



**Spero Academy
District 4113
UST Annual Report
October 6, 2023**

Table of Contents

Academic Elements

A. Mission and Vision	3
B. Accountability Plan and Goals	4
C. After School and Summer Programming	11
D. Parent Involvement	11
E. Curriculum	16
F. Scheduling	17
G. Professional Development and Teacher Evaluations Systems	17
H. Innovative Practices, Initiatives and Future Plans	18
I. Awards	21

Governance and Operational Elements

A. Teacher Licensure Verification	21
B. Management and Administration	21
C. Organizational Strengths, Challenges and Plans	24
D. School Enrollment and Attrition Trends	24
E. Community Partnerships	26
F. Board Member Orientation and Training Plan	27
G. Board Member Information	28

Financial Elements

A. Fiscal Health	28
B. Internal Controls and Board Oversight	30
C. Awards	35

Tables and Appendices

Tables

Table 1 - Percent of students meeting or exceeding standards on MCA reading	4
Table 2 - Percent of students meeting or exceeding standards on MTAS reading	5
Table 3 - Percent of students meeting or exceeding standards on MCA mathematics	5
Table 4 - Percent of students meeting or exceeding standards on MTAS mathematics	5
Table 5 - District Assessment Literacy Scores - Minneapolis Campus	7
Table 6 - District Assessment Literacy Scores - Brooklyn Park Campus	7
Table 7 - District Assessment Literacy Scores - District	8
Table 8 - District Assessment Mathematics Scores - Minneapolis Campus	8
Table 9 - District Assessment Mathematics Scores - Brooklyn park Campus	9
Table 10 - District Assessment Mathematics Scores - District.	9
Table 11 - SEL Learning and Communication Checklist Results.....	10
Table 12 - Personal Learning Plans, Spero Academy - Minneapolis, Spring 2022-2023.....	11
Table 13 - Personal Learning Plans, Spero Academy - Brooklyn Park, Spring 2022-2023.	11
Table 14 - Student Enrollment Trend	25
Table 15 - Student Attrition	26

Appendices

Appendix A - Spero Academy Assessment Calendar
Appendix B - Spero Academy Survey Summary
Appendix C - Curriculum Review Cycle
Appendix D - Professional Development Calendar
Appendix E - Marketing/Recruiting Plan
Appendix F - Licensure Verification and File Numbers
Appendix G - Administrative Roles and Responsibilities
Appendix H - Executive Director Professional Development Plan
Appendix I - Board Member Information
Appendix J - Long Range Budget Projections

I. Academic Elements

A. Mission and Vision

Our mission is to provide students with a personalized and adaptive education to grow academically, emotionally, and socially.

We Believe ... Every child can learn, grow, and succeed when given the opportunity to reach their individual potential.

We focus our resources and energy on developing our core capabilities to develop our **Strategic Intent:**

- Create *differentiated programs* that integrate academics with social and emotional learning
- Comprehensively *identify individual education needs and learning styles*
- Utilize *collaborative teaming* among staff, specialists, and families to integrate and coordinate personalized education
- Structure learning environments with *small student-to-teacher ratios*
- *Assess student progress* across all learning areas

Spero Academy is uniquely focused on reaching the desired population of children with disabilities. While Spero Academy does not discriminate against neurotypical students, all programs are designed to benefit children with all forms of disabilities. The mission and vision reflect this focus and are consistently reviewed within the context of all programs. The Board has created an Accountability Committee and Governance Committee, both of whom work to ensure missional connections to all programs and overall school direction.

Spero Academy recognizes the intent of Charter Schools to be institutions of education reaching underserved student populations, or of creative approach tailored for students with unique learning needs. Spero's intent is to address the gap in special education programs through specialized educational opportunities and individualized plans for every student to help all students reach their full potential.

The Mission of Spero Academy supports the primary purpose of charter schools by reaching an underserved student population and providing them with opportunities for specialized educational programming. Our extensive waitlist reveals the number of children in our community who are currently underserved. We believe it is our moral responsibility, and an obligation of all educators, to continue to meet the needs of children who would benefit from our mission and purpose.

Spero Academy operates two campuses, one in Northeast Minneapolis and one in Brooklyn Park. The two campuses replicate each other by intentional coherence in leadership and educational programming to ensure that students in each location receive programming of equal quality.

B. Accountability Plan Goals

Gauging the progress of students or success of our school based on the Minnesota Comprehensive Assessments and adaptations remain challenging, due to the fluctuating percentage of students who take the MCA III and the MTAS II. Decisions regarding which test a student will take are determined annually by the IEP team and documented accordingly. The IEP team uses an eligibility checklist to determine whether or not a student with an IEP will take either the MCA or MTAS.

Despite the availability of alternate assessments, the high percentage of Spero Academy students whose abilities and achievement are not conveyed well in any of these measures makes this measure less indicative of student learning and school success than in a school with a more typical student demographic. The results from state tests for 2022-2023 indicate an increase in proficiency for the MCA Reading assessment. The MCA Mathematics assessment indicates little or no increase in proficiency. A slight overall increase in proficiency was seen in reading and mathematics for students who were assessed using the MTAS. Spero Academy received seven Parent Refusal forms for student participation in the statewide tests.

Table 1. Percent of students meeting or exceeding standards on MCA reading at both campuses.

Percent Meeting or Exceeding on MCA Reading 2022-2023 School Year								
	# of Students Tested Mpls	% Partially Meeting	% Meeting	% Exceeding	# of Students Tested in BP	% Partially Meeting	% Meeting	% Exceeding
Grade 3	16	6%	0%	0%	9	0%	0%	0%
Grade 4	14	14%	14%	0%	NA			
Grade 5	10	20%	10%	0%	NA			
Grade 6	10	0%	10%	10%	NA			
Overall	50	25%	26.5%	2.5%	9	0%	0%	0%

Table 2. Percent of students meeting or exceeding standards on MTAS reading at both campuses..

Percent Meeting or Exceeding on MTAS Reading 2022-2023 School Year								
	# of Students Tested Mpls	% Partially Meeting	% Meeting	% Exceeding	# of Students Tested in BP	% Partially Meeting	% Meeting	% Exceeding
Grade 3	5	20%	40%	0%	1	0%	100%	0%
Grade 4	9	22%	11%	33%	NA			
Grade 5	6	17%	50%	0%	NA			
Grade 6	6	50%	33%	17%	NA			
Overall	26	27.25%	33.5%	37.25%	1	0%	100%	0%

Table 3. Percent of students meeting or exceeding standards on MCA mathematics at both campuses.

Percent Meeting or Exceeding on MCA Math 2022-2023 School Year								
	# of Students Tested Mpls	% Partially Meeting	% Meeting	% Exceeding	# of Students Tested in BP	% Partially Meeting	% Meeting	% Exceeding
Grade 3	16	6%	0%	0%	9	0%	0%	0%
Grade 4	14	0%	14%	0%	NA			
Grade 5	10	0%	0%	0%	NA			
Grade 6	10	10%	0%	0%	NA			
Overall	50	4%	3.5%	0%	9	0%	0%	0%

Table 4. Percent of students meeting or exceeding standards on MTAS mathematics at both campuses.

