Fund balance decreased 21% in FY 2024 mainly due to spending more than budgeted amounts. The school partially met its General Fund balance goal.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school has a finance committee that meets on a regular basis and met ten times in FY 2024.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per the director, all members received training in FY 2024.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Schoolcraft Learning Community

8955 Deer School Road NW  
Bemidji, MN 56601

Phone: 218-444-2102  
[www.schoolcraft.org](http://www.schoolcraft.org)

Director of Operations: Mark Bjornrud

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school's original FY 2024 budget was approved by the board in May 2023 and was based on 203 ADMs with a projected surplus of \$96,552. The budget was not revised during the year. The school ended the year with a surplus in the General Fund of \$311,344 and 195 ADMs.

Student enrollment has decreased slightly from 203 ADMs in FY 2023 to 195 ADMs in FY 2024. Overall, the school has maintained a balanced budget for the school for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
X	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained no finding as stated on pages 60-62 of the financial audit.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The board regularly received and approved financial reports at each board meeting in FY 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >
	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$536,818	\$497,506	\$1,340,437	\$1,651,781
<b>Fund Balance Percent</b>	18.44%	15.84%	44.83%	53.39%

The schools General Fund balance grew from 45% in the prior year to 53% in FY 2024. The increase is mainly due to additional special education and miscellaneous revenue than expected as well as generally running under budget. The school's fund balance policy states in part:

*SLC will strive to maintain a minimum unassigned general fund balance of 20-25% of budgeted expenditures.  
The fund balance is need for emergencies, unforeseen events, new program initiatives or capital improvements not covered by the landlord. The minimum unassigned fund balance target will be reviewed annually and during the setting of a subsequent operational year budget.*

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
	2 = 8-12 meetings/year
X	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school's finance committee meets prior to the regular monthly meeting to review the school's financial reports in detail. The committee held nine meetings in FY 2024 and is doing appropriate committee work.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per Director of Operations all finance committee members were training in their roles and responsibilities on the finance committee in FY 2024. An email excerpt from the director states:

Finance Committee had two primary trainings with Senior Accountant Matt Wylie from CLA (Cliffon Larson Allen).

9-11-23

Reading and Understanding Monthly financial reports

Attending: Mark Bjornrud, Melissa Dockter, AnnaMae Sovick,  
Jonni Shough, Jake Anderson

12-11-23

Planning and Process of creating budget

Attending: AnnaMae Sovick, Mark Bjornrud

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Southside Family Charter School

4500 Clinton Avenue South  
Minneapolis, MN 55419

Phone: 612-872-8322  
[www.southsidefamilyschool.org](http://www.southsidefamilyschool.org)

School Leader: Alissa Case

### VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
	2 = surplus position
	1 = n/a
X	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school's original FY 2024 budget was approved in June 2023 reflecting a deficit of \$216,588 and based on 124 ADMs. The budget was revised during the year to reflect a surplus of \$98,304.

The school ended FY 2024 with a deficit of \$9,573 and 117 ADMs. Overall, the school has not maintained a balanced budget.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	



The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
X	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained three Minnesota Legal Compliance findings; Time Period for Payment, Accepting Donations, and Lack of Supporting Documentation in addition to two internal control findings that are considered to be significant deficiencies; Timely Bank Reconciliations and Authorized Bank Signatories.

These numerous findings are indicative of fiscal weaknesses throughout the school's management procedures and practices.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst discovered multiple delinquent or late payments to vendors of the school through June 2024. Since the school received an audit finding on late payments reported in Standard Four, they will be held harmless in this standard.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2)</b>	
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<b>cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
	2 = never missed
	1 = missed 1-2 times
X	0 = missed > 2 times
Data Source: Board packets	

The school did not provide financial reports during FY 2024 on a consistent basis. Notes regarding this were included in financial oversight logs of the VOA-MN financial analyst and explain:

*July 2023*

- *February financials were not reviewed and approved by the board.*

*September 2023*

- *Financial reports were not reviewed and approved by the board in September.*

*December 2023*

- *October and November financial reports were not reviewed and approved by the board in December.*

