Scorecard - Hope Academy

AUTHORIZER
EDITION

Financial Performance

Name

Hope Academy (82983)

Year

2024-2025

Address

1091 Alter Rd.
Lancing, MI 48215

Phone

(313) 542-0222

Grades Served

School Code

Various

Term of Agreement

2019 - 2027

Summary		
Near-Term Indicators	Current Ratio	Meets Standard
	Days Cash on Hand	Falls Far Below Standard
	Debt Default	Meets Standard
Sustainability Indicators	Total Margin	Meets Standard
	Debt to Asset Ratio	Meets Standard
	Debt to Service Coverage Ratio	Meets Standard
	Unrestricted Fund Balance	Does Not Meet Standard
Financial Management & Oversight	Enrollment Variance	Meets Standard
	Enrollment Stability	Meets Standard

	Annual Financial Audit	Does Not Meet Standard
	Financial Reporting and Compliance	Does Not Meet Standard
	Financial Oversight	Does Not Meet Standard
Additional Information	Quality Financial Statements	Does Not Meet Standard

Test

Near-Term Indicators

Current Ratio	Meets Standard
2025 Current Ratio	186.9
2025 Current Assets	$1,468,710.00
2025 Current Liabilities	$785,984.00

Why is this KPI important?	Is the school positioned to meet its financial obligations over the next year?
Meets Standard	Current Ratio >= 1.1
Does Not Meet Standard	Current Ratio >= 0.9 AND < 1.1
Falls Far Below Standard	Current Ratio < 0.9
Current Ratio	Current Assets / Current Liabilities

Days Cash on Hand	Falls Far Below Standard
Days Cash on Hand Trend	↘
2025 Days Cash on Hand	26.00
2025 Unrestricted Cash	$146,874.00
2025 Total Expenses	$2,594,841.00
2025 Non-Cash Expenditures	$546,841.00
2024 Days Cash on Hand	52.00
2024 Unrestricted Cash	$25,000.00
2024 Total Expenses	$200,000.00
2024 Non-Cash Expenditures	$25,000.00

Why is this KPI important?	Does the school have sufficient cash available to fund day-to-day operations?
Meets Standard	This year's Days Cash On Hand ≥ 60 days OR (this year's Days Cash On Hand ≥ 30 days AND this year's Days Cash on Hand > the previous year's Days Cash on Hand) Note: schools in their first year of operation must have 30 or more Days Cash on Hand.

Does Not Meet Standard	This year's Days Cash on Hand ≥ 30 days AND this year's Days Cash on Hand < 60 days AND this year's Days Cash on Hand ≤ the previous year's Days Cash on Hand. Note: schools in their first year of operation with < 30 Days Cash on Hand will not meet the standard.
Falls Far Below Standard	This year's Days Cash on Hand < 30
Days Cash on Hand	Unrestricted Cash / ((Total Expenses - Non-Cash Expenditures) / 365)

Debt Default	Meets Standard
Is the school in default and/ or delinquent on loans?	No

Why is this KPI important?	Has the school defaulted on one or more loan covenant(s) or is it delinquent with debt service payments?
Meets Standard	The school is not in default of loan covenant(s) AND the school is not delinquent with debt service payments.
Does Not Meet Standard	The school is in default of loan covenant(s) AND/OR the school is delinquent with debt service payments.

Sustainability Indicators

Total Margin	Meets Standard
Aggregated 3-Year Total Margin	0.3%
2025 Total Margin	0.3%
2025 Total Revenue	$3,468,716.00
2025 Total Expenses	$2,594,841.00
2024 Total Margin	0.0%
2024 Total Revenue	$203,000.00
2024 Total Expenses	$200,000.00
2023 Total Margin	1.0%
2023 Total Revenue	$70,000.00
2023 Total Expenses	$2,000.00

Why is this KPI important?	Does the school operate with a surplus?
Meets Standard	(Aggregated 3-Year Total Margin > 0 AND this year's Total Margin > 0) OR (Aggregated 3-Year Total Margin > -1.5% AND this year's Total Margin > last year's Total Margin AND this year's Total Margin > 0). Note: For schools in their first or second year of operation, the Aggregated 3-Year Total Margin must be positive.
Does Not Meet Standard	Aggregated 3-Year Total Margin > -1.5% but the trend does not Meet Standard.
Falls Far Below Standard	Aggregated 3-Year Total Margin <= -1.5% OR Current Year Total Margin <= -10%
Total Margin	(Revenue - Expenses) / Revenue
Aggregated 3-Year Total Margin	((This Year's Revenue - This Year's Expenses) + (Last Year's Revenue- Last Year's Expenses) + (Two Years Ago's Revenue - Two Years Ago's Expenses)) ÷ (This Year's Revenue + Last Year's Revenue + Two Years Ago's Revenue)

Debt to Asset Ratio	Meets Standard
Debt to Asset Ratio	0.1
Total Assets	$10,254,584.00
Total Liabilities	$987,461.00

Why is this KPI important?	Does the school have sufficient resources to manage its debt?
Meets Standard	Debt to Asset Ratio <= 0.9
Does Not Meet Standard	Debt to Asset Ratio > 0.9 AND <=1
Falls Far Below Standard	Debt to Asset Ratio > 1
Debt to Asset Ratio	Total Assets / Total Liabilities

Debt to Service Coverage Ratio	Meets Standard
Debt to Service Coverage Ratio	284,135.20
Total Revenues	$3,468,716.00

Total Expenses	$2,594,841.00
Depreciation & Amortization	$25,461.00
Interest Expense	$521,340.00
Projected Payments [Interest & Principle for next year]	$5.00

