

## Core Question 2: Is the organization in sound fiscal health?

The Financial Performance Framework, outlined in Core Question 2, gauges both near-term financial health and longer-term financial sustainability while accounting for key financial reporting requirements. This accountability report reflects disaggregated calculations of the network’s financial position only according to the annual accrual-based audit submitted to the [Indiana State Board of Accounts](#). School-specific information for short-term financial health, 2.1 A, can be found under Supplemental Information. All past school accountability reports can be found on OEI’s [website](#).

*Note: The Financial Performance Framework has been revised to include additional indicators, and for this reason, not all historical ratings are based on the listed indicator targets, and some historical ratings are not available. Ratings for networks were first issued in 2018-19.*

Summary of Ratings					
Indicator	2018-19	2019-20	2020-21	2021-22	2022-23
2.1 B. Short-term Health: Does the organization demonstrate the ability to pay its obligations in the next 12 months?	AS	MS	ES	ES	ES
2.2 Does the organization demonstrate long-term financial health?	DNMS	DNMS	DNMS	ES	ES
2.3 Does the organization demonstrate it has adequate financial management and systems?	MS	MS	MS	DNMS	DNMS

2.1 B. Does the organization demonstrate the ability to pay its obligations in the next 12 months?				
Does not meet standard	The organization does not meet standard for 2 or more of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Approaching standard	The organization approaches standard for all of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default OR The organization meets standard for 3 of the sub-indicators and does not meet standard on the remaining sub-indicator OR the organization approaches standard for two of the sub-indicators and meets standard for the remaining two sub-indicators.			
Meets standard	The organization meets standard for 3 of the following sub-indicators and approaches standard for the remaining sub-indicator: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Exceeds Standard	The organization meets standard for all of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Sub-indicator	Sub-indicator targets		Result	Rating
Enrollment Variance	DNMS	Enrollment variance is less than 90%	96%	MS
	AS	Enrollment variance is between 90% – 94%		
	MS	Enrollment variance equals or exceeds 95%		
Current Ratio	DNMS	Current ratio is less than 1.0	2.52	MS
	AS	Current ratio is between 1.0 – 1.09		
	MS	Current ratio equals or exceeds 1.1		
Days Cash on Hand	DNMS	Days cash on hand is less than 30	88	MS
	AS	Days cash on hand is between 30-44		
	MS	Days cash on hand equals or exceeds 45		
Debt Default	DNMS	Default or delinquent payments identified and/or is in violation of covenants	No	MS
	AS	The organization is in violation of covenants, but audit indicates that a waiver was granted		
	MS	Not in default or delinquent		
Basis for Rating/Additional Details				
<p><b>Enrollment Variance:</b> The Tindley Accelerated Schools network budgeted for 1,110 students at the beginning of the year, coming in at 1,050 students on September 2022 Count Day and 1,030 students for February 2023 Count Day. This averaged an enrollment variance of 96%.</p> <p><b>Current Ratio:</b> The network’s current assets (cash or other assets that can be accessed in the next 12 months) exceeded its current liabilities (debt obligations due in the next 12 months) by over 10%</p> <p><b>Days Cash on Hand:</b> This measure indicates how many more days after June 30, 2023, the Tindley network would have been able to operate at its same spending levels without receiving additional funds</p> <p><b>Debt Default:</b> Neither the audit nor the Tindley network indicated the network was in default on its debt payments.</p>				
2.2. Does the organization demonstrate long-term financial health?				
Does not meet standard	The organization does not meet standard on any of the 3 sub-indicators <b>OR</b> meets standard on 1 sub-indicator but does not meet standard on the remaining 2.			

