



St. George Academy Probationary Status Update

9/28/2020

Remediation Specialist/Investigator: Greg Connell



Probationary Letter

On November 14, 2019 SGA was placed on Probation for:

Low Enrollment

Poor Financial Health



Probationary Status Update



Probationary Update

- 1. By December 1, 2019, remove Dr. Ellen Arch from the SGA board of directors.
 - Met.
- 2. By December 1, 2019, create and maintain separate bank accounts for at least restricted and unrestricted funds. Not use restricted funds for unallowable costs.
 - Met.
- 3. Have no more than 10% transfer rate for SY2020 and maintain at least 250 students throughout SY2020. Preferably, increase student enrollment throughout the year.
 - Not Met. 16% transfer rate
 - Not Met. SGA had an unofficial ADM count of 240 students for SY2020
 - COVID-19 makes ADM hard to assess; however, an increase did occur (SY2019 ADM=231)



Probationary Update

- 4. Retain at least 80% of students from the end of SY2020 to beginning of SY2021.
 - Pending. Waiting for year-end data
 - Self-reported 67% Retention Rate
- 5. Enroll at least 300 students for SY2021 and have at least 300 students in the October 1, 2020 count.
 - TBD. As of 9/30/2020 SGA has 310 (SY21 extract)
 - Will not have 300 students with out LAU by October 1, 2020, and it is highly unlikely that with a 6-month extension this term would be met.
 - Enrollment trend is at 106.3%
 - Waiting for Oct 1. 2020 count
- 6. Provide monthly financial statements, showing an increase in unrestricted cash so that by the end of SY2020 SGA has at least 30 days unrestricted cash on hand.
 - Met. School was able to increase their unrestricted cash during the year. As of the end of SY2020, SGA had \$583,968.30 of unrestricted cash which equates to 108 unrestricted days cash on hand.
 - School received between \$150 - \$350,000 from the CARES Act funding.
 - Even without the CARES Act funding, the school would have 43 unrestricted days cash on hand.



Probationary Update

- 7. Meet CSAF annual financial metrics for SY2020.
 - Pending. Waiting for the 2020 audited financial statements which are due Dec 2020.
- 8. By June 1, 2020, be on track in obtaining long-term facility financing and ability to pay all loans. Consult with a lender and create a proposal for obtaining long-term facility financing based on the lender's recommendations.
 - Pending. School appears to be on track in fulfilling this term. School has negotiated a two-year interest-only payment arrangement on their lease to help with their short-term solvency and has until Jan 1, 2022 to obtain long-term financing.
- 9. Create a closure plan in the case of not being financially viable after SY2021.
 - Met. SGA has submitted a closure plan.



Staff Update



Recommendation

- Staff believes that SGA is financially viable with its current enrollment and will be able to meet its financial obligations for SY2021 and for SY2022.
- Staff does not see an urgency to close the school for financial reasons at the present time.
- We recommend removing SGA from Probation and placing them on Warning.
 - SGA is not meeting the enrollment numbers nor the transfer rate as stated in the letter of probation; however, they have shown progress in enrolling students and are financially able to make it through SY2022 with their current number of students.



Questions



THANK YOU

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