Percent Meeting or Exceeding on MTAS Math 2022-2023 School Year								
	# of Students Tested Mpls	% Partially Meeting	% Meeting	% Exceeding	# of Students Tested in BP	% Partially Meeting	% Meeting	% Exceeding

Grade 3	5	0%	40%	0%	1	100%	0%	0%
Grade 4	9	22%	56%	0%	NA			
Grade 5	6	33%	67%	0%	NA			
Grade 6	6	17%	83%	0%	NA			
Overall	26	18%	61.5%	0%	1	0%	100%	0%

District Assessment Measures in the area of Academic Achievement and Social and Emotional Learning: Spero Academy uses six assessments by which student progress is monitored and assessed. The assessments were chosen with particular focus on whether they were aligned with the Minnesota K-12 Academic Standards. In addition to the six assessments, benchmark data were gathered for every Spero Academy student in the key academic areas. An important feature of Spero Academy's accountability plan is that the data gathered can be used for assessing whether the school is succeeding in meeting its mission and also used to inform day-to-day instruction.

For the 2022-2023 school year, Spero Academy implemented three new district assessments. Two of the assessments for math and reading addressed students who may be requiring an assessment at a more developmental level, such as at a pre-kindergarten level. The two assessments are *The Developmental Literacy Inventory*, which replaced the *Bridge*, and a developmental and Pre-kindergarten assessment were added to the *Spero Academy Mathematics Inventory*. The third assessment that was newly implemented was a checklist, *The Spero Academy Social and Emotional Learning and Communication Checklist*.

The assessments were chosen with particular focus on whether they were aligned with the Minnesota K-12 Academic Standards. In addition to the six assessments, benchmark data were gathered for every Spero Academy student in the key academic areas. An important feature of Spero Academy's accountability plan is that the data gathered can be used for assessing whether the school is succeeding in meeting its mission and also used to inform day-to-day instruction.

This year, 2023-2024, the *NWEA* is being replaced by *Fastbridge* which is used by teachers to assess whether students are making progress in reading and mathematics. The *Fastbridge* is also approved by MDE as a dyslexia screening tool.

The tables below show the overall scores on the district assessments of Spero Academy students in grades Kindergarten through 6th grade in Literacy and Mathematics.

Table 5: District Assessment Literacy Overall Scores - Minneapolis Campus

Overall Scores on District Assessment - Literacy 2022-2023 School Year (Mpls)								
Fall					Spring			
	Well Below	Below	At	Above	Well Below	Below	At	Above
K	0%	32%	63%	0%	16%	42%	32%	5%
1	41%	27%	27%	5%	50%	36%	9%	5%
2	36%	27%	5%	9%	64%	9%	5%	5%
3	65%	22%	4%	0%	70%	13%	0%	0%
4	48%	12%	0%	32%	40%	12%	5%	40%
5	86%	5%	0%	5%	86%	0%	5%	5%
6	94%	0%	0%	12%	82%	6%	0%	12%

Table 6: District Assessment Literacy Overall Scores - Brooklyn Park Campus

Overall Scores on District Assessment - Literacy 2022-2023 School Year (BP) K-3 only								
Fall					Spring			
	Well Below	Below	At	Above	Well Below	Below	At	Above
K	13%	31%	13%	6%	56%	13%	6%	0%
1	44%	31%	19%	6%	25%	56%	6%	6%
2	54%	38%	8%	0%	54%	46%	0%	0%
3	55%	9%	18%	9%	64%	9%	9%	9%

Table 7: District Assessment Literacy Overall Scores - District

Overall Scores on District Assessment - Literacy 2022-2023 School Year (District)								
Fall					Spring			
	Well Below	Below	At	Above	Well Below	Below	At	Above
K	6%	31%	40%	3%	34%	29%	20%	3%
1	42%	29%	24%	5%	39%	45%	8%	5%
2	43%	31%	20%	6%	60%	23%	3%	3%
3	62%	18%	9%	0%	68%	12%	4%	40%
4	48%	12%	0%	32%	40%	12%	5%	40%
5	86%	5%	0%	5%	86%	0%	5%	5%
6	94%	0%	0%	12%	82%	6%	0%	12%

Table 8: District Assessment Mathematics Overall Scores - Minneapolis Campus

Overall Scores on District Assessment - Mathematics 2022-2023 School Year (Mpls)								
Fall					Spring			
	Well Below	Below	At	Above	Well Below	Below	At	Above
K	21%	16%	63%	16%	11%	37%	26%	21%
1	9%	55%	18%	5%	64%	14%	23%	0%
2	36%	41%	5%	5%	68%	5%	14%	5%
3	83%	4%	13%	0%	83%	4%	9%	0%
4	64%	24%	4%	4%	80%	0%	4%	4%
5	86%	5%	5%	0%	76%	0%	0%	0%
6	94%	0%	0%	6%	0%	0%	0%	0%

Table 9: District Assessment Mathematics Overall Scores - Brooklyn Park Campus

Overall Scores on District Assessment - Mathematics 2022-2023 School Year (BP) K-3 only								
Fall					Spring			
	Well Below	Below	At	Above	Well Below	Below	At	Above
K	4%	0%	0%	19%	38%	19%	19%	0%
1	25%	50%	25%	0%	50%	50%	13%	6%
2	69%	23%	8%	0%	69%	23%	8%	0%
3	55%	9%	18%	9%	73%	0%	9%	0%

Table 10: District Assessment Mathematics Overall Scores - District

Overall Scores on District Assessment - Mathematics 2022-2023 School Year (District)								
Fall					Spring			
	Well Below	Below	At	Above	Well Below	Below	At	Above
K	31%	9%	34%	17%	23%	29%	23%	11%
1	16%	53%	21%	3%	58%	29%	18%	3%
2	49%	34%	6%	3%	69%	11%	11%	3%
3	74%	6%	15%	3%	79%	3%	9%	0%
4	64%	24%	4%	4%	80%	0%	4%	4%
5	86%	5%	0%	5%	76%	0%	0%	0%
6	94%	0%	0%	6%	0%	6%	0%	0%

The Spero Academy Social and Emotional Learning and Communication Checklist

In the area of Social/ Emotional Learning and Communication, Spero Academy has developed a new assessment which has the goal of assessing SEL skills from birth through upper elementary. Many

resources were used in the development of this assessment and input from therapists was also taken into consideration. The SEL/ Communication Skills Checklist assesses student's abilities in the areas of: Social Play, Communication, Emotional Regulation, and Executive Functioning. Students' resulting scores for each subtest gives them a developmental age range with an overall age range for their social and emotional learning.

After one full year of trialing this assessment the feedback from teachers has been positive and the potential use for this assessment to inform interventions are exponential. Not only has the feedback from the assessment been supportive thus far, this assessment has been used to support educators in programming for students. Since the skills that are being assessed are wide-reaching and educators are working towards generalization of these social, emotional, and communication skills, this small incremental growth is the goal.

The administrative team will use these SEL/ Communication scores to continue to monitor programmatic effectiveness and shift supports to meet the needs of our students.

The tables below show the overall developmental age ranges for each grade level for both fall and spring for both campuses.

