

School Year 2024–25 Statement of Income and Expenditures

Novation Education Opportunities

Executive Summary

Name of Authorizing Organization: Novation Education Opportunities (NEO)

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NEO Mission: Authorize and oversee charter schools through consistent, ongoing and robust evaluation to achieve significant and measurable student growth.

NEO Vision: The vision of NEO is to be a leading Minnesota Authorizer of innovative, diverse, and effective charter schools.

Background. In 2009, Minnesota passed a new charter school law effectively holding charter school authorizers to higher standards in overseeing the charter school performance in the areas of student achievement, governance, operations, and finance. Due to the new charter school law, essentially all 52 prior authorizers which included districts, colleges/universities and large non-profit organizations, had to be reapproved by the state if they intended to continue to serve as an authorizer. In addition, the new law called for a new category of authorizers, 'single purpose authorizers', whose sole mission is chartering schools to achieve the primary purpose of improving all student pupil learning and all student achievement.

At that time, primarily due to capacity issues, many authorizers did not resubmit their application and some were denied. NEO was one of the first single-purpose authorizers approved and received approval to authorize 12 schools that transferred from authorizers that no longer continued. Beginning in 2012-2013, NEO authorized 12 operational chartered schools. NEO has grown since then and served as the authorizer of 30 schools in 2024-2025, one of which opened in school year 2025-26, three of which are currently projected to open 2026-2027, and one of which was not renewed and closed.

NEO is governed by a Board of Directors that makes the final decision to approve or reject charter school applications based upon the recommendations of the NEO Advisors (contracted experts) and the Executive Director. The Board of Directors also makes final decisions regarding charter renewals, terminations, and expansions, supervises the Executive Director, and carries out all duties of a nonprofit governing board.

As a volunteer body, the NEO Board is assisted by the NEO Advisors and the Executive Director who serves as the main charter school liaison. The Advisors, who are independent contractors, review and research applications, assist with the oversight of school performance and school board meetings, provide technical assistance, facilitate sharing of effective practices and resources, and conduct fact finding and complaint resolution in response to complaints. Advisors bring a depth of experience and expertise from the charter school community and elsewhere in academic, governance, operation and financial compliance and oversight.

As an authorizer, the three main ways that NEO works collaboratively with charter schools to improve all pupil learning and all student achievement are by starting high quality charter schools, supporting continuous improvement of operating charter schools, and supporting and facilitating the replication and expansion of high-quality schools and their practices. NEO 's goals, which align to improving the learning, achievement, and success of all students, are to authorize schools to improve the percent of students meeting and exceeding grade level standards and to improve the percent of students meeting and exceeding growth goals, as well as improve graduation rates.

Please see the following page for information on income and expenditures.

FY25 Income (July 1, 2024 – June 30, 2025)

Grant and Misc Revenues	\$8,034.14
Gen Aid Program Service Fees*	\$575,267.75
Achieve Language Academy	\$29,124.00
Agamim Classical Academy	\$29,124.00
Aspire Academy	\$21,209.55
Avalon School	\$29,124.00
Bultum Academy	\$25,812.97
Discovery Charter School	\$17,264.71
Escuela Exitos	\$26,845.05
Great Oaks Academy	\$29,124.00
Great River School	\$29,124.00
Hmong College Prep Academy	\$29,124.00
Kato Public Charter School	\$10,375.35
Lionsgate Academy	\$29,124.00
Nerstrand Elementary	\$11,467.58
New Century Academy	\$13,651.88
New City School	\$29,124.00
North Metro Flex Academy	\$22,738.56
Quantum STEAM Academy	\$21,406.14
Saint Cloud Math and Science Academy	\$29,124.00
Sejong Academy	\$29,124.00
Star of the North Academy	\$29,124.00
STEAM Academy	\$7,863.48
Surad Academy	\$8,627.99
TEAM Academy	\$9,392.49
Universal Academy	\$29,124.00
Urban Academy	\$29,124.00
Total Income	\$583,301.89

*Schools in Statutory Operating Debt and in Pre-operation are not assessed a fee.

FY25 Expenditures (July 1, 2024 – June 30, 2025)

Staff Salary and Benefits	\$293,499.30
Staff Professional Development	\$17,986.07
MN Association of Charter Schools Membership	\$1,800.00
National Association of Charter School Authorizers Membership	\$2,750.00
Trainings, Conferences	\$13,436.07
Annual Operating Costs	\$30,663.66
Bank Charges	\$49.96
Communications (ATT, Website, UPS)	\$2,520.00
Business Services (Accounting and Payroll)	\$15,687.50
Food for NEO Board Meetings	\$658.01
Liability and Director's and Officer's Insurance	\$2,494.00
Office/General Administrative Expenditures	\$5,467.19
Parking	\$4.50
MN Association of Charter School Authorizers (MACSA) Membership (Two Years)	\$10,983.79
Legal/Compliance	\$3,740.00
New Charter Decisions - Consultant Fees	\$16,932.50
Expansion Decisions - Consultant Fees	\$5,064.12
Ongoing Oversight Epicenter Basecamp	\$86,996.44
Consultant Fees - Board Meeting Observations and Site Visits to Verify Compliance	\$46,871.44
Epicenter Document Management System	\$40,125.00
Interventions Corrective Action - Consultant Fees	\$5,261.25
School Support Development Tech Assistance - Consultant Fees	\$43,686.88
Dissemination of Effective School Practices	\$69,005.99
Consultant Fees - School Learning Walk Site Visits	\$18,858.75
Docebo - Charter Board Training, Development, and Resource Sharing Website	\$35,344.30
Fall and Spring Celebration of Leading and Learning Events for Authorized Schools	\$14,802.94
Total Expenses	\$583,820.00
Net Income	- \$518.11

Per NEO's policy, NEO maintains at least a 30% fund balance.

Balance Sheet as of June 30, 2025	
Assets	
Current Assets	
Cash	\$335,064.76
Accounts Receivable	\$86,554.78
Other Current Assets	\$0.00
Total Current Assets	\$421,619.54
Fixed Assets	
Cash	\$1,990.00
Accounts Receivable	(\$1,990.00)
Total Fixed Assets	\$0.00
Total Assets	\$421,619.54
Liabilities	
Current Liabilities	
Accounts Payable	\$17,594.06
Payroll Liabilities	\$13.19
Other Current Liabilities	\$0.00
Total Liabilities	\$17,607.25
Equity	
Beginning	\$404,530.40
Net Income	(\$518.11)
Total Equity	\$404,012.29
Total Liabilities and Equity	\$421,619.54