

**This guide describes the data collected and displayed in the SIP database. Such data can be categorized as operating data, debt covenants, and financial data.**

## Operating Data

### Background

The SIP Database contains operating data about charter schools and charter management organizations, generally of three types:

1. General Information
2. School Enrollment and Statistics
3. Academic data

### CMOs and Schools

SIP generally collects operating data from state agencies such as departments of education, which in turn collect data from schools. Our data mirrors each state's master list of charter schools and the definitions they use to determine what constitutes a charter school. States may define charter schools in different ways. For example, a state may consider a K-12 charter school to be one school, two schools (such as a K-8 and a 9-12), or three schools (for example, K-5, 6-8, and 9-12). These groupings of grades may operate in one physical location or on multiple campuses and may operate under one or more charters. Because states collect data based on their definitions and assign agency codes to schools accordingly, we collect operating data based on the state's units of measurement and their determinations of what constitutes a charter school. We also use the school names in the state's master list of schools for avoidance of confusion.

We attempt to group schools that are related to each other by designating them as part of a "charter management organization" (CMO). We use the term CMO in a practical, non-legal sense, to reflect any organization that appears to have more than one school, based on state definitions. In the example above where a K-12 school is treated as three schools by their state, we collect and display operating data for each of the three based on the state's definitions, then aggregate them together as a CMO. CMOs in the SIP database have a minimum of two schools but may have over 100 schools and operate in multiple states. We do not track management companies who may provide some or all management services to charter schools for a fee but do not have ownership.

---

### General Information

---

Metric	Definition
School Name	The state-identified name of a school
Entity Type	Entity types are Freestanding, CMO Member, and CMO. Schools are classified as either freestanding or CMO member, based on available public information and the state's method of organizing charter school campuses into units of measurement. The entity type CMO is applied to CMOs.
Year Opened	Calendar year in which the entity first opened to students
Authorizer	The entity legally authorized to enter into a charter agreement with a school. Authorizers typically sign charter contracts, set academic and operational expectations, and oversee school performance.
Grade Span	The grade levels of a school
CMO/Network Name	If the school is associated with a CMO, the legal or practical name of the CMO, from publicly available sources such as the CMO's website. A CMO is a group of at least two related charter schools.
Charter Expiration	The date on which a charter contract ends. A few states, including Utah have evergreen charters, with no expiration date
Contact	School contact detail
Address	The physical address of the school
Website	The school website
Comment	Contextual comments created by School Improvement Partnership

### Student Enrollment & Statistics

---

Metric	Definition
Average Enrollment	Typically, the average number of enrolled students during the measurement period. Definitions may vary slightly from state to state.
Average Attendance	Typically, the average daily student attendance during the measurement period. Definitions may vary slightly from state to state.
Economically Disadvantaged	Percent of students who are economically disadvantaged, typically determined through eligibility for programs such as free and reduced priced lunch or other services

### Academic Performance

Metric	Definition
Academic Grade	The grade assigned to the school under a state-specific academic grading method such as a letter grade (A-F), a star system, or other systematic statewide grading system. Varies from state to state and is not necessarily comparable between states.
Academic Growth Score	The assessment assigned to a school for a state-determined growth metric, typically based on the academic progress of the school's students compared to the average progress of students across the state in a given grade and/or subject. Not measured in all states and not comparable between states.
Academic Growth Status	Typically, a measure of whether the school has met a state-determined threshold of academic growth, and frequently compared to its previous years scores.
Graduation Rate	Typically measured only for high schools, the percent of students that graduate with a diploma within 4 years of starting 9th grade.
Dropout Rate	Several definitions in general use, for example the percent of a school's students that leave school during the measurement period and do not enroll in a different school. Definitions vary from state to state
Beginning Teachers	Percent of a school's teachers with 3 years or less of teaching experience.

