

What I Wish I Knew!



First 3 Years of Charter School Operations

What I Wish I Knew

Presenters:

Kelly Cadman

Director, Education and Training, Georgia Charter Schools Association
Founder, Brighten Academy – K-8 charter school, Douglasville, GA

Gary Martin

President, Georgia Magnet Charter Schools Foundation Corp.
Founder, Hapeville Charter School and Career Academy – 6-12, Atlanta, GA

Why Is This Session Important?



So you can focus on your mission – growing kids.

So you think that you want to start a charter school?

Simple . . .

- Write a charter proposal.
- Find a location.
- Hire some teachers.
- Buy some books.
- **Go!**

WAIT!



What I “Think” I Know

“New” charter school organizers and operators usually have the **Mission and Vision** ready to go...

. . .”to enlighten minds...”

. . .”to increase achievement...”

. . .”teach the whole child...”

What I “Think” I Know

“New” charter school organizers and operators usually have the **Academic Plan** ready to go...

...different goals to measure learning

...particular curriculum

...specific pedagogy

What I “Think” I Know

“New” charter school organizers and operators think they can do it better than the public school...

...more flexibility with curriculum, pedagogy, and assessment

...ability to spend money more wisely

...greater efficiency in operations

What I Need To Know

- These are wonderful goals.
- You should not stop moving forward with your plans and goals.
- The charter school experience is extremely rewarding.

But there is a lot more to **know** and **do** to open and run a high quality charter school...

What I Wish I Knew...



We hope to share with you today...

Some lessons from the school(s) of hard knocks.

Some lessons on best practices.

Some lessons from the heart.

What I Wish I Knew

Barriers to Effective Governance:

- Domination by a founder (“founderitis”) or Educational Management Organization
- Poor leadership on the board (inefficient, unfocused, no accountability, etc.)
- No transition plan from a founding to a governing board
- Micromanagement – failure to delegate authority to school leader
- No plan for rotation, succession, and transition
- Failure to remove unproductive members
- Size
- Lack of functioning committee structure
- No strategic plan
- Lack of participation by all Board members
- No plan for orientation of new and old members
- Shortage of time or Board member commitment to the process
- Avoidance of managed risk taking and holding onto the “old ways”
- Lack of clarity on board-staff roles and relationship (“not my job”)
- Conflicts of interests – need for policy and agreements
- Excessive turnover of board members
- Well intentioned people lacking training or capacity to plan and govern the school

Avoiding Micromanagement

Consider the owner vs. head coach analogy:

Board is the Owner:

- » Usually a group of business people who don't know the ins and outs of the "game."
- » Hires a competent, experienced, wise, and passionate head coach
- » Does not pick or hire the players.
- » Does not manage the players or the plays in any capacity.
- » Does not "Monday Morning Quarterback".
- » Establishes the metrics ("wins") expected.
- » Monitors the performance of the coach.

CEO is the Coach:

- » Shares the same mission and vision as the owner.
- » Has experience in the "game."
- » Picks and hires the best players to make the plays and win the game.
- » Plans the plays for the players to execute.
- » Meets the metrics ("wins").

Building Capacity

Targeted Board Recruitment

Orientation

On-going Training

Self Evaluation

Recognition



A Board With Capacity...

- Legal and Regulatory
- Fundraising
- Finance
- Curriculum and Instruction
- Political Savvy
- Governance
- Marketing
- Policy Development
- Buildings and Grounds
- Risk Management
- General Business
- Non-profit

What I Wish I Knew

Legal and Compliance

If the school operates as a 501(c)(3) organization, do you know how to stay compliant with non-profit IRS regulations?

Do you know the laws and regulations associated with IDEA? ADA? EEOC? FLSA? FERPA? NCLB? School Nutrition? Health/Safety?

Do you know the laws and safety regulations associated with the transportation of public school students IF you are going to transport students to/from home?

Do you understand Title I regulations and funding?

Title II regulations regarding highly qualified status?

What I Wish I Knew

Legal and Compliance

Have you budgeted for legal counsel...on-going?

Do you know the laws impacting your school kitchen for serving students breakfast and lunch, AND do you know how to apply for and receive reimbursements through the National School Lunch Program?