Approaching standard	The organization meets standard on 2 of the sub-indicators while not meeting on the third, <b>OR</b> approaches standard on all 3 sub-indicators.			
Meets standard	The organization meets standard on 2 of the sub-indicators and approaches standard on the third.			
Exceeds standard	The organization meets standard for all 3 sub-indicators.			
Sub-indicator	Sub-indicator targets		Result	Rating
Aggregate Three-Year Net Income	DNMS	Aggregate three-year net income is negative OR Aggregate three-year net income is not available and most recent year net income is negative.	\$2,109,106.00	MS
	AS	Aggregate three-year net income is positive and most recent year is negative OR Aggregate three-year net income is negative and most recent year net income is positive.		
	MS	Aggregate three-year net income is positive, and most recent year is positive.		
Debt to Asset Ratio	DNMS	Debt to Asset ratio exceeds 0.95	0.82	MS
	AS	Debt to Asset ratio is between 0.91 - 0.95		
	MS	Debt to Asset ratio is less than or equal to 0.9		
Debt Service Coverage (DSC) Ratio	DNMS	DSC ratio is less than 1.05	1.31	MS
	AS	DSC ratio is between 1.05 - 1.1		
	MS	DSC ratio equals or exceeds 1.2		
<b>Basis for Rating/Additional Details</b>				
<p><b>Aggregate Three-Year Net Income:</b> The Tindley Accelerated School network had a positive aggregate net income over the prior three-year period and recorded a positive change in its net assets during FY23.</p> <p><b>Debt-to-Asset Ratio:</b> The network had a ratio of 0.82, meaning that it had debts that were equivalent to 82% of its assets for the 2022-23 fiscal year</p> <p><b>Debt Service Coverage:</b> The network's debt service coverage ratio indicates that the Tindley Accelerated School network generated an adequate amount of net income to fulfill its debt obligations for the next year.</p>				
<b>2.3. Does the organization demonstrate that it has adequate financial management and systems?</b>				
Does not meet standard	The organization does not meet standard on 1 of the sub-indicators.			
Approaching standard	The organization meets standards on 1 sub-indicator but approaches standard for the remaining sub-indicator.			
Meets standard	The organization meets standard on both sub-indicators.			
Sub-indicator	Sub-indicator targets		Rating	
Financial Audit	DNMS	The organization receives an audit with multiple significant deficiencies, a material weakness, or has an ongoing concern.	DNMS	
	AS	The organization receives a clean audit opinion with few significant deficiencies noted, but no material weaknesses.		
	MS	The organization receives a clean audit opinion.		
Financial Reporting Requirements	DNMS	The organization fails to satisfy financial reporting requirements by submitting less than 80% of documents on-time.	MS	
	MS	The organization satisfies all financial reporting requirements by submitting at least 80% of documents on-time.		
<b>Basis for Rating/Additional Details</b>				

**Tindley Accelerated Schools**



**Financial Audit:** As noted by Crowe LLP, the Tindley Accelerated School Network had a material weakness based on its internal revenue reporting. Due to the ongoing investigation related to the identified material weakness OEI is still assessing the scope of the expenditures that were improperly claimed using federal funds.

**Financial Reporting Requirements:** The school had timely submission for all financial compliance documents.

## Supplemental Information

This section includes school-specific information for sub-indicator 2.1 A, presented in order of school age.

### Charles A. Tindley Accelerated School

Summary of Ratings							
Indicator	Year 15 2018-19	Year 16 2019-20	Year 17 2020-21	Year 18 2021-22	Year 19 2022-23	Year 20 2023-24	Year 21 2024-25
2.1 A. Does the school demonstrate the ability to pay its obligations in the next 12 months?	DNMS	AS	ES	ES	ES		

2.1 A. Does the school demonstrate the ability to pay its obligations in the next 12 months?				
Does not meet standard	The school does not meet standard for 2 or more of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Approaching standard	The school approaches standard for all of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default OR The school meets standard for 3 of the sub-indicators and does not meet standard on the remaining sub-indicator OR the school approaches standard for two of the sub-indicators and meets standard for the remaining two sub-indicators.			
Meets standard	The school meets standard for 3 of the following sub-indicators and approaches standard for the remaining sub-indicator: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Exceeds Standard	The school meets standard for all of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Sub-indicator	Sub-indicator targets		Result	Rating
Enrollment Variance	DNMS	Enrollment variance is less than 90%	97%	MS
	AS	Enrollment variance is between 90% – 94%		
	MS	Enrollment variance equals or exceeds 95%		
Current Ratio	DNMS	Current ratio is less than 1.0	4.55	MS
	AS	Current ratio is between 1.0 – 1.09		
	MS	Current ratio equals or exceeds 1.1		
Days Cash on Hand	DNMS	Days cash on hand is less than 30	154	MS
	AS	Days cash on hand is between 30-44		
	MS	Days cash on hand equals or exceeds 45		
Debt Default	DNMS	Default or delinquent payments identified and/or is in violation of covenants	N/A	MS
	AS	The school is in violation of covenants, but audit indicates that a waiver was granted		
	MS	Not in default or delinquent		
Basis for Rating/Additional Details				
<b>Enrollment Variance:</b> Charles A. Tindley Accelerated School budgeted for 400 students at the beginning of the year, coming				

in at 389 students on September 2022 Count Day and 378 students for February 2023 Count Day. This averaged an enrollment variance of 97%

**Current Ratio:** The school’s current assets (cash or other assets that can be accessed in the next 12 months) exceeded its current liabilities (debt obligations due in the next 12 months) by over 10%

**Days Cash on Hand:** This measure indicates how many more days after June 30, 2023, the school would have been able to operate at its same spending levels without receiving additional funds.