Table 11: Spero Academy Social and Emotional Learning and Communication Checklist Results

SEL %	Mpls				BP				District			
	Well Below	Below	At	Above	Well Below	Below	At	Above	Well Below	Below	At	Above
K	38%	31%	0%	31%	54%	0%	0%	46%	45%	17%	0%	38%
1	62%	14%	10%	19%	85%	8%	0%	8%	71%	12%	6%	15%
2	59%	14%	5%	18%	69%	0%	0%	38%	63%	9%	3%	26%
3	32%	5%	9%	55%	27%	27%	18%	18%	30%	12%	12%	42%
4	41%	5%	9%	45%					41%	5%	9%	45%
5	55%	15%	20%	10%					55%	15%	20%	10%
6	88%	12%	0%	0%					88%	12%	0%	0%

Other Assessment Measures in the area of Academic Achievement:

Indicator: *Percent of students meeting goals on their Personal Learning Plans.*

Spero Academy has been measuring academic progress in reading, mathematics and social and emotional learning through the use of Personal Learning Plans for a number of years. This will be the last year the school will be reporting academic progress using PLPs. In future quarterly reports Spero will continue to report using state and district assessments but will add progress reporting from IEP goals in reading, math and social and emotional learning as an additional measurement that reflect Spero students' academic achievement.

Table 12: Personal Learning Plans: Minneapolis Campus

Personal Learning Plans (PLPs) 2022-2023 Minneapolis Campus		
Subject	% Not Meeting Goals	% Meeting Goals
Reading	32%	68%
Math	23%	77%
Social/Emotional/Behavioral	29%	71%

Table 13: Personal Learning Plans: Brooklyn Park Campus

Personal Learning Plans (PLPs) 2022-2023 Brooklyn Park Campus		
Subject	% Not Meeting Goals	% Meeting Goals
Reading	21%	79%
Math	19%	81%
Social/Emotional/Behavioral	37%	63%

The Spero Academy assessment calendar can be found on our website and in **APPENDIX A**.

C. After School and Summer Programming

Spero Academy does not offer after school or summer programming at this time.

D. Parent Involvement

Spero Academy has a long tradition of surveying the school's major stakeholders, including the families of our students. Spero families were surveyed in the Spring of 2023 with the intent of measuring family satisfaction in a variety of areas. Between the two campuses 36 surveys were returned from families, which is a response rate of approximately 18%. The results of these items indicate satisfaction for the majority of families.

Items from the survey are noted below, which includes feedback from families, staff, and students. Detailed survey results are reviewed by the school's administrative team and the Board's Accountability Committee and used to inform our efforts toward continuous improvement.

In 2022-23, Parents were asked to rate Spero Academy as a safe and welcoming school. The results were very positive at both campuses

Minneapolis Campus

Safe and Welcome Schools

Question:	Percent Strongly Agree/Agree:
My child likes school	96%
The school building is a safe environment	96%
Communication from my student's teacher keeps me well informed	92%
School-to-home communication keeps me well informed.	96%
Staff create a safe and welcoming environment	96%
When my family has an issue, I feel heard	91%

Brooklyn Park Campus

Safe and Welcome Schools

Question:	Percent Strongly Agree/Agree:
My child likes school	100%
The school building is a safe environment	100%
Communication from my student's teacher keeps me well informed	100%
School-to-home communication keeps me well informed.	100%
Staff create a safe and welcoming environment	100%
When my family has an issue, I feel heard	100%

Spero Academy parents were then asked for feedback on school work and curriculum implemented at Spero Academy. Overall the results revealed a high level of satisfaction at both campuses:

Minneapolis Campus

Schools and Learning

Question:	Percent Strongly Agree/Agree:
The schoolwork is challenging and requires my child's best efforts	100%
My child is learning a lot	95%
The school curriculum promotes student achievement in all areas	96%
Teachers have high expectations for the success of my child	96%
Teachers use a variety of teaching and learning activities to help my child learn	100%
Teachers help my child when they need it	100%
The school schedule supports and encourages school success	100%

Brooklyn Park Campus

Schools and Learning

Question:	Percent Strongly Agree/Agree:
The schoolwork is challenging and requires my child's best efforts	100%
My child is learning a lot	85%
The school curriculum promotes student achievement in all areas	100%
Teachers have high expectations for the success of my child	100%
Teachers use a variety of teaching and learning activities to help my child learn	100%
Teachers help my child when they need it	100%
The school schedule supports and encourages school success	100%

When asked about the social and emotional climate of the school environment, Spero parents responded favorably across the board with regard to teacher-student relationships at both campuses:

Minneapolis Campus

School Environment

Question:	Percent Strongly Agree/Agree:
Teachers and staff care about my child	100%
Students respect other students	91%
Adults in the school treat students with respect	100%
Students are treated fairly no matter their race or cultural heritage	100%


Brooklyn Park Campus

School Environment


Question:	Percent Strongly Agree/Agree:
Teachers and staff care about my child	100%
Students respect other students	93%
Adults in the school treat students with respect	100%
Students are treated fairly no matter their race or cultural heritage	100%

Spero Parents were asked for feedback specific to personalized learning. At both campuses results were favorable with regard to their students' learning experiences, feeling challenged and their teachers' knowledge of their students' learning styles.

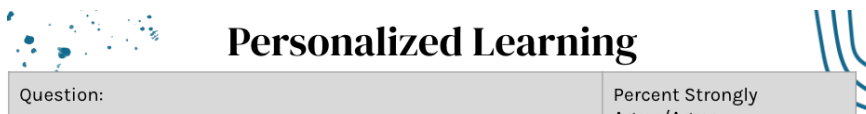
Minneapolis Campus



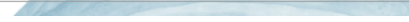
Personalized Learning	
Question:	Percent Strongly Agree/Agree:
The learning experience in my child's classroom is personalized for my child	96%
My child can show what they learned (in developmentally appropriate ways).	92%
My child's strengths and challenges are known by their teacher(s).	100%
My child is challenged appropriately based on their individual strengths and needs.	96%



Brooklyn Park Campus



Personalized Learning	
Question:	Percent Strongly Agree/Agree:
The learning experience in my child's classroom is personalized for my child	100%
My child can show what they learned (in developmentally appropriate ways).	92%
My child's strengths and challenges are known by their teacher(s).	100%
My child is challenged appropriately based on their individual strengths and needs.	100%
I understand why Spero Academy is implementing Personalized Learning.	100%



A copy of the 2022-2023 Survey Summary can be found in **Appendix B**.

E. Curriculum

The School Board Accountability Committee, composed of school personnel, staff and community members, assists in determining the school curriculum. This process of determining new curricula is driven by staff input. When reviewing curricula the Academic Team research and review needs, reporting all findings to the Board Accountability committee.

Spero staff are surveyed to gather information regarding interest, needs, and gaps in the areas of training, achievement, student body, etc. The subcommittee also reviews annual parent surveys to look for commonalities.

The Academic Team reviews the data to identify areas of specific curricular need, considering best practices, technology needs, and current research related to the population. The Team also evaluates the textbooks and curriculum using a district created form to affirm cultural diversity, gender neutrality, and disability inclusion, and to ensure that the material is not culturally appropriative. Teachers at different grade levels are then asked to trial samples of the curriculum and complete the same form.

The general and special education curricula adoption schedule is a rotating review schedule. An individual classroom or specific group of teachers may propose to review curricula out of the rotation in order to meet the current needs of students. If this need is confirmed, a proposal is brought to the Accountability Committee for review and approval.