Do you (or someone on your Board/staff) know 100% what employee benefits MUST be taken out of each regular paycheck?

Have you planned for Teacher Retirement System (TRS/SRS) employer contributions and deductions for employees?

Do you have proper due process procedures for student and employee behavior and grievances...especially related to Special Education?

Has an attorney helped you craft these policies/procedures?

What I Wish I Knew

Legal and Compliance

Do you (or someone on your Board/staff) know exactly what the Fire Marshall will be looking for when contacting you that he/she is on the way to school for a routine inspection?

Do you understand laws and regulations related to public school buildings? (i.e., AHERA)

Did you know that your county/city may have zoning or building requirements you may have to follow.

.....

What I Wish I Knew

Legal and Compliance

Is your Emergency Plan ready, compliant with your authorizer and GEMA requirements, and available for a routine inspection and review.

Do you know what routine drills are required and how to report?

Do you know required notices that must be posted in your building?

Do you know what student and employee forms and records are required and records retention requirements? Are you aware of record audits (requirements and timing) from your authorizers?

Are you housing important records at the school...not at someone's home? Have you priced a fire-proof cabinet/vault?

Do you have a plan for authorized access of student, staff, and school records?

What I Wish I Knew

Financial Integrity, Accounting, and Reporting

Who is going to take care of deposits, reconciliations, setup accounts?

Have you considered yet how to establish an accounting system that interfaces well with the district/state? Have you considered the state's chart of accounts? Do you understand fund accounting?

Have you obtained direction from your authorizer on reporting financial information (formats, timelines, types of reports, etc.)

Are duties segregated?

Is there a procedure and point of contact for preparation of an independent financial audit? Do you have a process for preparing for the audit?

Who is reviewing payroll each month to verify?

What I Wish I Knew

Financial Integrity, Accounting, and Reporting

Will you (Do you) know how much money you are clearing each month...year? Have you planned for monthly cash flow reports?

Do you have a contingency plan?

Do you FULLY understand the funding mechanism in your state?

Does your board and school leader know how to tactically and strategically read financial reports (balance sheet, budget to actual, cash flow, etc.)?

Who is going to establish the yearly operating budget and monitor during the school year? What's the process? What's the timeline?

Have you cross-trained staff on processes?

What I Wish I Knew

Financial Integrity, Accounting, and Reporting

Are you familiar with the new Form 990 requirements?

Do you fully understand all financial reporting and filing you are required to do by the IRS and the authorizer?

Do you know your critical financial deadlines?

Do you have a system (i.e., QuickBooks) that can manage financial data and reports?

Part VII Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

	Yes	No
<i>For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.</i>		
1a Enter the number of voting members of the governing body	1a	
b Enter the number of voting members that are independent	1b	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	
6 Does the organization have members or stockholders?	6	
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	
b Each committee with authority to act on behalf of the governing body?	8b	
9a Does the organization have local chapters, branches, or affiliates?	9a	
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	
13 Does the organization have a written whistleblower policy?	13	
14 Does the organization have a written document retention and destruction policy?	14	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	15a	
b Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)	15b	
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed: ▶

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶

What I Wish I Knew

Academics & Operations

Do you have a strategic plan or plans to make one? Does your strategic plan include professional development for faculty/staff (particularly PRIOR to opening)?

Which survey(s) or data are you planning to use or collect on a regular basis to track parent satisfaction, student satisfaction, community satisfaction? How will you use data (from many sources) for the development of your school improvement plan? Who will track it?

Are your student achievement goals “SMART”? Are they up to snuff with authorizer expectations?

Does your schedule and staffing maximize funding?

Have you adequately planned for growth (staff, materials, furniture...)

What I Wish I Knew

Safety & Risk Management

Do you know 100% what to do if there is an injury to a student or faculty/staff member which occurs on school property during the school day ON YOUR WATCH? What about a missing student? What about a national emergency?

Do you have appropriate forms and processes created to track illness, injury, etc. Have you considered personnel required to manage?

Do you know what insurance policies and practices should be put into place to protect the organization, assets, and individuals?

