

Financial Accountability Indicators

(A) The annual financial audit report was received within 180 days after close of fiscal year.

The annual financial audit report is reviewed to determine whether the fiscal year end is June 30 or August 31. For June 30 fiscal year end reports, the report must be received within 180 days after June 30, or December 27. For August 31 fiscal year end reports, the report must be received within 180 days after August 31, or February 27.

The date received is stamped on the physical copy of the audit report. The date the electronic copy of the audit report is uploaded is recorded on the TEA web site. If either date is equal or prior to the 180th day after the fiscal year end, the indicator is answered “Yes”.

(B) The annual financial audit report indicates assets \geq 80% of liabilities.

The Statement of Financial Position for the charter school is the source of the Total Assets figure and the Total Liabilities figure. The Total Liabilities are multiplied by 80% and compared to the Total Assets. If Total Assets are greater than or equal to 80% of Total Liabilities, the indicator is answered “Yes”.

(C) The annual financial audit report did not indicate a qualified or adverse opinion or an opinion disclaimed because of a scope limitation.

The Independent Auditor’s Report is reviewed to determine if the auditor issued an opinion other than ‘unqualified’. If the auditor issued an unqualified opinion, the indicator is answered “Yes”.

Financial Accountability Rating Determinations

Standard Achievement

Each of the three indicators above must be answered “Yes”.

Substandard Achievement

Any of the three indicators above is answered “No”.

Suspended—Data Quality

A *Suspended—Data Quality* result will be determined if: 1) an audit report is received that doesn’t include information on the total assets and total liabilities of the charter school or the auditor’s opinion; 2) PEIMS data are not accurate or the charter school did not submit required PEIMS data; and/or 3) the agency has not received a financial audit for the charter school.