Through the above process, Spero Academy offers a wide variety of curricular choices for teachers. The current curriculum in each subject matter attempts to provide a curriculum that meets the needs of every student at Spero. This presents a challenge for Spero given the broad range of learning styles within our student population. We continue to find limited research-based curricula addressing the needs of students with severe cognitive disabilities. Nevertheless, Spero Academy's list of available curriculum options has grown considerably.

In the 2023-2024 school year, the Accountability Committee will review the current general education Mathematics curriculum as well as review and research special education Mathematics curricula.

The Spero Academy Curriculum Review Cycle can be found in **Appendix C**.

F. Scheduling

One of the unique characteristics of Spero Academy is our eleven-month academic calendar. During those eleven months, students attend school Monday through Thursday with breaks scheduled throughout the year. With less time in between breaks this calendar has proven to support Spero students and their ongoing learning and progress.

This weekly schedule also leaves the occasional Friday to schedule professional development. Overall, staff response to the school schedule has been positive, as it provides them time to pursue their education or their own professional development opportunities.

The school classroom schedules were adjusted so that the classroom schedules within each grade level correspond, enabling classrooms to come together in certain subject areas. For example, the teachers within each grade may choose to teach subjects such as social studies, science, art, community service projects, life skills, or STEM activities throughout the year. The students in that grade level are then placed in groups, regardless of ability level. The groups rotate through each unit throughout the year, ensuring that all students have access to the general education curriculum in these areas as well as an opportunity to learn alongside their grade level peers.

Spero Academy continues to establish an annual fund for professional development for all staff employees. Staff are encouraged to seek out development opportunities that align with their professional area and also contribute to the required CEUs needed to renew licenses through MDE. Additionally, the school has taken a very progressive approach to internal professional development days for all staff. Each year, there are five days of professional development at the beginning of the year to help prepare all staff for the level of service required in this school environment. Five additional days are planned throughout the year, based on needs that arise throughout the year as well as the annual training required by MDE.

G. Professional Development and Teacher Evaluation Systems

Outline of the School's Teacher Evaluation System:

Spero Academy adopted the Teacher Development and Evaluation (TDE) program distributed through MDE in 2013. Over the years, Spero Academy has continued to evaluate the TDE, making relevant changes and aligning the questions to better fit the focus of our school. The TDE process for Spero is outlined below:

- The Minneapolis and Brooklyn Park Principals and the Academic Director will be responsible for the summative evaluations.
- Informal classroom observations will take place throughout the year so that the evaluators can become familiar with the teachers' teaching methods and the students before formal observations.
- 90-day Teacher Development Evaluations (TDE) with the newly hired teachers will take place in October 2023. The 90-day review for newly hired teachers will consist of teachers filling out a pre-observation form and lesson plan, the classroom observation, a teacher self-reflection, goal setting and a post-observation meeting. These fall evaluations are considered formal but not summative. Newly hired teachers will receive one more formal observation in February and a summative evaluation in the spring.
- The TDE process for continuing/tenured teachers will be evaluated this year by the Principals at both campuses and the Academic Director. Spero will follow the three-year cycle for summative evaluations for continued/tenured teachers as outlined in *The Teacher Development, Evaluation, and Peer Support Model: Implementation Handbook (MDE)*.
- The teacher mentoring program is in place for probationary teachers. Accountability from mentors occurs in the form of three formal meetings scheduled each trimester with the mentee filling out a mentoring log and completing an informal observation of the mentee in the fall.

H. Innovative Practices, Initiatives and Future Plans

Innovative Practices

During the 21-22 school year, the Special Education Department remodeled the Regulation room and developed new programming. In 2023-24, we have implemented new programming to support students with high behavioral and social emotional needs. The program is now run by a licensed special education teacher with twenty years of experience, a specialty of Emotional Behavior Disorder, and a background in Social Emotional Learning. The room is supported by paraprofessionals with a background in behavior analysis.

We have also successfully partnered with People's Inc. This organization provides mental health support for the program outlined above, as well as other students in need, by providing mental health therapy in our school building. Additionally, the organization provides outside support and helps families connect with mental health case management services. Due to long waiting lists for outside support, the team continues to seek out other outside agencies that can work with students with a more immediate need.

In an effort to improve and maintain the overall climate and culture of Spero Academy as both a learning and working environment, Spero Academy staff and leadership have been

working to develop an equity team. This year, the Principal and Academic Department finalized a contract with Regina Seabrook of American Dialogue Company. This partnership will guide us in developing an equity committee which will support the Spero community.

In an effort to improve staff retention and recruitment, the Leadership team updated the Administrative Compensation plan to support and retain current staff as well as recruit new staff and stay competitive with surrounding districts. Along with a 4% increase in wages, they looked at ways to add benefits that were not just financial, including additional time off and a flex Friday a month. In FY24, we will review the Non-Exempt Compensation plan.

The Operation team formed a focus group of all staff levels to review and update the employee handbook. They met semi-monthly and throughout the summer break and reviewed every section, updated, and added new legislative materials. Additionally, the Executive Director contracted with ABDO to review the SA Employee handbook and conduct an HR Assessment.

Initiatives

Leadership continues to monitor the health and well being of the staff. They understand the staffing shortages and recognize the extra work staff complete in order to support classrooms and students. We continue to work with our financial partners to determine appropriate budget models to allow for extra stipends when necessary. Leadership also added three mental health days to the school calendar. The school and offices are closed allowing all staff to take a complete break.

In addition to the developments within existing departments, Spero Academy added a new department in July of 2023: Reporting and Accountability. The Data and Policy Coordinator streamlined the scope of current responsibilities and expanded the dept to take ownership of many of the reporting and accountability requirements necessary to maintain the legally required oversight of these areas.

Spero Academy's Principal and Academic Department developed a Professional Development Calendar for the year, drawing on input from a Professional Development Committee consisting of teachers, therapists, and paraprofessionals. This calendar covers training in curriculum, equity, disabilities, crisis prevention, suicide prevention, annual requirements, and bullying prevention. There are nine professional development days incorporated into each year as well as three Due Process Days.

A copy of the Professional Development Calendar can be found in **Appendix D**.

The teaching and paraprofessional staff, along with school support staff, have implemented collaborative curriculum and academic intervention support across grade-level classrooms. With support from the academic department, the educational staff

are developing targeted instruction for emergent level readers in the 3rd-6th grade classrooms to support their literacy development. The teaching staff are utilizing best practices along with innovative instruction to develop interventions in the kindergarten to 3rd grade classrooms in the target areas of phonics. These initiatives are supportive of our mission and strategic plan.

At the start of the 2022-23 school year, the Brooklyn Park campus lost 4 instructional days, when construction on the new building delayed the safe opening. An additional 2 days were lost later in the year, due to a water/electrical incident. In order to determine the necessity of recovering these 6 days, staff and families were surveyed. Subsequently, it was decided to utilize Spring Break as an opportunity for students to recover the lost instructional time. These days were not mandatory and approximately 54% of students attended.

Transportation shortages in 2022-23 led to a consistent delay in routes, placing a strain on students and parents and resulting in missed instructional time. The Operations Director met with our transportation company to discuss options to improve and examined the possibility of adjusting school hours at each campus to accommodate drivers sustaining a route at each campus. Families and staff were surveyed (see below) with mixed results but the proposal was brought to the board and it was voted to change campus hours beginning with the 2023-24 school year.