**Debt Default:** Neither the audit nor the network indicated the school was in default on its debt payments.

### Tindley Genesis Academy

Summary of Ratings							
Indicator	Year 8 2022-23	Year 9 2023-24	Year 10 2024-25	Year 11 2025-26	Year 12 2026-27	Year 13 2027-28	Year 14 2028-29
2.1 A. Does the school demonstrate the ability to pay its obligations in the next 12 months?	ES						

2.1 A. Does the school demonstrate the ability to pay its obligations in the next 12 months?				
Does not meet standard	The school does not meet standard for 2 or more of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Approaching standard	The school approaches standard for all of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default OR The school meets standard for 3 of the sub-indicators and does not meet standard on the remaining sub-indicator OR the school approaches standard for two of the sub-indicators and meets standard for the remaining two sub-indicators.			
Meets standard	The school meets standard for 3 of the following sub-indicators and approaches standard for the remaining sub-indicator: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Exceeds Standard	The school meets standard for all of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Sub-indicator	Sub-indicator targets		Result	Rating
Enrollment Variance	DNMS	Enrollment variance is less than 90%	96%	MS
	AS	Enrollment variance is between 90% – 94%		
	MS	Enrollment variance equals or exceeds 95%		
Current Ratio	DNMS	Current ratio is less than 1.0	2.35	MS
	AS	Current ratio is between 1.0 – 1.09		
	MS	Current ratio equals or exceeds 1.1		
Days Cash on Hand	DNMS	Days cash on hand is less than 30	72	MS
	AS	Days cash on hand is between 30-44		
	MS	Days cash on hand equals or exceeds 45		
Debt Default	DNMS	Default or delinquent payments identified and/or is in violation of covenants	N/A	MS

**Tindley Accelerated Schools**



	AS	The school is in violation of covenants, but audit indicates that a waiver was granted		
	MS	Not in default or delinquent		
Basis for Rating/Additional Details				
<p><b>Enrollment Variance:</b> Tindley Genesis Academy budgeted for 450 students at the beginning of the year, coming in at 433 students on September 2022 Count Day and 418 students for February 2023 Count Day. This averaged an enrollment variance of 96%.</p> <p><b>Current Ratio:</b> The school’s current assets (cash or other assets that can be accessed in the next 12 months) exceeded its current liabilities (debt obligations due in the next 12 months) by over 10%.</p> <p><b>Days Cash on Hand:</b> This measure indicates how many more days after June 30, 2023, the school would have been able to operate at its same spending levels without receiving additional funds.</p> <p><b>Debt Default:</b> Neither the audit nor the network indicated the school was in default on its debt payments.</p>				

**Tindley Summit Academy**

Summary of Ratings							
Indicator	Year 8 2021-22	Year 9 2022-23	Year 10 2023-24	Year 11 2024-25	Year 12 2025-26	Year 13 2026-27	Year 14 2027-28
2.1 A. Does the school demonstrate the ability to pay its obligations in the next 12 months?	DNMS	DNMS					

2.1 A. Does the school demonstrate the ability to pay its obligations in the next 12 months?				
Does not meet standard	The school does not meet standard for 2 or more of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Approaching standard	The school approaches standard for all of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default OR The school meets standard for 3 of the sub-indicators and does not meet standard on the remaining sub-indicator OR the school approaches standard for two of the sub-indicators and meets standard for the remaining two sub-indicators.			
Meets standard	The school meets standard for 3 of the following sub-indicators and approaches standard for the remaining sub-indicator: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Exceeds Standard	The school meets standard for all of the following sub-indicators: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default			
Sub-indicator	Sub-indicator targets		Result	Rating
Enrollment Variance	DNMS	Enrollment variance is less than 90%	95%	MS
	AS	Enrollment variance is between 90% – 94%		
	MS	Enrollment variance equals or exceeds 95%		
Current Ratio	DNMS	Current ratio is less than 1.0	0.56	DNMS
	AS	Current ratio is between 1.0 – 1.09		
	MS	Current ratio equals or exceeds 1.1		

**Tindley Accelerated Schools**

Days Cash on Hand	DNMS	Days cash on hand is less than 30	.54	DNMS
	AS	Days cash on hand is between 30-44		
	MS	Days cash on hand equals or exceeds 45		
Debt Default	DNMS	Default or delinquent payments identified and/or is in violation of covenants	N/A	MS
	AS	The school is in violation of covenants, but audit indicates that a waiver was granted		
	MS	Not in default or delinquent		

**Basis for Rating/Additional Details**

**Enrollment Variance:** Tindley Summit Academy budgeted for 260 students at the beginning of the year, coming in at 228 students on September 2022 Count Day and 234 students for February 2023 Count Day. This averaged an enrollment variance of 95%.

**Current Ratio:** The school’s current assets (cash or other assets that can be accessed in the next 12 months) do not exceed its current liabilities (debt obligations due in the next 12 months) by at least 10%. Please note, although this is calculated at the school level, Tindley Accelerated Schools allocates funds within the organization to ensure that Summit can fulfill its short-term liabilities.

**Days Cash on Hand:** This measure indicates how many more days after June 30, 2023, the school would have been able to operate at its same spending levels without receiving additional funds. Please note, the school’s low days cash on hand is a result of how the school maintains its cash reserves at Charles A. Tindley Accelerated School. The network commits to ensuring appropriate cash is kept supporting operations across its three schools.

**Debt Default:** Neither the audit nor the network indicated the school was in default on its debt payments.