Have you created a policy and procedures for criminal background checks, fingerprinting, and if appropriate, bonding?

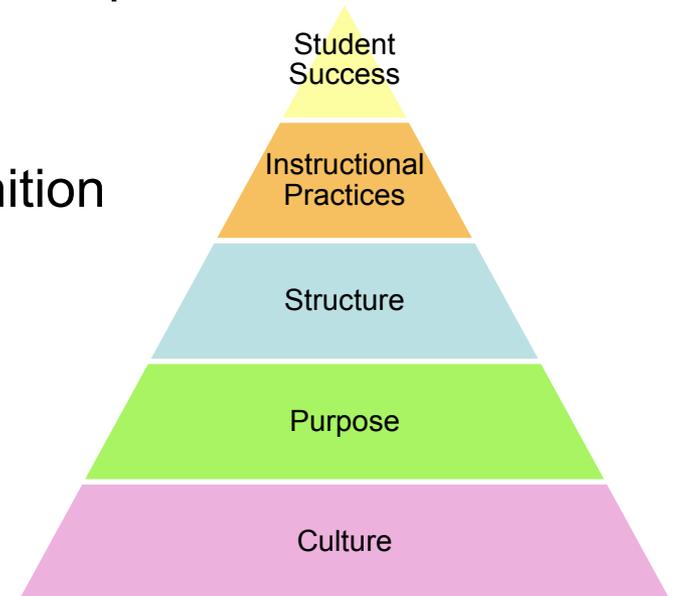
What I Wish I Knew

Community & Culture

Have you planned for development of a specific school culture including traditions, celebrations, communication, etc.? Does this plan mesh with your school's mission and vision?

Have you planned for how you will implement this plan to the staff, parents, students, and community?

Do you know about grants and special recognition opportunities available to your school via community outreach?



What I Wish I Knew

Facilities & Grounds

Do you know how much you can afford to budget for facility?

Have you considered how you will finance a facility?

Have you obtained the facilities requirements on the state DOE website and followed the requirements? (site selection, AHERA, environmental, etc.?) Did you know that the State Facilities Department will come and do a walk-through and support you through the bid/building process?

Have you developed a facilities plan (short and long term)?

Have you considered how to maintain the facility and grounds and budgeted appropriately, particularly for unexpected issues?

What I Wish I Knew

Policies & Procedures

Do you know the minimal standards which should be established in your Policies and Procedures Manual based on your state laws and best practices? Has an attorney reviewed your policies? Are the critical policies (financial, HR, board) ready to go BEFORE you open the school and hire anyone?

Does your Employee Handbook include the required legal wording to protect your organization?

Have you created adequate policies and procedures (discrimination, grievance, etc.) to protect the school and individuals, and is your staff TRAINED on them?

What I Wish I Knew

Marketing, Recruitment & Enrollment

Have you adequately “branded” yourself (logo, tagline, etc.)?

Do you have a marketing plan?

Have you budgeted for marketing?

Have you prepared adequately for recruitment and enrollment (forms, personnel, timing, procedures)?

Have you identified your authorizer’s requirements related to notification of enrollment?

Do you understand enrollment requirements from the federal and state perspective?

What I Wish I Knew

Leadership & Staffing

Have you selected a school leader , organizational structure, or EMO who has the capacity to:

- 1) Be an instructional leader.
- 2) Run a multi-million dollar business.

Why They Come:

Mission and vision
Flexibility
Philosophy

Sobering Stats:

10% leave yearly
43% plan to leave within 3yrs.
71% plan to leave within 5 yrs.

Charter vs. Public School Leaders:

Younger
Newer to Leadership
\$62,500 vs. \$82,500 salary (2005)

Why They Leave:

Demands of the Job
Lack of Capacity

What I Wish I Knew

Leadership & Staffing

Has your board planned and implemented:

- 1) A leader recruitment process?
- 2) Expectations for your leader that are communicated yearly (including a reporting mechanism?)
- 3) A monitoring and feedback system for your leader?
- 4) A mentoring and support structure for your leader?
- 5) A professional development plan for your leader?
- 6) An annual (or more often) review and feedback process?
- 7) Documentation processes and key players (HR Committee)?