Brooklyn Park Campus: 8:00am - 2:30pm

Minneapolis Campus: Student hours: 9:00am - 3:30pm

Surveying families:

- The Minneapolis Campus would only see a ten minute change to the schedule. The majority of families approved of the change and the majority of the staff were against the change.
- The Brooklyn Park Campus would see a significant fifty minute change to the schedule. The majority of the families were against the change while the majority of the staff approved of the change.

MPLS	Completed the Survey	Remain the same	Change the Hours	Indifferent	
Families	43/124	14%	43%	38%	2% 6th grade & not attending next year
Staff	37/85	68%	35%	14%	(it is more than 100% because you could vote for para and teacher hours)
BP	Completed the Survey	Remain the same	Change the Hours	Indifferent	
Families	44/51	63%	22%	15%	
Staff	39/48	28%	48%	24%	

Future plans

Spero Academy completed its nineteenth year of operation in June 2023 and continues to increase enrollment. As of August 30, 2023, two hundred and sixteen (216) students are enrolled in grades K-6 at the Minneapolis and Brooklyn Park Campus with a waitlist of five hundred and fourteen (514) students. Our enrollment goal is two hundred and sixty eight (268) students. Both campuses are affected by nationwide staff shortages which have slowed enrollment. We will not enroll students with high needs without the staff to support them.

We continue to send our enrollment letters to families. In addition, the Operations Department and Marketing team are focused on social media, job fairs, and recruitment fairs to increase staff shortages. A recruitment video is currently in the works and should be finalized December 2023.

Spero Academy has partnered with Regina Seabrook (American Dialogue Company, LLC) to lead us as we engage in developing our 2024-2029 Strategic Plan process. Our goal is to identify 3-5 strategic goals in support of our mission and vision.

I. Awards

Spero Academy did not received any awards in this area during FY23

II. Governance and Operational Elements

A. Teacher Licensure Verification

A copy of Spero Academy Teacher Licensure Verification can be found in **Appendix F**.

B. Management and Administration

File numbers for licensed administrators are included with the Teacher Licensure Verification in **Appendix F**.

Administrative roles and responsibilities can be found in **Appendix G**.

Professional Development Plans for Administrative Team

Executive Director

Our Executive Director continues to address her professional development plan attending training opportunities in special education law, human resources, leadership, and school finance. The Executive Director continues to focus on fiscal management due to funding changes brought on by new state and federal legislation and providing leadership and direction to staff and families. Other conferences planned for the 23-24 school year include two School Law and Leadership conferences as well as MN legislation administration training.

Trainings 2022-23:

08/18/2023: MN Association of Charter Schools (MACS) Regional Meeting

9/30/2022: 2022 RASWM School Law Seminar

11/30/2022: Fiscal Monitoring - Time and Effort

12/14/2022: Fiscal Monitoring - Risk Assessment, Transportation, and Third Party

Reimbursement

01/06/2023: MACs Legislation Update

01/10/2023: Fiscal Monitoring - Procurement and Inventory

Ongoing: MACS LEGISLATIVE SESSION WEEKLY RECAP Meetings

04/12/2023: UST Network Gathering

A copy of the Executive Director's full Professional Development Plan can be found in **Appendix H**.

Minneapolis Principal

Our Principal is addressing her professional development by pursuing training opportunities through the Minnesota Department of Education and is currently participating in a bi-weekly training series on Peer Coaching. In order to best serve the needs of our community, she attends ongoing training sessions through the National Center for Homeless Education, non-exclusionary discipline, and recently attended a two-day crisis management training series. The Principal is also completing CEUs to renew her K-12 administrative license, teaching licenses, and would like to become a member of Minnesota Elementary School Principals' Association.

Brooklyn Park Principal

Our Principal has renewed his K-12 administrative license this year, which is active for 5 years. He is attending Minnesota Department of Education workshops for principals in the areas of teacher evaluations, peer mentoring, and Culturally Relevant Teaching.

Academic Director

Our Academic Director is pursuing professional development in several ways. She subscribes to online teacher resources and newsletters to stay abreast of current trends in education as well as attending webinars to complete CEUs for her licensure. She attends MDE training relevant to

her position as District Assessment Coordinator and will continue to attend workshops in person and online in order to keep updated on various topics relevant to her position and the current times. This includes professional development in culturally responsive teaching, teacher mentoring and evaluation, team building, reviewing and researching curriculum, and topics related to Special Education.

Special Education Director

Our Special Education Director's professional development plan continues by being a member of the Minnesota Administrators for Special Education (MASE), which offers weekly training and connections with other Special Education Directors throughout the year. Additional plans include training with the Minnesota Department of Education for special education updates which include at least monthly directors forums in addition to other needs related to Special Education Finance or compliance monitoring. The Special Education Director also partners with Hamline University for networking with other directors, Exit interviews for new Special Education Directors, and volunteering on advisory panels. Other conferences planned for the 23-24 school year include two School Law and Leadership conferences.

Operations Director

Our Operations Director plans to continue his professional development by attending various MDE training on leadership development. Additionally, the operations director continues to network with other schools and organizations to share ideas on the operational aspects of the school, such as enrollment, safety, and standards.

Special Education Coordinator - Minneapolis

Our Special Education Coordinator plans to continue her professional development by continuing to collect CEU's to maintain her teaching license and by attending various MDE trainings on due process, special education reforms and initiatives, and special education assessments.

Special Education Coordinator - Brooklyn Park

Our Special Education Coordinator plans to continue to collect CEU's to maintain her teaching licenses and attend various professional developments on due process, special education assessments, behavior interventions, and classroom management.

Academic Coordinator - Minneapolis

Our Academic Coordinator just renewed their K-12 Academic Behavior Strategist teaching license and is valid through 2028. They will continue to take CEUs to maintain their teaching license. They will seek out professional development opportunities through MDE and other sources on topics related to special education, differentiation, literacy and math skills development, culturally responsive education/ pedagogy, and educational leadership. They will participate in the district Equity team and book study.

Accountability Director

The Accountability Director continues to attend regular training in state reporting through the Minnesota Department of Education and to expand their knowledge of charter school legislation

and accountability through resources from Minnesota Association of Charter Schools. In the coming year, they plan to increase their knowledge in the areas of school finance by joining the finance committee and through professional development opportunities offered through the Department of Education.

Operations Coordinator

The Operations Coordinator is currently working on her Bachelors degree in Business Administration and Leadership from Southern New Hampshire University and will continue to pursue further job-specific training through the Minnesota Department of Education.

C. Organizational Strengths, Challenges and Plans

Spero Academy is currently positioned well and continues to outpace financial expectations.

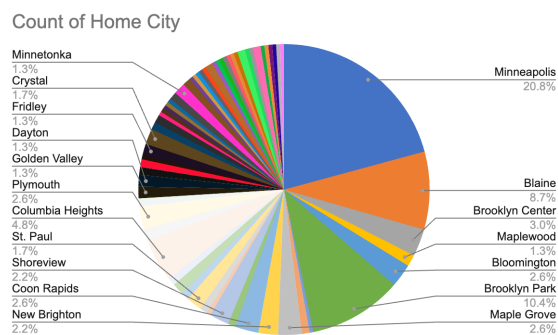
2022-2023 ended with a 93% IEP membership hours which is a healthy percentage to maintain. We are currently at an 89.2 % ratio and headed on a path to increase our percentage with 9 students in the evaluation process. Spero Academy has a healthy waitlist for both campuses to meet the budgeted numbers, but we want to ensure that we are able to meet the staffing needs to support the increased enrollment.