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
	2 = 20% or >
	1 = 15-20%
X	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$502,160	\$443,629	\$155,682	\$146,109
<b>Fund Balance Percent</b>	29.75%	19.1%	6.2%	2.2%

As the table indicates the school's General Fund balance decreased over the prior three years and has fallen well below the school's and authorizers General Fund balance target of 19% and 20%, respectively. An excerpt from the schools General Fund balance policy states:

*The school will strive to maintain an average minimum unassigned general fund balance of 19% of expenditures, calculated as an average of the current year's fund balance percentage with that of the previous two fiscal years.*

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The finance committee only met eleven times during the year but Finance committee meeting minutes are not posted on the school's website for FY 2024 and most board packets did not include the minutes. I would encourage the school to take minutes during the finance committee meetings, include them in the board packets, and post them on the school website.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

All finance committee members received School Finance 101 training provided by Creative Planning during FY24.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Spectrum Middle School and Spectrum High School

17796 Industrial Circle Northwest  
Elk River, MN 55330

Phone: 763-241-8703  
[www.spectrumhighschool.org](http://www.spectrumhighschool.org)

Director: Dan DeBruyn

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school's original FY 2024 budget was approved in June 2023 and breaking even at year-end at \$0 based on 895 ADMs. The budget was revised in February 2024 with a decrease in enrollment to 874 ADMs and reflected a surplus of \$0. The school ended FY 2024 with 870 ADMs and a surplus of \$67,755.

Overall, the school board and school leaders have maintained a balanced budget.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
X	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained no findings.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agenda's and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school consistently provide all required monthly financial reports to VOA-MN and the board in FY 2024. The school reviews all financial reports in detail at regularly scheduled finance committee meetings and the board is updated prior to approving them at the board meetings.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >
	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$2,337,381	\$2,695,389	\$2,961,463	\$3,029,218
<b>Fund Balance Percent</b>	25.63%	27.93%	27%	27%

As the table above indicates, the school's General Fund balance has been above the VOA-MN standard of 20% over the past four years ending FY 2024 at 27%. This is higher than the school's target that is included in the school's Financial Policies policy which states:

*It will be the policy of Spectrum High School to achieve a range of 20-25% general fund unreserved fund balance as a percentage of yearly general fund expenditures.*

*Excess annual year-end budget surpluses will not be allocated in following year budgets until the target fund balance is achieved, unless specifically directed by the Board of Directors, with exception of fundraising accounts for various school activities.*

*The fund balance to be used is presented in the audited annual financial statement. The percentage will be calculated as follows: (Prior Year Audited General Fund Balance + Current Year General Fund Surplus of Revenues less Expenditures) / (Total Current Year General Fund Expenditures).*

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year

	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school has a finance committee and met eleven times in FY 2024 to review financial information. The minutes of these meetings are on the school's website and are exemplary.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

All finance committee members received training during FY 2024 on their roles and responsibilities.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## **Twin Lakes STEM Academy**

6201 Noble Avenue North  
Brooklyn Center, MN 55429

Phone: 651-717-4844  
<https://twinlakesacademy.com>

Executive Director: Jason Stockwell

## **VOA-MN Standard Analysis**

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
	2 = surplus position
	1 = n/a
X	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school adopted the original FY 2024 General Fund budget in June 2023 based on 230 ADM with a projected surplus of \$53,977. The budget was revised in June 2024 for a decrease in ADM to 209 and an estimated deficit of \$348,512. The school ended FY 2024 with 215 ADMs and a deficit of \$282,434.

The school has maintained a balanced budget for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
	2 = no findings



	1 = 1 or more “significant deficiency” finding(s)
X	0 = 1 or more “material weakness” or legal compliance finding (s)
Data Source: The school’s financial audit report.	