Why is this KPI important?	Is the school able to cover its debt obligations?
Meets Standard	Debt to Service Coverage Ratio ≥ 1.1
Does Not Meet Standard	Debt to Service Coverage Ratio < 1.1
Debt to Service Coverage Ratio	((Total Revenues - Total Expenses) + Depreciation & Amortization + Interest Expense) / (Projected Payments [Interest & Principle for next year])

Unrestricted Fund Balance	Does Not Meet Standard
Unrestricted Fund Balance Percentage	9.95%
Unrestricted Fund Balance	$6,434,684.00
Total Operating Expenditure	$646,413.00

Why is this KPI important?	Does the school have a sufficient Unrestricted Fund Balance to serve as a cushion for unexpected situations or to help fuel growth or investment in new programs?
Meets Standard	Unrestricted Fund Balance Percentage ≥ 16.67
Does Not Meet Standard	Unrestricted Fund Balance Percentage .>= 8.33 , AND Unrestricted Fund Balance Percentage < 16.67
Falls Far Below Standard	Unrestricted Fund Balance Percentage < 8.33

Financial Management & Oversight

Enrollment Variance	Meets Standard
Enrollment Variance	126%
Actual Enrollment	3,521
Budgeted Enrollment	2,789

Why is this KPI important?	Is the school meeting its enrollment projections?
Meets Standard	Enrollment Variance ≥ 95
Does Not Meet Standard	Enrollment Variance .>= 90 , AND Enrollment Variance < 95
Falls Far Below Standard	Enrollment Variance < 90
Enrollment Variance	100 * (Actual Enrollment / Budgeted Enrollment)

Enrollment Stability	Meets Standard
Current Enrollment Stability	1,006.00%
5-Year Enrollment Stability	828.47%
2025 Actual Enrollment	3,521
2024 Actual Enrollment	350
2021 Actual Enrollment	425

Why is this KPI important?	This KPI will help determine whether the school's enrollment is stable over time.
Meets Standard	Current Enrollment Stability ≥ 97% AND 5-Year Enrollment Stability ≥ 97%.
Does Not Meet Standard	Current Enrollment Stability < 97% OR 5-Year Enrollment Stability < 97%.
Not Applicable	Not Enough Data
Current Enrollment Stability	100 * this year's Actual Enrollment / last year's Actual Enrollment
5-Year Enrollment Stability	100 * this year's Actual Enrollment / four years ago's Actual Enrollment

Annual Financial Audit	Does Not Meet Standard
Auditor opinion	Qualified
Significant findings, material conditions, & control weaknesses	0
Number of repeat findings of significance	0

Free of a going concern note or explanatory paragraph	No

Why is this KPI important?	Do independent financial audit results demonstrate that a school is meeting basic financial management, controls, and oversight expectations?
Meets Standard	The audit report contained an unqualified audit opinion. AND The audit report was devoid of significant findings, material conditions, or significant internal control weaknesses. AND The audit report (including separate or supplemental schedules) identified no repeat findings of significance. AND The audit report did not include a going concern disclosure in the notes or an explanatory paragraph within the audit report.
Does Not Meet Standard	The school's independent financial audit does not meet one or more of the indicators Does Not Meet the Standard, and therefore the school is not meeting basic financial management, controls, or oversight expectations.

Financial Reporting and Compliance	Does Not Meet Standard
Reporting to the State	No
Reporting to the Authorizer	No
IRS Submissions	No
Retirement Fund Payments	No

Why is this KPI important?	Has the school met financial reporting and compliance requirements?
Meets Standard	The school materially complies with financial reporting requirements including timely and complete submission of required documents for reporting to the state, reporting to the authorizer, IRS related submissions and payments on time, timely filing of IRS Form 990s, and making full and timely teacher and other retirement fund payments.
Does Not Meet Standard	The school materially does not comply with one or more of the financial reporting requirements including timely and complete submission of required documents for reporting to the state, reporting to the authorizer, IRS related submissions and payments on time, timely filing of IRS Form 990s, and making full and timely teacher and other retirement fund payments.

Financial Oversight	Does Not Meet Standard
Financial Policies	No
Financial Reports	No
Annual Budgets	No

3 to 5 yr Projected Income	No
Annual Independent Audit	No
Student Outcomes	No
Financial Service Provider	No

Why is this KPI important?	Does the school and its governing board effectively establish and approve annual budgets, monitor budget implementation, and ensure the ongoing financial health and success of the school?
Meets Standard	The school and its governing board have effective financial oversight if the Board adopts and maintains financial policies. the Board consistently reviews financial reports/statements, the Board approves/adjusts annual budgets, the school has a 3-to-5-year projected income statement with a 12-month rolling cash flow, and the Board reviews annual independent financial audits, and the Board considers the school's financial health in relations to the student outcomes/progress, and the school has appropriate in-house or contracted financial expertise.
Does Not Meet Standard	The school' financial oversight does not meet if one or more of the indicators Does Not Meet the Standard, and therefore the school is not meeting basic financial management, controls, or oversight expectations.

Additional Information

Quality Financial Statements	Does Not Meet Standard
Number of Financial Statements Scheduled	4
Number of Requirements Satisfied	2
On -Time Percentage	100%
Percent of Statements With Good Quality Rating	50
Number of Statements Quality Rated	2

Exceeds the Standard	All statements were given good quality ratings (Exceeds or Meets) and were all on time.
Meets the Standard	All statements were given good quality ratings (Exceeds or Meets).
Partially Meets the Standard	75% or more of statements were given good quality ratings (Exceeds or Meets).
Does Not Meet Standard	Less than 75% of statements were given good quality ratings (Exceeds or Meets).

Needs Quality Ratings	Not all of the satisfied Financial Statement requirements for this time period have been given a quality rating.