### Operating Data for CMOs

Metric	Definition
CMO Name	The legal or practical name of the CMO, from publicly available sources such as the CMO's website.
HQ State	The state in which the CMO is headquartered
Year Founded	The year in which the entity was founded, typically its year of incorporation or the year its first entity was created
Number of Schools	The number of schools associated with the entity, based on state-determined definitions of schools
Number of charters	The number of charters held collectively by the CMO, if it can be determined
Number of states	The number of states the CMO operates in, based on the physical locations of the schools associated with the CMO
Website	The CMO website, if available
Comment	Contextual comments created by School Improvement Partnership

## Debt Covenants

Most bond documents contain many covenants, most of which are nonfinancial. We track two financial covenants that are both common and highly relevant to investors and lenders. We record only one debt service coverage covenant and one days' cash on hand covenant for each entity, although rarely, covenants may differ between bond issues of the same entity. We attempt to provide the covenants found in the most recent bond issue of that entity, generally from the Official Statement, disclosure reports, or audited financial statements.

**Debt service coverage (DSC).** This is a measure of the sufficiency of cash flow (net available) to cover principal and interest on debt (debt service). It is expressed as a ratio such as 1.1, meaning net available covers debt service 1.1 times. If a bond issue has an escalating covenant, such as 1.0 in 2021, 1.1 in 2022, and 1.15 thereafter, we record ONLY the “terminal” covenant level, the one that endures for the rest for the bond’s life. In this example, 1.15.

Users should beware that covenant calculations are unique to each entity, including the definitions used to determine the components of the debt service coverage calculation. Therefore, covenants are generally not comparable from entity to entity, even when they nominally share a similar coverage threshold.

**Days' Cash on hand.** This covenant is also sometimes called a liquidity covenant or similar names. This is a measure of the borrowers' ability to withstand operating stress by using its unrestricted cash reserves. It answers the question: How many days can the entity operate, paying operating expenses as usual, without any revenue? For example, days' cash of 90 means the entity can survive for 3 months with no revenue and still pay all expenses. We record days' cash as a number with no decimals, such as 40 or 60. If a bond issue has an escalating covenant, such as 40 days in 2021, 50 days in 2022, and 60 days thereafter, we record ONLY the “terminal” covenant level, the one that endures for the rest for the bond’s life. In this example, 60.

If a covenant is not stated in days cash but can be converted to days' cash, we do. For example, a covenant to maintain cash reserves equal to 5% of annual operating expenses can be converted to days' cash. Since a year is 365 days, 5% of a year is 18.25 days. In this case the covenant would be recorded as 18.

As with debt service coverage, users should beware that covenant definitions are unique to each bond issue and may not be comparable across entities.

*Linked covenants.* Some documents have complex linkages between covenants, such as days' cash covenant is 60, but if debt service coverage is below 1.1x, the days' cash covenant is 90. In these cases, the covenant that applies in any given year could change. Because we wouldn't know which covenant applies at any time, we generally enter the more conservative of the options, in this case we would record 90 days' cash.

## Debt Covenants

---

Metric	Definition
Debt Service Coverage	A measure of the sufficiency of cash flow (“net available”) to cover annual principal and interest on debt (“debt service”). It is expressed as a number such as 1.2.
Days’ Cash on Hand	A measure of the ability to withstand operating stress by using unrestricted cash reserves. May also be called a liquidity covenant or similar terms. Expressed as a number of days, such as 60.

## Financial Data

### Background

The SIP Database contains financial data about charter schools and charter networks, generally of two types:

1. From audited financial statements, using a standardized methodology to maximize comparability
2. From state-run data sources, generally unaudited but standardized within a state

Additionally, the SIP Database contains ratio calculations based on standard definitions that are common in charter school finance. The definitions used in the SIP Database will vary from those used in covenant calculations such as days’ cash on hand or debt service coverage, which are defined uniquely in each charter entity’s financing documents. While we report covenants in the SIP Database wherever available, we do not attempt to verify covenant compliance.

