



# School Review and Fiscal Accountability Division

## Early Warning & Deficit Schools Active Vs. Inactive Oversight Process

<b>Inactive Oversight (All Districts)</b>	
<b>Early Warning - Trend Analysis</b>	<b>Deficit Schools</b>
Projection Model Analysis Review of Budgetary Assumptions Budget Review Enrollment Analysis	Projection Model Review of Budget Assumptions Budget Review Enrollment Analysis

**IF DEFICIT PROJECTED  
OVERSIGHT TRANSITIONS TO ACTIVE**



**IF DEFICIT EXISTS (Budgeted/Audited)  
OVERSIGHT TRANSITIONS TO ACTIVE**

<b>Active Oversight (Identified Districts)</b>	
<b>Early Warning</b>	<b>Deficit Schools</b>
Corrective Action Plans Potential Fiscal Stress Determination Budgetary Assumptions (5% Rule) Periodic Reporting Monthly Meetings	(MDE) Review & Approve Deficit Elimination Plans (DEP) < 5 Years  (Treasury) Review & Approve Enhanced Deficit Elimination Plans (EDEP) > 5 Years (Treasury)  Budgetary Assumptions (5% Rule) Periodic Reporting Monthly Meetings



<b>Transition from Active to Inactive Oversight</b>	
<b>Early Warning -Trend Analysis</b>	<b>Deficit Schools Trend Analysis</b>
Review of Audited Financial Statements Analysis of Budget Trends Enrollment Analysis	Review of Audit Financial Statements Analysis of Budget Trends Enrollment Analysis

**IF NO DEFICIT PROJECTED  
OVERSIGHT RETURNS TO INACTIVE**

**IF GENERAL FUND DEFICIT ELIMINATED  
OVERSIGHT RETURNS TO INACTIVE**