

Quality CS Funding Operator Requirement - Financial Viability

Scoring Rubric - Worksheet - Audited Statements

Operator: _____

Audit Period: _____

Initials: _____

Date: _____

Supr. Initials: _____

Date: _____

Category	Highlight Score	Score	W/P Ref.
Section I: Financial Ratios			
Current Ratio			
> 150%		4	
101%-149%		3	
91%-100%		2	
81%-90%		1	
< 80%		0	
Net Assets as a Percentage of Annual Expenses			
> 15%		4	
11% - 14.9%		3	
8% - 10.9%		2	
5% - 7.9%		1	
< 5%		0	
Current Liabilities as a Percentage of Annual Expenses			
< 8%		4	
8.1% - 10%		3	
10.1% - 12%		2	
12.1% - 14%		1	
> 14%		0	
Debt Ratio			
0-20%		4	
21-40%		3	
41-60%		2	
61-80%		1	
81-100%		0	
Working Capital			
Positive		4	
Negative		0	
Section II: Audit Report Analysis			
Type of Audit Opinion			
Unqualified		4	
Qualified		2	
Disclaimer		0	
Audit report - Going Concern Comment			
Report does not include "going concern" comments		4	
Report includes "going concern" comments		0	
Audit report - Financial Findings that have Financial Impact on Operations			
Report does not include Findings/Footnotes that have a financial impact		4	
Report includes Findings/Footnotes that have a financial impact		0	
Audit Report - Report Identifies a Subsequent Event that has a Financial Impact on Operations			
Report does not include a Subsequent Event that has a financial impact		4	
Report does include a Subsequent Event that has a financial impact		0	
Total - Sections I and II - Preliminary Financial Viability Score			
Met Preliminary Financial Viability Score		Yes/No	
Instructions: If yes, proceed in completing sections III-IV and complete <u>Full Financial Viability Score</u> If no, stop. DO NOT complete sections III -IV - Operator is not Financially viable.			
Preliminary Financial Viability Score: 27-36 points: Operator meets preliminary financial viability conditions. 0-26 points: Operator does not meet preliminary financial viability conditions.			
Section III: FTE Adjustments/Clawback Repayment and Loans Not Reported and/or Forgiven			
FTE Adjustments/Clawback			
No FTE Adjustment/Clawback Repayment - No Appeal		0	
FTE Adjustment/Clawback Repayment - Under Appeal		-1	
FTE Adjustment or Clawback resulting in Repayment		-2	
Loans to Community Schools Serviced			
Operator Confirmed all Loans entered into with a CS serviced are reported on financial stmts, or reported there are no loans.		0	
Operator Confirmed there were some loan(s) with the CS not reported on financial statements		-2	
Operator Confirmed there were no forgiven loans with a CS serviced		0	
Operator identified forgiven loans with a CS serviced - due to financial hardship		-1	
Total - Section III			

Section IV: Review of Audit Reports of Community Schools Serviced - Going Concern and Findings/Footnotes with Financial Impact on Operations - Review Completed for Each CS Serviced for the two most recent released Audit Reports

Type of Audit Opinion		
Unqualified - All schools reviewed issued this opinion	0	
Qualified - If at least one school was issued this opinion	-3	
Disclaimer - If at least one school was issued this opinion	-5	
Going Concern Comments		
No Reports include "going concern" comments	0	
15% or Less of the reports include "going concern" comments	-2	
16% to 25% of the reports include "going concern" comments	-3	
Over 25% of the reports include "going concern" comments	-5	
Findings/Footnotes with Financial Impact Related to Operator		
No Reports include Findings/Footnotes that have a financial impact related to the Operator	0	
15% or Less of the reports include Findings/Footnotes with a financial impact to the Operator	-2	
16% to 25% of the reports include Findings/Footnotes with a financial impact to the Operator	-3	
Over 25% of the reports include Findings/Footnotes with a financial impact to the Operator	-5	
Subsequent Event Comments - Financial Impact Related to Operator		
No Reports include a Subsequent Event that has a financial impact	0	
15% or less of total reports include a Subsequent Event that has a financial impact	-2	
16% to 25% of total reports include a Subsequent Event that has a financial impact	-3	
Over 25% of total reports include a Subsequent Event that has a financial impact	-5	
Total - Section IV		

Section V: Full Financial Viability Score - To Be Completed If Operator Received a Score of 27 or More in the Preliminary Financial Viability Analysis

Instructions: Combine the Preliminary Financial Viability Score with the Scores from both Total - Section III and Total - Section IV

<i>Preliminary Financial Viability Score (Total of Section I and II)</i>	0	
<i>Section III Total Score</i>	0	
<i>Section IV Total Score</i>	0	
Final Financial Viability Score	0	
Met Final Financial Viability Score	Yes/No	

Full Financial Viability Score:
 27-36 points: Operator meets financial viability conditions.
 0-26 points: Operator does not meet financial viability conditions.

Recommendation: