

Academy By the Sea

Florida Charter School Application Evaluation Instrument

Each section presents criteria for a response that meets the standard, and these criteria should guide the overall rating for the section. The Strengths and Weaknesses boxes provide space to identify data and other evidence that supports the rating. The rationale for each rating is important, especially if some of the data or evidence does not fit neatly into the criteria provided.

The following definitions should guide the ratings:

- Meets the Standard:** The response reflects a thorough understanding of key issues and demonstrates capacity to open and operate a quality charter school. It addresses the topic with specific and accurate information that shows thorough preparation and presents a clear, realistic picture of how the school expects to operate.
- Partially Meets the Standard:** The response addresses most of the criteria, but the responses lack meaningful detail and require important additional information.
- Does Not Meet the Standard:** The response lacks meaningful detail, demonstrates lack of preparation, or otherwise raises substantial concerns about the applicant's understanding of the issue in concept and/or ability to meet the requirement in practice

OVERALL ASSESSMENT – COMPLETE THIS SECTION LAST

Would you recommend approval of this application for a public charter school? Explain your recommendation in the Summary Comments section, below.

DENY	APPROVE
	<input checked="checked" type="checkbox"/>

Name of Person Completing Assessment: Dot Clark Date: 11/12/13

Title: Director of Charter Schools and Home Education

Signature: _____

Summary: Of the nineteen sections in the Evaluation Instrument the applicant scored:

In the Educational Plan the applicant scored:

- “Meets Expectations”- 3
- “Partially Meets”- 5
- “Does Not Meet”- 0

In the Organizational Plan the applicant scored:

- “Meets Expectations”- 2
- “Partially Meets”- 2
- “Does Not Meet” – 0
- Not Applicable - 1

In the Business Plan the applicant scored:

- “Meets Expectations”- 3
- “Partially Meets”- 1
- “Does Not Meet” - 2

I. Educational Plan

The education plan should define what students will achieve, how they will achieve it, and how the school will evaluate performance. It should provide a clear picture of what a student who attends the school will experience in terms of educational climate, structure, assessment and outcomes.

1. Mission, Guiding Principles and Purpose

The Mission, Guiding Principles and Purpose section should indicate what the school intends to do, for whom and to what degree.

Statutory References:

s. 1002.33(2)(a); s. 1002.33(2)(b); s. 1002.33(2)(c); s. 1002.33(6)(a)(1); s. 1002.33(7)(a)(1)

Evaluation Criteria:

A response that meets the standard will present:

- A compelling mission statement that defines the purpose and values of the school.
- A set of priorities that are meaningful, manageable and measurable, and focused on improving student outcomes.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
➤ The applicant presents a clear mission statement: Academy by the Sea will create an environment where the concepts of	Page 7

independence, acceptance, cooperation, courtesy, and grace along with a commitment to rigorous academic expectations produce students who are prepared to become leaders in the global community.	
Concerns and Additional Questions	Reference
➤ There is a concern that some elements of the Montessori model may not allow students to meet the specific grade level Next Generation State Standards (NGSSS)-Common Core State Standards (CCSS). This issue was discussed during a meeting with Academy By the Sea (ABTS) representatives on 10/24/13.	Pages 9-17

2. Target Population and Student Body

The Target Population and Student Body section should describe the anticipated target population of the school and explain how the school will be organized by grade structure, class size and total student enrollment over the term of the school's charter.

Statutory Reference(s):

s. 1002.33(10)(e); s. 1002.33(6)(b)(2); s. 1002.33(7)(a)(1); s. 1003.03

Evaluation Criteria:

A response that meets the standard will present:

- An understanding of the students the charter school intends to serve.
- If the applicant proposes to target certain populations, the projected student body should align with the overall mission of the school.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths							Reference
Identified projected enrollment:							Page 19
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Maximum Enrollment	
4 th	22	22	22	22	22	22	
5 th	22	22	22	22	22	22	
6 th	44	44	44	44	44	44	
7 th	44	44	44	44	44	44	
8 th	22	44	44	44	44	44	
Total	154	176	176	176	176	176	

Concerns and Additional Questions	Reference
➤ The applicant seeks to continue the Montessori experience for students who attend Gulf Port Elementary and local	Page 18 & 19

private Montessori schools (pg. 10). The School relies heavily on these schools for their target population; however, the applicant does not mention any communication between Academy by the Sea (ABTS) and these prospective feeder schools.	
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3. Educational Program Design

The Educational Program Design section should describe the educational foundation of the school and the teaching and learning strategies that will be employed.