### Charter School Accounting Methods

Charter schools are generally non-profit entities that may or may not be considered component units of a governmental entity such as a school district. Accounting methodologies for charter schools vary from state to state, with both Governmental Accounting Standards Board (GASB) and Financial Accounting Standards Board (FASB) being common methods of charter school accounting. The method is generally the same within a state. For example, charter schools in North Carolina use GASB accounting while those in California use FASB.

# School Improvement Partnership Database



## Data Standards

### Achieving Comparability; Limitations

Charter school entities report individual financial metrics in a variety of ways. For example, the current portion of long-term debt might be labelled “Current portion of long-term debt”, “Long term liabilities due within one year”, “Current portion of bonds payable”, etc. Unrestricted cash may be labelled as “Cash”, “Cash & Equivalents”, “Cash & Investments”, etc. While these are simple examples, every audit contains dozens of variations that must be interpreted and correctly classified to consistently compare one charter entity to another. SIP accounting analysts manually review every audit to determine how to classify each reported number in the SIP Database standard financial format.

Significant differences in reporting under GASB and FASB standards make comparability between the two challenging. For example, FASB accounting focuses on measurement of activities with and without donor restriction, while GASB accounting focuses on measurement of activities within funds, such as governmental, business type, and component units. We believe that a comprehensive view of the entire organization is most useful to understand and enables as much comparability as possible. For GASB financial statements, we combine all funds, including governmental, business type, and component units. For example, if some property plant & equipment is owned by the governmental fund and some by a component unit, the reported amount of property plant & equipment in the SIP database will be the total across all funds. The same is true for all line items of the statements of net position and activities. We report the total with FASB financial statements, where there are financial entries with donor restrictions and those without, for the same reason. Because GASB does not emphasize current versus long-term assets and liabilities, we do not either, focusing instead on all assets, liabilities, and the totals thereof.

There are limits to comparability that users should be aware of. These challenges are most prevalent with GASB accounting. For example, an LLC created for the purpose of owning physical plant and paying debt service will generally be fully consolidated using FASB accounting but may be considered a component unit under GASB standards. Component units are presented side-by-side with governmental funds and not consolidated with them; intra-fund payments such as operating lease payments from the governmental fund to the component unit are not eliminated, as would generally be the case in a fully consolidated accounting presentation. This raises the risk that certain expenses such as interest and operating leases are double counting. For example, an operating lease payment made from the governmental fund of a charter school to its component unit may be used by the component unit to pay debt service on the bonds and thus may be partially included in the component unit’s interest expense. GASB reporting methods make it difficult to determine when double counting is occurring and by how much. The SIP Database does not attempt a full consolidation of entities where none is present. To accomplish a full consolidation would require knowledge of accounting entries that should be eliminated which are generally not available solely from the audited financial statements. Therefore, we report each number as described in the audited financial statements and encourage users to make case-by-case analytic judgements and adjustments.

### Financial data for schools and CMOs

We collect financial data from audited financial statements of schools and CMOs, generally only for those entities that are debt issuers, using public data sources. For freestanding schools, we provide

# School Improvement Partnership Database



## Data Standards

audited financial data for the school, if available. For CMOs and CMO members, where consolidated audited financial statements for the CMO are available, we collect the CMO-level information and replicate it to all CMO members within the CMO. We generally do not collect financial information for subsets of CMOs, such as obligated groups, if consolidated entity-wide information is available. For a few CMOs that do not produce consolidated audited financial statements, but individual members do, we collect financial information for the individual CMO members that are debt issuers, and flag the situation in the comment field.

### Specific line Items

Following are data definitions related to financial data in the SIP Database.