The school’s FY 2024 financial audit contained one legal compliance finding as noted on page 79 of the financial audit:

***FINDING 2024-001: PROMPT PAYMENT OF BILLS***

***CONDITION/CONTEXT:*** *During the testing of disbursements, we noted certain selections that were not paid within the 45-day payment period noted in state statutes.*

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agenda’s and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024. Since the school received an audit finding on late payments reported in Standard Four, they will be held harmless in this standard.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school provided monthly financial information in a timely and consistent manner in FY 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
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	2 = 20% or >
	1 = 15-20%
X	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

FOUR YEAR FUND BALANCE HISTORY				
	FY 2021	FY 2022	FY 2023	FY 2024
<b>Fund Balance Amount</b>	\$637,067	\$670,321	\$425,542	\$143,108
<b>Fund Balance Percent</b>	23.4%	16.4%	12.1%	3.8%

The school ended FY 2024 with a decrease in the General Fund balance. The school has a Fund Balance policy that states in part:

*To ensure the financial strength and stability of Twin Lakes Stem Academy, the board will endeavor to maintain a targeted fund balance of no less than 10% and no more than 20% of our revenues. The board will review the fund balance target over time to accommodate the changing financial situation and holdback from the state of Minnesota.*

The school did not meet the target set in their policy or the VOA-MN standard of 20%.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
	2 = 8-12 meetings/year
X	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school has a finance committee that met seven times in FY 2024 which is not enough for the committee to review financial information consistently and effectively. I would encourage the school to hold at least eight finance committee meetings during the year.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a

	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per the director, all finance committee members received training on March 7, 2024 from their contracted financial manager.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## **TrekNorth Junior and Senior High School**

2400 Pine Ridge Avenue Northwest  
Bemidji, MN 56601

Phone: 218-444-1888  
[www.treknorth.org](http://www.treknorth.org)

Director: Erica Harmsen

## **VOA-MN Standard Analysis**

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The school board approved the FY 2024 budget in June 2023 based on 245 ADM and projecting a surplus of \$19,661. The board revised the budget in June 2024 based on 247 ADM's and increasing the estimated surplus to \$290,593.

The school ended FY 2024 with 254 ADM's and a surplus of \$446,199. The school has maintained a balanced budget for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed
	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
X	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2023 financial audit contained two findings considered to be material weaknesses; Limited Segregation of Duties and Annual Financial Reporting. More information is available in the audit report on pages 60-61. As noted in the school's corrective actions to the findings on these pages, the school will make improvements to its internal controls on an ongoing basis and continue to rely on the audit firm for preparation of the financial statements, while reviewing them prior to issuance of the audit report.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agenda's and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily Membership). The board should review and approve the financials at each board meeting.</b>	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school has consistently provided required monthly financial reports to VOA-MN and the board through June 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >
	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>

<b>Fund Balance Amount</b>	\$2,053,434	\$2,184,775	\$3,083,757	\$3,554,966
<b>Fund Balance Percent</b>	57.45%	53.52%	75.69%	83.33%

As the table indicates the school has a strong General Fund balance ending the past four years with over a 83% fund balance. The school's fund balance policy states in part:

*To ensure the financial strength and stability of the District, the Board will endeavor to maintain at least 25% of the District's General Fund operating budget, excluding those accounts associated within the Restricted category, in the combined total of the General Fund Committed, Assigned and Unassigned fund balances.*

The school has a healthy fund balance that meets its General Fund balance policy target and the VOA-MN standard.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year
	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school's finance committee meets prior to the regular monthly meeting to review the school's financial reports in detail. The committee met nine times in FY 2024.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per the school director, all members have had training in FY24.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a

	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

The school is not in Statutory Operating Debt.

## Woodbury Leadership Academy

8089 Globe Drive  
Woodbury, MN 55125

Phone: 651-571-2100

[www.wlamn.org](http://www.wlamn.org)

Executive Director: Jonas Beugen

## VOA-MN Standard Analysis

The school's evaluation on each standard is listed in the tables below. The three possible outcomes are:

- Meets standard (2) Evidence of compliance is clear and/or consistent.
- Partially meets standard (1) There is some evidence that the standard is met.
- Does not meet standard (0) The standard has clearly not been met.

<b>Standard One: The school maintains a balanced budget.</b>	
X	2 = surplus position
	1 = n/a
	0 = deficit position
Data Source: Original and revised budgets, annual financial audit report, monthly income statements.	

The FY 2024 original General Fund budget approved in May 2023 was based on 754 ADMs with a projected surplus of \$238,570. The budget was revised in May 2024 to reflect a decrease in student enrollment to 735 ADMs resulting in a year end surplus of \$207,645.