Statutory Reference(s):

s. 1002.33(7)(a)(2)

Evaluation Criteria:

A response that meets the standard will present an educational program design that:

- Is clear and coherent;
- Is based on effective, research-based educational practices, teaching methods and high standards for student learning;
- Aligns with the school's mission and responds to the needs of the school's target population; and
- Presents evidence that the proposed approach will lead to improved student performance for the school's target population.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
➤ The School's design is based on Marie Montessori's philosophy and understanding of a child's developmental process.	Page 21 & 22

Concerns and Additional Questions	Reference
➤ The applicant describes the use of Learning Contracts and states that they are aligned with the NGSSS-CCSS; however, there is no evidence of this alignment.	Page 26
➤ The applicant states that "Ultimately student mastery of the NGSSS will be determined by scores on FCATs in reading, Math, Science, and Writing." There is no additional information about what formative assessments will be used to determine progress towards the NGSSS (and FCAT).	Page 26

4. Curriculum Plan

The Curriculum Plan section should explain not only *what* the school will teach but also *how* and *why*.

Form Number: IEPC-M2

Rule Number: 6A-6.0786

May 2012

Statutory Reference(s):

s. 1002.33(6)(a)(2); s. 1002.33(6)(a)(4); s. 1002.33(7)(a)(2); s.1002.33(7)(a)(4)

A response that meets the standard will present a curriculum plan that:

- Provides a clear and coherent framework for teaching and learning;
- Is research-based;
- Is consistent with the school's mission, educational philosophy and instructional approach;
- Will enable students to attain Sunshine State-Common Core Standards and receive a year's worth of learning for each year enrolled; and
- Will be appropriate for all students at all levels.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
➤ Themes that are consistent with Montessori philosophy are clearly explained.	Pages 29 & 30

Concerns and Additional Questions	Reference
<ul style="list-style-type: none"> ➤ Language! By Voyager Learning is aligned with the CCSS and identified as "under consideration". The applicant does not describe the current status of this curriculum. ➤ The applicant provides a vague description of remediation strategies for students who are not meeting grade level expectations. This issue was clarified at the meeting on 10/24/13. ➤ The Mathematics section lacks detailed strategies, materials, and clearly defined progress monitoring measures. ➤ Compass Odyssey and Study Island are mentioned as the "base for our mathematics curriculum" (pg. 32); however, the documentation provided does not show alignment to the Common Core Standards in Mathematics. This was clarified at the meeting on 10/24/13. 	<p>Page 31</p> <p>Pages 38-40</p> <p>Pages 32 & 33</p> <p>Appendix J & K</p>

5. Student Performance, Assessment and Evaluation

The Student Performance, Assessment and Evaluation section should define what students attending the school should know and be able to do and reflect how the academic progress of individual students, cohorts over time, and the school as a whole will be measured.

Statutory Reference(s):

Form Number: IEPC-M2
Rule Number: 6A-6.0786
May 2012

s. 1002.33(6)(a)(3); s.1002.33(7)(a)(3); s.1002.33(7)(a)(4); s.1002.33(7)(a)(5)

Evaluation Criteria:

A response that meets the standard will present:

- Measurable educational goals and objectives that set high standards for student performance.
- Promotion standards that are based on high expectations and provide clear criteria for promotion from one level to the next, and for graduation (if applicable).
- Evidence that a range of valid and reliable assessments will be used to measure student performance.
- Assessment activities that are sufficiently frequent and a detailed plan to determine whether students are making adequate progress.
- Evidence that data will inform decisions about adjustments to the educational program.
- Plans for sharing student performance information that will keep students and parents well informed of academic progress.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
➤ A thorough description of the RtI process is provided.	Pages 50-52