Financial Data Type	SIP Database Reporting Standards
<b>General</b>	
Scale	All numbers are entered in thousands of US dollars (\$000s) rounded to the nearest thousand, using standard mathematical rounding. For example, \$4,125,647 is reported as 4126.
Basis of reporting	When financial data is reported in separate funds such as Governmental Funds, Component Unit, and Business Type Activities Fund, or With Donor Restrictions and Without Donor Restrictions, we report the total of all funds.
Audit URL	The link to the audit, if publicly available
Audit Date	The date as of which the audited financial statements reflect, expressed as month-day-year, for example, June 30, 2019
Auditor opinion	Classified as one of the following: Unqualified, qualified, adverse, disclaimer of opinion, or no opinion/other
Accounting type	GASB, FASB or Other
<b>Statement of Net Position (all monetary fields are reported in \$000s)</b>	
<b>Assets &amp; Deferred Outflows</b>	
Cash & Cash equivalents	Cash and cash equivalents, as reported, generally in the Statement of Net Position, that are not labelled as restricted, trustee-held, assets limited, donor restricted, or other restricted purpose
Investments & board designated	Investments, certificates of deposit, board designated, marketable securities, and other financial investments not reported as

## Data Standards

	restricted, generally from the Statement of Net Position
Restricted funds for bonds	Cash and investments labelled as restricted for debt or trustee-held, such as debt service reserves and construction funds, as reported, generally from the Statement of Net Position
Other restricted investments	Other cash & investments restricted as to use
Accounts receivable	Accounts receivable, as reported, generally from the Statement of Net Position. Does not include receivables from other governments including, local, state and federal governments, which are reported in Due from other governments
Right of use assets - finance leases	The value related to the right to use assets under leases determined to be finance leases, as reported, generally on the Statement of Net Position
Right of use assets - operating leases	The value related to the right to use assets under leases determined to be operating leases, as reported, generally on the Statement of Net Position
Capital assets, gross	Gross capital assets, as reported, generally from the Statement of Net Position or a schedule of changes in capital assets in the notes to the financial statements. May be called property, plant and equipment or other similar terms
Accumulated depreciation	Total accumulated depreciation, as reported, generally from the Statement of Net Position or a schedule of changes in capital assets in the notes to the financial statements.
Net capital assets	Net capital assets, as reported, generally from the Statement of Net Position. May be called property, plant and equipment or other similar terms
Due from other governments	Receivables or "due from" from local, state, or federal sources, from the Statement of Net Position
Deferred outflows - pension	Deferred Outflows related to pensions, as reported, generally on the Statement of Net Position. Generally, only found with GASB accounting
Deferred outflows - OPEB	Deferred Outflows related to Other Post-Employment Benefits (OPEB), as reported,

# School Improvement Partnership Database



## Data Standards

	generally on the Statement of Net Position. Generally, only found with GASB accounting
Deferred outflows - other	Other Deferred Outflows not labelled as relating to pensions or OPEB, as reported, generally on the Statement of Net Position. Generally, only found with GASB accounting
Other assets	Assets reported on the Statement of Net Position but not otherwise enumerated elsewhere. May include assets labelled as "other assets" or other assets not fitting any other defined asset category
Total Assets & Deferred Outflows	Total of Assets and Deferred Outflows, as reported on the Statement of Net Position. If reported separately or in discrete funds, the sum of assets and deferred outflows of all funds and reporting units
<b>Liabilities &amp; Deferred Inflows</b>	
Accounts payable	Accounts payable, as reported, generally on the Statement of Net Position
Accrued salaries & other payables	Accrued payroll, accrued interest and other short-term payables, as reported on the Statement of Net Position
Construction & retainage payable	Liabilities related to construction such as amounts due to contractors, as reported on the Statement of Net Position
Bonds payable	Bonds and other long-term debt obligations as reported on the Statement of Net Position. Does not include Paycheck Protection Program (PPP) Loans, finance lease liabilities or operating lease liabilities
Finance lease liabilities	The liability related to finance lease commitments, from the Statement of Net Position or notes
Other debt	Includes notes, loans payable, mortgages, lines of credit, and other forms of debt. Does not include PPP Loans and finance lease liabilities
Operating lease liabilities	The liability related to operating lease commitments, from the Statement of Net Position or notes
PPP Loans	Amount borrowed under the Paycheck Protection Program. Not relevant prior to 2020. PPP loans are reported in this field regardless of where accounted for. For