The school ended FY 2024 with 735 ADM's and a surplus of \$176,957. The school has maintained a balanced budget for FY 2024.

<b>Standard Two: The school is compliant with state and federal financial reporting deadlines and laws, including the proper use of public funds.</b>	
X	2 = never missed

	1 = missed 1 time
	0 = missed > 1 time
Data Source: MDE reports including: Preliminary UFARS data, Student ADM, Final UFARS data.	

The VOA-MN financial analyst did not discover any missed state or federal financial reporting deadlines through June 2024.

<b>Standard Three: The school's financial audit is submitted to the Minnesota Department of Education, Office of the State Auditor and the authorizer by December 31.</b>	
X	2 = submitted
	1 = n/a
	0 = not submitted
Data Source: Email from the school with attached MDE documentation.	

The school submitted its financial audit to the MDE by December 31, 2024.

<b>Standard Four: Schools are expected to have audits that are free of all findings.</b>	
X	2 = no findings
	1 = 1 or more "significant deficiency" finding(s)
	0 = 1 or more "material weakness" or legal compliance finding (s)
Data Source: The school's financial audit report.	

The school's FY 2024 financial audit contained no findings.

<b>Standard Five: The school is current on all financial obligations, including, but not limited to: pension payments, payroll taxes, insurance coverage and loan payments.</b>	
X	2 = never late
	1 = late 1-2 times
	0 = late > 3 times
Data Source: Monthly check registers, cash flow projections, board meeting agendas and minutes.	

The VOA-MN financial analyst did not discover any delinquent or late payments to vendors of the school through June 2024.

<b>Standard Six: The School provides VOA-MN and school board members with monthly financials. June financial reports may be delayed until year-end journal entries are completed. Packets include at least the following: 1) detailed income/expense report, 2) cash flow projection, 3) check register, and 4) current enrollment (Average Daily</b>	
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<b>Membership).</b> The board should review and approve the financials at each board meeting.	
X	2 = never missed
	1 = missed 1-2 times
	0 = missed > 2 times
Data Source: Board packets	

The school provided monthly financial information to the school board and VOA-MN consistently in FY 2024.

<b>Standard Seven: The School develops and maintains a targeted General Fund balance determined by the school board. For the finance report, VOA-MN also determines a standard for fund balance annually based on items such as school funding trends and funding hold-backs.</b>	
X	2 = 20% or >
	1 = 15-20%
	0 = < 15%
Data Source: The school's General Fund balance policy, monthly financial reports, board meeting agendas and minutes.	

The table below contains the history of the school's General Fund balance/SOD calculation:

<b>FOUR YEAR FUND BALANCE HISTORY</b>				
	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Fund Balance Amount</b>	\$1,840,705	\$1,960,288	\$2,128,984	\$2,305,941
<b>Fund Balance Percent</b>	33.9%	29.1%	27.2%	26.1%

The school has been able to maintain the General Fund balance above the VOA-MN standard of 20% for the past three years. The school's General Fund balance target has also been reached in FY 2024 and the school's policy states:

*It will be the policy of Woodbury Leadership Academy to budget towards maintaining a 20% general fund unreserved fund balance as a percentage of yearly general fund expenditures.*

The school does a good job at managing public funds and attaining the schools General Fund balance goal.

<b>Standard Eight: The school board has a finance committee that meets regularly to review financial reports.</b>	
X	2 = 8-12 meetings/year
	1 = 5-7 meetings/year

	0 = 0-4 meetings/year
Data Source: Board meeting packets, agendas, and minutes.	

The school's finance committee meets on a regular basis, ten times in FY 2024 to review financial information including reports, policies, and procedures.

<b>Standard Nine: All finance committee members exhibit working knowledge of financial oversight.</b>	
X	2 = all committee members have received formal/informal training during the year relating to their roles and responsibilities on the finance committee
	1 = n/a
	0 = some committee members have not received formal/informal training during the year relating to their roles and responsibilities on the finance committee
Data Source: School board members queries, board meeting agendas and minutes.	

Per the executive director, all finance committee members have received training in school finance oversight in FY 2024.