What I Wish I Knew

School Leader Capacity Required...

- Integrity
- Strategic Planning (SIP, SDP)
- Instructional Leadership
- Curriculum Development
- Fiscal Accountability
- Risk Management
- Human Resources Skills
- Policy and Procedure
- Multi-tasker, Wears Many Hats
- Resourceful, Self-Managing
- Legally Compliant
- Culture/Community Development
- Facility/Grounds
- Emotional Stability
- Physical Stamina
- Community and Culture Development
- Hard Worker
- Hands-On, Actively Engaged
- Problem Solver
- Committed to Self-Development
- “Forest” AND “Trees”
- Shared philosophy
- Commitment to charter
- Pro-School Choice – Pro Charter
- Ambassador
- Fundraiser, Grant Writer
- Diplomat for all stakeholders
- Intelligent
- Stellar communicator – verbal/written
- Consensus Builder

Now...**GO!**



Helpful Resources

- <http://www.irs.gov/pub/irs-pdf/p4221pc.pdf> (Non-Profit IRS Compliance Guide)
- www.financeproject.org/publications/BeyondtheCheckbook.pdf (Manual for finance and accounting for charter schools)
- <http://www.isacs.org/resources/monographs/library.asp> (Monographs on governance and finance)
- <http://www.uscharterschools.org/governance/> (governance handbook)
- www.boardsource.com (General governance info.)
- www.publiccharters.org
- www.charterresource.org (governance and finance)
- <http://www.qualitycharters.org/files/public/ESPToolkit2005.pdf> (Manual for Managing Educational Management Organizations)
- http://www.uscharterschools.org/cs/spedp/print/uscs_docs/spedp/stateofficials.htm (SPED Primer and info.)
- www.gacharters.org (Georgia Charter Schools Association website with presentation)
- www.doe.k12.ga.us (State Department of Education)

Helpful Resources

Functions and Responsibilities

Task or Function	Person(s) Responsible	Timeline or Due Dates	Notes
I. Policies and Procedures			
a. Financial			
a. Student related			
a. Staff related			
a. Personnel			
a. Building, Facility, Grounds			
a. Legal			
a. Procurement			
a. Organizational and governance			
a. Administrative			
a. Insurance			
a. Communications			
a. Charter Related			
a. Instruction			
I. Financial			
a. Procurement			
a. Banking (deposits, reconciliation, supplies, set up accounts and access, etc.)			
a. Quick Books and report generation			
a. Budget development, approval, submission to county and/or state			
a. Grants – writing and administration of funds, spending, and reporting			
a. Inventory			
a. Surplus sales			
a. Loans			
a. Fundraising plan			
a. Funding changes and adjustments to budget			

This is only a sample page. If you would like this resource in its entirety, please email kcadman@gacharters.org

Helpful Resources

Board/Leadership Functions & Responsibilities Calendar

<u>March</u>	<u>April</u>
<p><u>Reports to Board:</u> Facilities report Financial reports PTO updates Discipline data Curriculum updates Enrollment data Summer program plan Bridge the Gap plan</p> <p><u>Board Action:</u> Prepare budget draft Charter changes reviewed</p> <p><u>Administrative Action:</u> Complete procurement Secretary of State renewal Accounting/payroll reconciliation Attendance administration Safety drills Parent involvement hours administration CPI report FTE count Surveys</p> <p><u>Meetings/Events:</u> Charter School Conference Curriculum, Community and Conversation SBOE Charter Committee Meeting</p>	<p><u>Reports to Board:</u> Facilities report Financial reports PTO updates Discipline data Curriculum updates Enrollment data Survey data</p> <p><u>Board Action:</u> Budget draft reviewed and approved Charter changes approved New Board member orientation Revise by-laws Board conflict of interest disclosure forms</p> <p><u>Administrative Action:</u> Playground maintenance CRCT testing Accounting/payroll reconciliation Attendance administration Safety drills Parent involvement hours administration</p> <p><u>Meetings/Events:</u> Curriculum, Community and Conversation SBOE Charter Committee Meeting</p>

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