# School Improvement Partnership Database



## Data Standards

	example, if included in Bonds Payable on Statement of Net Position, we report the PPP loan using this field and we report Bonds Payable net of the PPP loan.
Net pension liability	Net pension liability, as reported, generally on the Statement of Net Position
Net OPEB liability	Net OPEB liability, as reported, generally on the Statement of Net Position
Other liabilities	Liabilities reported on the Statement of Net Position but not otherwise enumerated elsewhere. May include liabilities labelled as "other liabilities" or other liabilities not fitting any other defined liability category
Deferred inflows - pension	Deferred inflows related to pension, as reported, generally on the Statement of Net Position. Generally, only found with GASB accounting
Deferred inflows - OPEB	Deferred inflows related to Other Post-Employment Benefits (OPEB), as reported, generally on the Statement of Net Position. Generally, only found with GASB accounting
Deferred inflows - other	Other Deferred inflows not labelled as relating to pensions or OPEB, as reported, generally on the Statement of Net Position. Generally, only found with GASB accounting
Total Liabilities & Deferred Inflows	Total of liabilities and deferred inflows as reported on the Statement of Net Position. If reported separately or in discrete funds, the sum of assets and deferred inflows of all funds and reporting units
Net Position - total	The total net position, as reported in the Statement of Net Position. May be labelled total net assets or total fund balance
Net Position - unrestricted/without donor Restriction	The unrestricted portion of total net position, as reported on the Statement of Net Position. May also be labelled unrestricted net assets, fund balance, net position without donor restrictions, or similar terms. If financial statement is silent as to whether the net position are restricted or unrestricted, we treat as unrestricted

## Data Standards

Statement of Activities	
<b>Revenue</b>	
Program revenue	Generally, only found with GASB accounting. Revenue reported from programs, grants and other discrete sources and reported as program revenue. Often reported in business-type or component unit funds
Local government funding	Revenues from local sources, as reported, from the Statement of Activities. There is a wide variety of reporting and unique terminology used to account for local, state, and federal revenue. Judgement is applied in grouping revenues as being from local, state or federal sources
State funding	Revenues from state sources, as reported from the Statement of Activities. There is a wide variety of reporting and unique terminology used to account for local, state, and federal revenue. Judgement is applied in grouping revenues as being from local, state or federal sources
Federal revenue and grants	Revenues from federal sources, including federal grants, as reported from the Statement of Activities. There is a wide variety of reporting and unique terminology used to account for local, state, and federal revenue. Judgement is applied in grouping revenues as being from local, state or federal sources
Investment income & contributions	Revenue from contributions, interest, dividends, and investment income
Other operating revenue	Revenue reported on the Statement of Activities but not otherwise enumerated elsewhere. May include revenue labelled as "other revenue" or other revenue not fitting any other defined revenue category
Nonoperating revenue	Nonrecurring revenue or revenue related to activities outside the normal scope of activities
Total revenue	Total revenue in all funds, as reported on Statement of Activities. If reported in separate funds, the sum of revenue in all funds

# School Improvement Partnership Database



## Data Standards

Expense	
Instructional	Expenses related to instruction, as reported, from the Statement of Activities or statement of functional expenses. There is a wide variety of reporting and unique terminology used to account for instructional expenses. Judgement is applied in grouping expenses as being instructional
Systemwide support	Expenses related to support and administration, as reported, from the Statement of Activities or statement of functional expenses. There is a wide variety of reporting and unique terminology used to account for support expenses. Judgement is applied in grouping expenses as support expenses
Business type activities	Expenses of business type activities funds, as reported on the Statement of Activities. Generally associated with GASB accounting
Interest	As reported on Statement of Activities or elsewhere in audited financial statement. May be rolled into instructional or support expenses by auditor. Included as a memo; May not sum to Total Expenses
Depreciation & Amortization	Depreciation and amortization expenses, as reported on Statement of Activities, Statement of Cash Flows, or elsewhere in audited financial statement. Includes amortization expense if reported. May be rolled into instructional or support expenses by auditor. May be imputed as the increase in accumulated depreciation incurred during the fiscal year. Included as a memo; May not sum to Total Expenses
Other	Expenses reported on the Statement of Activities but not otherwise enumerated elsewhere. May include expenses labelled as "other expenses" or other expenses not fitting any other defined expense category
Total expenses	As reported in statement of activities. Because reported expenses often roll in expenses such as depreciation, interest and operating leases, items enumerated above may not sum to Total Expenses.