The Board has gone through a healthy transition over the past year. Currently, the board has five members with another being added at the October Board meeting. The maximum number allowed on the Board is eleven, and there are still two openings for appropriate members. The Board continues to seek out qualified candidates with expertise in desired fields.

D. School Enrollment and Attrition Trends

Spero Academy 2023-2024 Enrollment Trends

- 62 new students enrolled: 25 MPLS, 37 BP
 - 36 Kindergartners
 - 10 First graders
 - 6 Second graders
 - 5 Third graders
 - 5 Fourth grader
 - 0 Fifth graders
 - 0 Sixth graders
- 20.8% of students are from Minneapolis



- 6 students un-enrolled by 09/30/2023
 - 1 was too young
 - 2 neighborhood school
 - 1 Homeschool
 - 2 Dissatisfaction
- Our open enrollment numbers remain high due to:
 - Networking
 - Information Sessions
 - Social Media

Table 14. Student Enrollment Trend

School Year	K	1	2	3	4	5	6	Total Enrollment
2012-2013	19	16	14	14	12	10	0	85
2013-2014	14	19	11	14	12	6	0	76
2014-2015	14	13	16	12	14	9	0	78
2015-2016	7	18	16	19	12	11	0	83
2016-2017	15	10	19	16	21	12	0	93
2017-2018	12	14	14	18	17	22	11	108
2018-2019	16	19	21	18	18	19	18	129
2019-2020	14	19	26	24	21	22	16	142
2020-2021	16	18	20	24	17	17	15	127

2021-2022	18	20	24	22	21	19	18	142
2022-2023	34	37	36	34	25	21	16	203

Table 15. Student Attrition 2022-23

Grade	Students enrolled in the school on or before Oct 1	Students enrolled after Oct 1	Students who left after Oct 1	Students enrolled at the close of the school year	Students that remained enrolled in the school for the full year
K	31	4	2	34	30
1	38	0	1	37	37
2	37	0	2	36	35
3	35	0	2	34	34
4	25	0	0	25	25
5	22	0	2	21	21
6	16	0	0	16	16
Total	204	3	9	203	198

Our enrollment numbers increased due to the opening of the Brooklyn Park location. Due to staffing shortages, we realized early in the year we would not be able to sustain our original budget of 210 students, we revised to 199 in our December revisions, adjusted our budget, and finished at 204.

For the 2023-2024 school year we will continue to increase our enrollment and aim to get closer to our projected numbers of enrollment. Minneapolis has a projected number of 160 and Brooklyn Park has a total of 106.

Spero Academy complies with Minnesota Statutes 124E.11 subd. 9 by reviewing and approving an annual enrollment preferences and lottery policy.

E. Community Partnerships

In the Spring of 2021, Spero Academy began a partnership with Every Meal (FKA The Sheridan Story) to participate in the Weekend Backpack Program.

Spero Academy will continue to partner with Every Meal to provide the Weekend Backpack Program at our Minneapolis school house during the 2023-24 school year, and our new school in Brooklyn Park is now on the waiting list for sponsorship as well.

Spero Academy is also partnering with the Special Olympics organization and meets criteria to be a Unified Champion School by following the four core processes:

1. Establish a vibrant role for youth leadership.
2. Create and sustain positive relationships for students with and without intellectual disabilities.
3. Design unified programs that eliminate boundaries of separation in favor of shared events, activities, goals and leadership.
4. Create school, family and community partnerships that promote safe, nurturing and inclusive environments.

The Minneapolis campus is trialing Spero Unified Club Sports in the 2023-24 school year. This will provide an opportunity for students in grades 4-6 to participate in an intramural sports league at the end of the school day. Spero Unified Club Sports offers the opportunity for expansion by adding additional grades, activities, and friendly competition with Lyndale Community School.

Through the Special Olympics partnership, Spero Academy students had the opportunity to be Player Pals with the Aurora Women's Soccer Team in May 2023. Families received free tickets to the professional soccer game, and Spero Academy was recognized as our students walked onto the field with the players at the beginning of the game.

Spero Academy teachers also received donations through the Special Olympics, of inclusive books for all ages about disability inclusion and awareness for their classroom libraries.

The Minneapolis campus is piloting a partnership with the Best Buddies organization to provide inclusive opportunities for students to learn about disability awareness, develop leadership skills and form impactful friendships with peers of all abilities.

Our Brooklyn Park campus has been working to develop a relationship with nearby Monroe Elementary School. This will take place through students visiting and sharing classroom experiences, as well as future shared staff professional development.

F. Board Member Orientation and Training Plan

Newly appointed Board Members receive an orientation meeting that is conducted by the Governance Committee. The orientation includes training on charter school statutes, Board and school policies, corporate By Laws which govern the school, Board responsibilities and procedures, committee expectations, meeting protocols and strategic planning goals. Each new Board member is partnered with an existing Board member who will act as a Mentor. The expectation is for the Mentor and Mentee to meet, virtually or in person, outside of Board meetings during the new member's initial few months on the Board. The Mentor and Mentee may also meet virtually before Board

meetings to discuss the agenda, giving time for the Mentor to answer any questions that the Mentee may have about agenda items.

Each year, quarterly training is provided to the Board on topics that are appropriate and applicable to the issues and ongoing educational needs of the school. Training topics are suggested by the Governance Committee. Board training is part of the Annual Work Plan for the Governance Committee. The Board Chair also asks for input from the whole Board membership on training topics. During the 2022-23 school year, virtual training was provided in the areas of Spero's budget and financing process, a presentation pertaining to the Cruz v. Guzman case supporting the proposition that segregation in Mpls. and St. Paul schools maintains an unfair and substandard educational environment for students, a presentation on Strategic planning, a presentation of Spero's academic and behavioral testing assessments, and a training on the relationship between Open Meeting Law and the Spero Academy ByLaws.

In addition to virtual Board meeting training, Spero has purchased an online Webinar training series through Charter Source. Training topics include State mandated requirements for Governance, Finance and Employment. Additional training topics are New Board Member Basics, the Open Meeting Law and Charter School Budget Basics. These webinars can be viewed wherever and whenever a Board member desires. An additional benefit for Spero is that Charter Source collects user data which makes authorizer reporting easier.

The Board Chair and the Executive Director monitor the training information and the training topics are also included in the Board agendas for use in reporting and historical referencing. The Executive Director monitors mandatory training for new Board members to ensure that training is completed and accurately reported to the Authorizer.

G. Board Member Information

A copy of current Board Member information can be found in **Appendix I**.

III. Financial Elements

Some of the information in this section is not available prior to our annual audit. This information will be provided to the University of St. Thomas following our annual audit, which is scheduled for October 23rd through October 25th, 2023.