Concerns and Additional Questions	Reference
➤ “Measurement” of the objectives relies on the PARCC; however, the applicant does not address a contingency plan should the PARCC not be available.	Pages 44-47
➤ The applicant states the “students must also participate in Academy by the Sea’s service learning component.” There is a lack of detail describing the service learning component.	Page 48
➤ It appears that the school does have enough computers and supportive technology for the middle school FCAT CBT.	

6. Exceptional Students

The Exceptional Students section should demonstrate an understanding of the requirements of the school to serve all students and provide a concrete plan for meeting the broad spectrum of educational needs and providing all students with a quality education.

Statutory Reference(s):

s. 1002.33(16)(a)(3)

Evaluation Criteria:

A response that meets the standard will present:

- Clear description of the levels of service the school will provide to students with disabilities.
- A clear description of how the school will ensure that students with disabilities (SWD) will have an equal opportunity of being selected for enrollment.
- An understanding and commitment to collaborating with the sponsor to ensure that placement decisions for students with disabilities will be made based on each student's unique needs.
- An appropriate plan for evaluating the school's effectiveness in serving exceptional students, including gifted.
- A realistic enrollment projection (SWD) and a staffing plan that aligns with the projection.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference

Concerns and Additional Questions	Reference
<ul style="list-style-type: none"> ➤ This section of the application does not follow the Model Application provide by Form Number: IECP-MI, Rule Number: 6A-6.0786, May 2012. This issue was clarified during the meeting on 10/24/13. ➤ The applicant does not "indicate the level [of ESE services] that the school will provide to students with disabilities". This issue was clarified during the meeting on 10/24/13. ➤ The applicant refers to the EP and Gifted services, but does not provide a "clear description" on how services will be provide to Gifted students in accordance to the student's EP. ➤ The estimated enrollment of ESE students is 10%, with anticipation of serving a percentage "somewhat lower" (the school district ESE percentage is 12%). No plan is provide should the estimated % be higher. 	<p>Page 55</p> <p>Page 57</p> <p>Page 56</p>

7. English Language Learners

The English Language Learners section should demonstrate an understanding of the requirements of the school to serve English Language Learner students and provide a concrete plan for meeting the broad spectrum of educational needs and providing all students with a quality education.

Statutory Reference(s):

s. 1002.33(10)

Evaluation Criteria:

A response that meets the standard will present:

- Demonstrated understanding of state and federal requirements regarding the education of English language learner students.
- Sound plans for educating English language learner students that reflect the full range of programs and services required to provide all students with a high quality education.
- Demonstrated capacity to meet the school's obligations under state and federal law regarding the education of English language learner students.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
➤ The School will use the school district's Home Language Survey.	Page 59
Concerns and Additional Questions	Reference
➤ The ELL section does not identify some of the required elements for ESOL services including: parent involvement and notification, required ELL Team participants, documenting strategies by classroom teachers, and monitoring of "LF" students.	Pages 59 & 60
➤ The applicant states that progress monitoring will occur through the FAIR, Compass Odyssey, Study Island assessments, and portfolios. These are not approved progress monitoring assessments for all ELL students.	Pages 59 & 60
➤ Parents must be invited to participate in the ELL Team meetings.	Pages 59 & 60

8. School Climate and Discipline

The School Climate and Discipline section should describe the learning environment of the school and provide evidence that the school will ensure a safe environment conducive to learning.