<b>Standard Ten: The school is not in Statutory Operating Debt (SOD).</b>	
X	2 = not in SOD
	1 = n/a
	0 = in SOD
Data Source: School's budget, board meeting agendas and minutes, financial audit.	

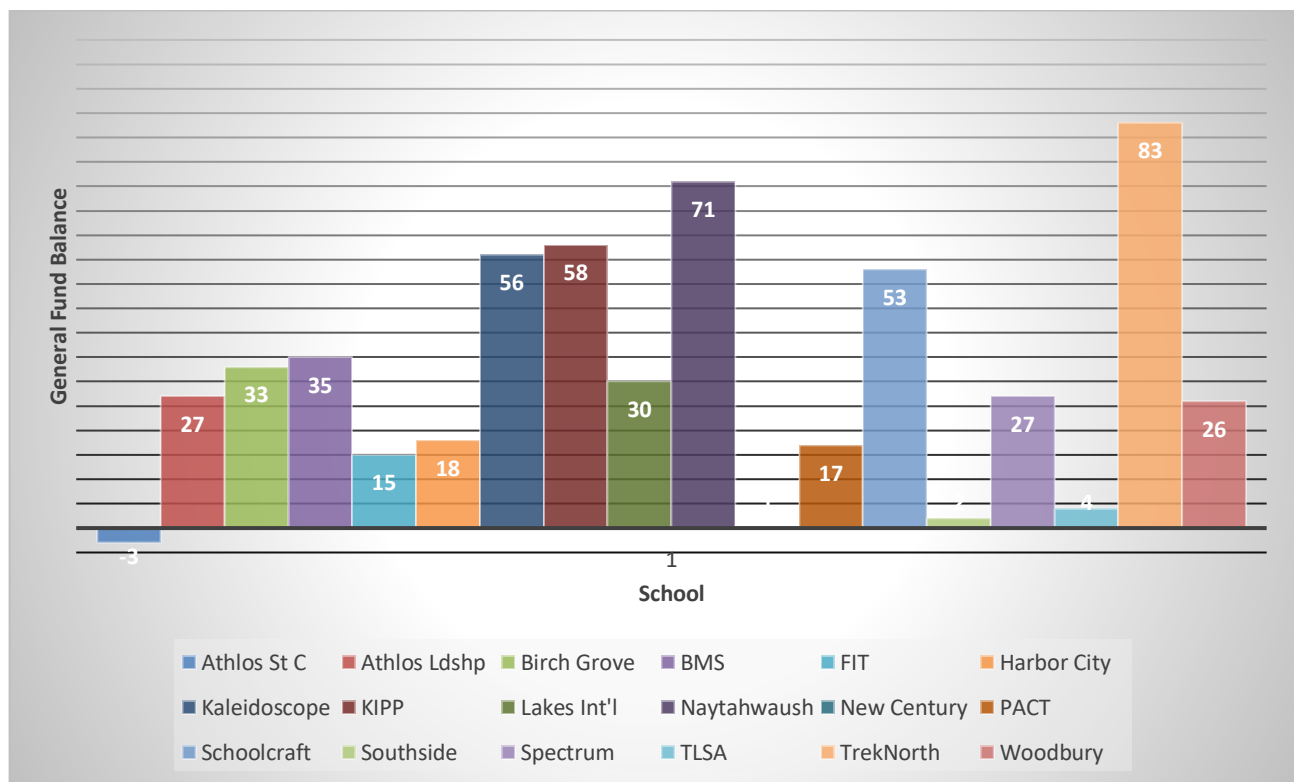
The school is not in Statutory Operating Debt.