A. Fiscal Health

Spero Academy continues to be in a financially sound position, which is reflected in the past audits which show no findings. Because our program model attracts students with special needs, we are able to meet the 90 percent threshold for funding reimbursement under Minn. Stat. 124E.21 (Subd.2). By maintaining this

percentage threshold, Spero Academy is able to create a strong financial base with increases to our fund balance. Given the funding model under which Spero Academy operates, there is no minimum number of students that Spero Academy needs to enroll to maintain and ensure adequate funding. As long as Spero Academy maintains special education enrollment of 90 percent or greater, funding is covered at **100 percent reimbursement** including lease aid.

FY23, Spero Academy

In addition, Preliminary year end financials:

- General fund expenditures exceeded revenues by (\$1,465,038) year-to-date.
- Total general fund revenue is at 100% of the year-to-date expected budget.
- Total expenditures overall are at 100% of the year-to-date budget.
- The federal title expenditures equal accrued revenues which are paid on a reimbursement basis.
- The accounts receivable balance is at \$226. The “Due from building company” balance at \$15,538. A detailed listing is included in the Supplemental Information report. Current year state-aids receivable is reported as \$995,015 and is an estimate of FY22 revenue owed to us by MDE year-to-date based on the 10% holdback. Prior year state aids receivable is \$0. The current Federal-aids receivable balance of \$52,133 represents grant-eligible expenditures in FY22 for which grant funds have not yet been received. The prepaid expenditure balance is \$23,018 and relates to payments which apply to future fiscal year(s).
- The year-to-date Net Income is \$128,670 which is a result of revenues exceeding expenditures to this point in the current fiscal year. [This compares to the 2021-22 revised budget which anticipated a year-end surplus of \$84,787.] Spero's total revenues are reported at \$10,023,718 which is 101% of the revised budgeted revenues, and total expenditures, reported at \$9,895,048 are slightly over 100% of the year-to-date budget. The Total Fund Balance, reported as \$1,674,865, represents year-to-date net income combined with Fund Balances carried over from the prior year. Of this Fund Balance, \$543,538 is “Reserved for MA billing” (\$466,651 + \$76,887 current FY MA billing surplus) and can only be utilized for specific types of future SPED eligible expenditures.
- Year-to-date food service fund expenditures exceeded revenues by (\$23,173) which was 40% over our budgeted projections.
- Year-to-date MA billing expenditures were \$14,311 (67% of YTD Budget) with income of \$91,197 (73% of YTD budget) received to date. The MA billing surplus of \$76,887 remains below the anticipated budgeted surplus of \$103,708.

- Covid based funding streams available to the school this year are approximately \$50,000 with varying expiration dates into 2024. These are reimbursement based grants, so funds will need to be expended before we can claim the revenues.
- Year-to-date Federal Special Ed. expenditures equal accrued revenues which are owed to us by MDE.
- Year-to-date State Special Ed. revenues exceed expenditures by \$1,370,077.
- The School's budgeted net income for the year is \$84,787. This would result in a projected cumulative fund balance of \$1,630,981 or 16.5% of expenditures at fiscal year-end.
- Preliminary results show a net income of \$128,670. This results from a Prior Year Special Ed. revenue adjustment of \$51,161 and the surplus in MA billing of \$76,887. Our preliminary ending fund balance is \$1,674,865, or 16.9% of total expenditures

Current enrollment figures (ADM).

Current ADM is 228.16 with 89.2% Special Education Students.

Comparison of previous year target ADM to actual ADM.

Our revised budget in FY23 projected an ADM of 199, the actual ADM was 198. We ended the year with 93% of students with an IEP

Average cash on hand for previous year

Spero Academy ended the year on June 30, 2023 with days of cash on hand.

The current Spero Academy Budget including Budget Projections can be found in **APPENDIX J.**

B. Internal Controls and Board Oversight

The following narrative outlines certain critical financial processes and procedures for Spero Academy, Creative Planning (fka BerganKDV), and the school's Board of Executive Directors, which include both preventive and detective controls that are designed to safeguard Spero's financial assets and ensure the integrity of financial reports and measures. Preventive controls include, but are not limited to, segregation of duties and password protection for access to critical information and documents, while detective controls include account reconciliations and review of actual performance versus budget.

General

Spero Academy utilizes the Skyward Finance System, which was designed for use by school districts and is approved by the State of Minnesota for compiling and reporting a school's financial results.

During the school year, financial transactions are maintained primarily on the cash basis of accounting. At year-end, accrual entries are recorded to convert the school's books from cash basis activity to accrual basis activity for audit and closeout purposes as required by UFARS. All entries recorded in the finance system are supported with underlying supporting documentation that is available for audit purposes.

Cash and Investments, Receipts, Revenue, Receivables

The School's primary revenue sources consist of state/federal grants and aids. State/federal grants and aid are received via wire transfers (received by filing of progress or completion reports or SERVS reports). Generally, Creative Planning computes and records receivables (accounts, IDEAS, and state and federal programs) - including reconciling amounts with the IDEAS and various grant agreements. Creative Planning works with the School's Executive Director to identify federal financial assistance and to reconcile differences between SEDRA/SERVS and UFARS.

While the majority of the school's receipts are received via EFT from the state or federal government, a minimal number of cash/checks are received in the school office. When cash is received in person or by mail, the receptionist opens it and routes all checks to the Operations Director. The Operations Director logs the check information into the Internal Security Record, copies the checks and cash for backup, and prepares a deposit slip documenting the revenue source. The deposit is transferred to the Executive Director for review and weekly deposit. All supporting documents for the non-state and federal deposits are delivered to Creative Planning which are reviewed on a monthly basis to ensure the proper UFARS account coding is applied before entering the revenue into Skyward.

The School Board has a policy that directs designated individuals on how to invest the cash on hand not required for immediate expenditure. On an as needed basis, the Board passes a resolution allowing these individuals to invest idle school cash in accordance with Minnesota Statute §475.66 as noted in the Minnesota Legal Compliance Audit Guide for Local Government. This resolution also allows these individuals to designate the depositories for investing and is considered to be the "investment policy" of the School.

Creative Planning is responsible for reconciling all banking and investing accounts and does so on a monthly basis. Any discrepancies between Spero accounting and the bank statements are researched and resolved prior to the close of the accounting period.

Cash Disbursements, Expenditures for Goods and Services and Accounts Payable

Creative Planning processes accounts payable for Spero Academy. As expenditures are required for the school, members of the school staff complete a Purchase Order, Supply Request Google Form, or Reimbursement Request, which is routed to the School Operations Director for approval. For those purchase requests, as well as all others, the Operations Director and Operations Coordinator at each campus complete a Vendor Payment Request(VPR) form and add specific information to aid in proper UFARS accounting. The VPR is routed to the Schools' Executive Director. The Executive Director reviews all VPR forms and approves expenditures by signing the forms. As vendor invoices come to the school for payment, a three-way match occurs between the Vendor Payment Request form, the goods receipt and the invoice. Any discrepancies between the documents are investigated and resolved prior to payment.

Once matched, the invoices and accompanying VPR forms are sent to Creative Planning where they are entered for payment into Bill.com. The matched invoice and VPR form provide sufficient approval of the expenditure enabling Creative Planning to enter the invoices into Skyward. Once entered, a weekly summary of payables is sent to the Operations Director and the Executive Director for review and approval. An affirmative approval is required from the School Executive Director to proceed with payment, while the Operations Director is assumed to approve payment unless an objection is raised.