Statutory Reference(s):

s. 1002.33(7)(a)(7); s. 1002.33(7)(a)(11); s. 1002.33(9)

Evaluation Criteria:

A response that meets the standard will present:

- A sound approach to classroom management and student discipline.
- Legally sound policies for student discipline, suspension, and dismissal.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference

Concerns and Additional Questions	Reference
<ul style="list-style-type: none"> ➤ This section of the application does not follow the Model Application provide by Form Number: IECF-MI, Rule Number: 6A-6.0786, May 2012. The information the applicant provides is addressed in Section 3 of this application. ➤ The behavior plan mentions removing disruptive students from the classroom. If ESE students are removed from the classroom, no plan is provided on how the school would monitor these students and continue their educational program and implement the requirements in the student's IEP. 	<p>Page 61</p> <p>Page 66</p>

II. Organizational Plan

The Organizational Plan should provide an understanding of how the school will be governed and managed. It should present a clear picture of the school's governance and management priorities, what responsibilities various groups and people will have, and how those groups will relate to one another.

9. Governance

The Governance section should describe how the policy-making and oversight function of the school will be structured and operate.

Statutory Reference(s):

s. 1002.33(7)(a)(15); s. 1002.33(9)

Evaluation Criteria:

A response that meets the standard will present:

- Documentation of proper legal structure of the governing board, or a plan to organize in conformity with the laws of Florida.
- A clear understanding and description of the governing board's responsibilities.
- Evidence that the proposed governing board will contribute to the wide range of knowledge and skill needed to oversee a charter school.
- A clear, sensible delineation of roles and responsibilities in relation to governance and school management.
- A sensible method for resolving disputes between parents and the school.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference

Concerns and Additional Questions	Reference
<p>With regard to the makeup of the founding board, there is some diversity in skill, however, none of the individuals appear to have experience in K-12 education other than one member who was a teacher for a few years a number of years ago. There are two individuals with significant educational experience that are listed as Special Advisers to the Board, but there is no indication as to what the role of a Special Adviser might be, how involved they will be in oversight, etc.</p>	<p>Page 79-80</p>
<p>The section on dispute resolution seems to address disputes between the School and the Sponsor as opposed to between the school and parents.</p>	<p>Page 74</p>
<p>Language regarding the terms of office on page 75 is confusing. Not clear if all of the Board Members will serve the same length terms, which would then potentially result in a complete turnover of the Board. Page 76 seems to indicate the terms will be staggered.</p>	<p>Page 75-76</p>
<p>There is a mention that meeting records will comply with public records law, but all records of the school must be in compliance.</p>	<p>Page 75</p>
<p>With regard to the organizational documents of the corporation, there are some provisions that are not in compliance with Statutes regarding charter schools, as follows:</p>	
<p>The provisions regarding distribution of property upon dissolution in the Articles of Incorporation are not consistent with Florida Statute. Section 1002.33(8)(e) requires that property purchased with public funds be returned to the Sponsor upon dissolution.</p>	
<p>Bylaws Section regarding Meetings and Notice do not provide for public notice of the meeting, which is not in compliance with Section 286.011, Florida Statutes.</p>	
<p>Section 11 of the Bylaws that provides for Informal Action of the Directors without a meeting is also not in compliance with Section 286.011, Florida Statutes.</p>	

10. Management

The Management section should describe how the day-to-day administration of the school's operations will be structured and fulfilled.

Statutory Reference(s):

s. 1002.33(7)(a)(9); s. 1002.33(7)(a)(14)

Evaluation Criteria:

A response that meets the standard will present:

- A management structure that includes clear delineation of the roles and responsibilities for administering the day-to-day activities of the school.
- A sound plan for the recruitment and selection of the school leader.
- A viable and adequate staffing plan aligned with the projected student enrollment.
- A sound plan for recruiting and retaining qualified and capable staff.

Meet the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
<ul style="list-style-type: none"> • The application describes an overview of the evaluation process, and agrees to comply with the requirements found in SB 736. 	Page 86

Concerns and Additional Questions	Reference
<ul style="list-style-type: none"> • The applicant does not give assurances that the school will not violate the statutory antidiscrimination provisions in hiring employees. • The application does not include provide a plan for the recruitment of the principal. • The professional credentials for an ideal teacher candidate is extensive (FL teaching certificate, highly qualified, ESOL endorsed, gifted endorsed, experienced Montessori trained teacher). It is unclear as to what candidate pool the school will access to find these teachers or if no applicant meets all these requirements how the school will prioritize the identified staff requirements. 	Page 82-87 Page 86 Page 88

11. Education Service Providers

The term “education service provider” (ESP) refers to any number of organizations that contract with the governing board of a school to provide comprehensive services. The three major types of ESPs that serve charter schools are education management organizations, comprehensive school design providers, and virtual school management organizations. The Education Service Provider section should describe, if applicable, the contractual arrangement between the school’s governing board and such a provider.