# Appendix One

## FY 2024 GENERAL FUND BALANCES FOR VOA-MN AUTHORIZED SCHOOLS

The following eleven VOA-MN authorized schools posted fund balances far above the average of charter schools in the state. The chart below indicates that 61% of schools met or exceeded the VOA-MN standard of 20% including:

**Athlos Leadership Academy 27%, Birch Grove 33%, Bluffview Montessori 35%, Kaleidoscope 56%, Kipp Northstar 58%, Lakes International 30%, Naytahwaush 71%, Schoolcraft Learning Community 53%, Spectrum 27%, TrekNorth 83%, Woodbury Leadership 26%**



## Appendix Two

### VOA-MN FINANCE AWARD of EXCELLENCE

The VOA-MN Finance Award of Excellence is given to school's that have met all ten VOA-MN standards. Four of eighteen reporting schools authorized by VOA-MN earned this award for FY 2024:

#### 2025 Recipients (7)

<b>School</b>	<b>Board Chair</b>	<b>Business Manager</b>	<b>Financial Vendor</b>	<b>Auditor</b>
<b>Bluffview</b>	Meghan Booth	N/A	Creative Planning Travis Berends	CLA
<b>Kaleidoscope</b>	Jason Banick	Wendy Foss	SMS Ukee Dosier	Abdo
<b>KIPP NSA</b>	Nicole Daniels	N/A	Creative Planning Kelly Rimpila	Abdo
<b>Schoolcraft</b>	Jake Anderson	N/A	CLA Matt Wiley	Miller McDon.
<b>Spectrum</b>	Dave Lucas	N/A	Bridget Merrill-Myhre	Schlenner
<b>Naytahwaush</b>	Ann Briggs	Crystell Tibbetts	N/A	Miller McDon.
<b>Woodbury LA</b>	Shelbi Pool	N/A	Creative Planning Dustin Reeves	Abdo

## Appendix Three

# PAST VOA-MN FINANCE AWARD of EXCELLENCE RECIPIENTS

The five-year history of VOA-MN Finance Award of Excellence recipients is as follows:

### 2024 Recipients (7)

Athlos Leadership	Bluffview	Kaleidoscope	KIPP NSA
PACT	Spectrum	Woodbury Leadership	

### 2023 Recipients (5)

Athlos Leadership	Bluffview	KIPP NSA	Spectrum
	Woodbury Leadership		

### 2022 Recipients (5)

Athlos Leadership	Kaleidoscope	Naytahwaush	New Century
	Woodbury Leadership		

### 2021 Recipients (4)

Kaleidoscope	Lakes Int'l	Naytahwaush	New Century
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### 2020 Recipients (4)

Kaleidoscope	Lakes Int'l	Naytahwaush	New Century
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## Appendix Four

### PERFORMANCE REPORT EVALUATION

#### AUTHORIZING PROGRAM GOAL

Quality School Performance: VOA-MN creates and maintains systems of charter school performance review that support analysis, reflection and planning, and implementation of continuous improvement measures for the charter schools we authorize.

#### PLAN FOR MEASURING/MONITORING PROGRESS MEETING GOAL

The VOA-MN Charter School Authorizing Program team evaluates the extent to which we are meeting this goal annually and include analysis in the Annual Network Performance Reports (School Academic Program, School Board Governance, School Finance). The goal will be met if each school achieves at least a Satisfactory Rating (70% of points possible) in the Performance Framework overall and has met the majority of standards in each performance area (Academic, Financial, Organizational Performance).

SCHOOL NAME	VOAMN PERCENT of FINANCIAL STANDARDS MET
Athlos Academy of St. Cloud	40
Athlos Leadership Academy	90
Birch Grove Community School	95
Bluffview Montessori School	100
FIT Academy	80
Harbor City International School	85
Kaleidoscope Charter School	100
KIPP: North Star Academy	100
Lakes International Language Academy	90
Naytahwaush Community Charter School	100
New Century School	70
PACT Charter School	85
Schoolcraft Learning Community	100
Southside Family Charter School	60
Spectrum High School	100
Twin Lakes Stem Academy	60
TrekNorth High School	90
Woodbury Leadership Academy	100
Did each school meet the majority of financial standards?	NO

<b>Did each school achieve at least a “Satisfactory” rating of financial standards? (at least 70% of points possible)</b>	NO

**ANALYSIS:** Seven schools met 100% of the VOA-MN financial standards, eight schools met at least 70%, and three schools did not meet at least 70% of the standards.

**STRATEGY FOR IMPROVEMENT MEETING / MAINTAINING GOAL:** Continuation of monthly oversight while providing technical assistance will be important to maintain and improve the above stated percentages.