Once matched, the invoices and accompanying VPR forms are sent to Creative Planning where they are entered for payment into the Skyward. The AP specialist at Creative Planning will review, assign and code invoices within a reasonable time frame to ensure invoices can be paid in a timely manner from within the date they have been received. When reviewing and coding invoices the AP specialist will assign the approver for each invoice as determined by the school's administration, per Creative Planning and the auditors. If the situation arises that the typical approver is also the recipient of the expense being approved either an alternate approver of appropriate status will be assigned in bill.com or the AP specialist will require a signature from that person on the expense or other confirmation that the expense is approved such as email confirmation. This will be retained and added to back up with the expense for auditing purposes.

Once invoices are completed, the Executive Director will login and review the invoices; verifying amounts, descriptions and budgetary assignment are in line with the intent of the purchase. Once reviewed the Executive Director will check off and send approval within bill.com, which is retained with each individual approved invoice. If any items are deemed incorrect the Executive Director will deny the invoice and note the reason on the form for Creative Planning to reassess the item.

Invoices will be paid within the bill.com platform, after approvals have been received. Invoice payments will be scheduled out as funding allows. Payment may be sent via ACH (preferred method) or paper check.

If a check is necessary, Creative Planning receives approval, Bill.com can process checks to be mailed. Check runs are made on a regular weekly basis. "Emergency" checks are cut as needed which may or may not be included in the weekly payables reporting sent to

the Finance Committee. Based on invoice due dates, checks are systematically prepared by Creative Planning and signed electronically. Only Creative Planning' employees have access to the password allowing check printing on behalf of Spero Academy. Once a check is prepared and printed, BKDA remits payment to the vendor and the original invoice is filed at the school for payment.

The AP Specialist will not pay any expenses without approval from authorized school representatives, either by bill.com approval or expressed request and approval in written form from the school representative, in case of an emergency payment situation.

All payments for the month are compiled in a report and delivered to the school for review by the School Executive Director and the Board.

Creative Planning prepares monthly financial statements and ensures that the School Executive Director, Finance Committee and Treasurer are aware of where the school is in relation to their budget.

Payroll and Related Liabilities

The school utilizes Creative Planning to prepare payroll. There are approximately 150-180 payroll checks cut each pay period. Payments made in cash are prohibited. All employees are paid twice each month. The Executive Director and Board establish salaries/rates of pay. Salaried teaching and non-teaching positions are paid based on individual contracts. Timesheets are not maintained, only attendance records are maintained for these positions. Hourly employees submit timesheets via the K-pay system. The Executive Director reviews the time sheets. The approved timesheets are submitted to Creative Planning. The personnel records are maintained at the school. Executive Director approval of vacation, holiday and sick leave compensation is reviewed during each payroll run by the Operations Coordinator at each Campus to ensure the respective balances are accurate. Employment changes are generated by the Executive Director and subsequently sent to Creative Planning for inclusion into the finance system.

All payroll checks are prepared and signed by computer (digitized signatures). Creative Planning designates an employee who is the only person that has access to the payroll password. Payroll is made either by direct deposit or checks that are sent via a secure network to be printed at each campus for the employee. The direct deposit payroll batch is prepared by Creative Planning and must be authorized prior to payment by either the School Executive Director or the Creative Planning Finance Manager. Federal and State payroll withholdings are submitted electronically. All other withholdings are submitted by check through the US mail.

On a monthly basis, the Creative Planning Finance Manager reviews the payroll activity, prior to the drafting of the monthly financial statements. The payroll activity also is monitored at the school site to ensure accuracy of data; the School Executive Director

reviews the direct deposit checks before payment by American National Bank (~90% of staff is paid via direct deposit) and reviews the payroll bank statement for reasonableness before it goes to Creative Planning. Since the School Executive Director signs off on time sheets, manual checks are considered approved then.

Debt and Debt Service Expenditures

The school uses separate types of debt to finance operations and to provide funds for capital and other improvements. The Board approves all debt.

Significant Accounting Estimates

State Aid is estimated through the MARSS system, which utilizes student enrollment to calculate a school's eligible aid. The MARSS system is a statewide database of student attendance and membership information by which each student has a unique identifying number that is used to track that student from one school to the next. This system significantly reduces the likelihood that a student could be inaccurately claimed for aid purposes since the State does not recognize a student for aid purposes if there are date overlaps for any student (no one District can claim a student if the dates the student was served overlap with those of another district—therefore all such differences are resolved between school districts, otherwise, no aid would be paid).

For capital assets, the Spero uses guidance made available from MDE and the national ASBO Association for purposes of estimating the useful lives of capital assets when calculating depreciation.

Fund Equity

Fund equity of the school is accounted for in accordance with prescribed accounts as determined by the Minnesota Department of Education and UFARS. The school is required to maintain reserved fund balances for unemployment, severance, transportation safety, equipment, facilities, disabled accessibility, building construction, and debt service. All other fund balances are unreserved. The Creative Planning Finance Manager, in consultation with the Executive Director and Board Treasurer, are responsible for ensuring that fund balances are properly accounted for.

Federal Grant Programs

Each spring the school is notified of the projected entitlements for the various Title programs. The School's Executive Director is responsible for acknowledging/accepting the grant funds and developing the respective budgets. The school follows purchase/reimbursement protocol related to the various grants as outlined in the A133 circular. The required reports are filed on a timely basis with the federal government as well as state oversight agencies.

Finance Committee:

Spero Academy's Finance Committee is responsible for overseeing the financial welfare of Spero Academy and all financial reporting requirements of outside organizations. The Charter School has implemented sound Best Practice financial policies, oversight, and strategic forward thinking which has earned the Charter School a preliminary 17.3% fund balance at the end of Fiscal Year 2023 with 61 days cash on hand.

The Finance Committee oversees the creation of the annual budget, accounts for spending, controls contract bids, and works with the Executive Director to achieve long-term financial goals and success. This committee also ensures adequate internal controls over spending, oversees the fund balance, and communicates financial data to stakeholders. In each of the past eight years (2014-2023) the Charter School has earned the State School Finance Award for meeting statutory deadlines for submission of audited fiscal financial data and reporting criteria from the MDE.

Each year in the spring, a budget is prepared by administration for the following fiscal year, with input and oversight by the Finance Committee, with underlying assumptions and estimates clearly documented. The budget is subject at all times to review by the Authorizer. As noted above, the budget is primarily based on state and federal educational funding.

Spero Academy maintains a General Fund in which all the activity of the Charter School is recorded. A budget is prepared for the General Fund on the same basis of accounting as the year-end audited financial statements. Budgeted expenditure appropriations lapse at fiscal year-end. In the fall, after enrollment numbers are stabilized and government funding levels are known, the Finance Committee reviews the underlying assumptions and modifies the operating budget to reflect known changes. This modified budget is presented to the Board and adopted in the fall.

Standing members of the Finance Committee include Jenny Abb, Finance Manager (Creative Planning); Edi Becerra, Operations Director; the Executive Director and Special Education Director; and the Treasurer of the Board of Directors. Other interested board members may serve on the Finance Committee.

C. Awards

Spero is a 2023 recipient of MDE's School Finance Award for FY22 Financial Reporting, which is comprised of three criteria:

1. Timely submission of financial data
2. Fiscal health
3. Accuracy in financial reporting