## Data Standards

<b>Changes in Net Position</b>	
Restatements & other net asset changes	From the Statement of Net Position, nonrecurring changes to net assets such as gain/loss on disposal, gain on debt forgiveness, and gain/loss from accounting changes. Judgement may be applied in determining whether to record such changes with operations or as restatements and other net asset changes. Also includes changes in net position related to restricted net assets, if reported separate from operating revenues and expenses
Change in net position	The total change in net position including all funds and those with/without restrictions, from the Statement of Activities. May also be called "change in net assets" or similar term.
<b>Statement of Cash Flows</b>	
This section is mostly relevant with FASB accounting, but some elements may be available in GASB statements	
Net cash provided (used) by operating activities	From the Statement of Cash Flows, as reported - net cash provided (used) by operating activities. Generally, not available in audited financial statements utilizing GASB accounting
Net cash provided (used) by investing activities	From the Statement of Cash Flows, as reported - net cash provided (used) by investing activities. Generally, not available in audited financial statements utilizing GASB accounting
Net cash provided (used) by financing activities	From the Statement of Cash Flows, as reported - net cash provided (used) by financing activities. Generally, not available in audited financial statements utilizing GASB accounting
Net increase (decrease) in cash	From the Statement of Cash Flows, as reported - net increase (decrease) in cash. Generally, not available in audited financial statements utilizing GASB accounting
Purchase of capital assets	Purchases of property, plant, equipment or other capital assets, as reported, generally on the Statement of Cash Flows or the schedule of changes in capital assets
Principal paid	Principal payments on all debt including bonds, mortgages, notes, finance and capital

## Data Standards

	leases, etc. May exclude forgiveness of PPP loans and payments on lines of credit or other short-term borrowings intended for intra-year purposes. Judgement will be applied in determining whether to include principal payments on short-term debt
Cash paid for interest	From the Statement of Cash Flows, as reported – cash paid for interest. Generally, not available in audited financial statements utilizing GASB accounting
<b>Operating Leases</b>	
Operating lease expense	Amount expensed for operating leases. May be rolled into instructional or support expenses by auditor
<b>Future Minimum Lease Payments, FY ended</b>	
2019	Scheduled future payments on operating leases for each future year, as reported
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
Thereafter	
<b>Pension &amp; OPEB</b>	
If an entity has a defined benefit and a defined contribution plan, we report the defined benefit plan. If an entity has multiple defined benefit plans, we report the largest plan in our judgement	
Pension plan type	Classified as one of the following: Agent Multi-Employer Defined Benefit, Cost-Sharing Multi-Employer Defined Benefit, Single Employer Defined Benefit, Other Plan, or No Plan/Defined Contribution Plan Only
Plan sponsor name	Name of the plan sponsor, for example "State Teachers' and Employees' Retirement System". No sponsor named for defined contribution plans

# School Improvement Partnership Database



## Data Standards

Contributions to pension plan	The amount the entity contributed during the fiscal year to the pension plan, as reported. Does not include employee contributions or contributions paid by the state on behalf of the entity
Contributions to OPEB Plan	The amount the entity contributed during the fiscal year to the OPEB plan. Does not include employee contributions or contributions paid by the state on behalf of the entity

Last updated: April 18, 2022