Statutory Reference(s):

s. 1002.33(7)(a)(9)

Evaluation Criteria:

A response that meets the standard will present:

- A persuasive explanation of the reasons for contracting with an education service provider.
- A persuasive explanation of how the proposed relationship with the ESP will further the school's mission.
- A clear description of the services to be provided by the ESP.
- A clear delineation of the roles and responsibilities between the school's governing board and the ESP.
- A clearly defined performance-based relationship between the school's governing board and the ESP.

Not Applicable	Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
Adequate	

Concerns and Additional Questions	Reference

12. Employment

The Employment section should define the policies and procedures that frame the school's relationship with its staff.

Statutory Reference(s):

s. 1002.33(7)(a)(14); s. 1002.33(12)

Evaluation Criteria:

A response that meets the standard will present:

- A compensation plan that will attract and retain quality staff.
- Policies and procedures that hold staff to high professional standards or a sound plan for development of policies and procedures.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference

Concerns and Additional Questions	Reference
<ul style="list-style-type: none">• The application contains a generic summary of some personnel procedures but does not contain a comprehensive personnel policy or a plan and timeline for developing one.• The application does not indicate whether charter school employees shall have the option to bargain collectively, as required by Section 1002.33(12)(b), Florida Statutes.• The application does not provide a description for how the school will disclose qualifications of teachers to parents collectively, as required by Section 1002.33(12)(f), Florida Statutes.• The application does not provide assurances that charter school will require all employees to complete background checks, as required in Florida Statutes.	Pages 88-92

13. Student Recruitment and Enrollment

The Student Recruitment and Enrollment section should describe how the school will attract and enroll its student body.

Statutory Reference(s):

s. 1002.33(7)(a)(7); s. 1002.33.(7)(a)(8); s. 1002.33(10)

Evaluation Criteria:

A response that meets the standard will present:

- A student recruitment plan that will enable the school to attract its targeted population.
- An enrollment and admissions process that is open, fair, and in accordance with applicable law.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
The application includes a reasonable description of the school's marketing and recruiting plan including allowable enrollment preferences for siblings, children of board members, school staff and active duty military personnel. Registration periods and provisions for conducting a lottery (should applicants exceed capacity) are clearly defined.	

Concerns and Additional Questions	Reference

III. Business Plan

The Business Plan should provide an understanding of how the charter operators intend to manage the school's finances. It should present a clear picture of the school's financial viability including the soundness of revenue projections; expenditure requirements; and how well the school's budget aligns with and supports effective implementation of the educational program.

14. Facilities

The Facilities section should provide an understanding of the school's anticipated facilities needs and how the school plans to meet those needs.

Statutory Reference(s):

s. 1002.33(7)(a)(13); s. 1002.33(18)

Evaluation Criteria:

A response that meets the standard will present:

- A realistic plan for acquiring a facility that is appropriate and adequate for the school's program and targeted population.
- Evidence that the school has access to the necessary resources to fund the facilities plan.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
The applicant identified several possible sites in the beach communities of St. Pete Beach, Madeira Beach, and Treasure Island. The applicant's preference is leasing the facilities formerly known as Gulf Beaches El.	Pages 99

Concerns and Additional Questions	Reference

15. Transportation

The Transportation section should describe how the school will address these services for its student body.

Statutory Reference(s):

s. 1002.33(20)

Evaluation Criteria:

A response that meets the standard will present:

- A transportation plan that will serve all eligible students.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference

Concerns and Additional Questions	Reference
The application will help facilitate carpooling efforts between families but this assumes that enrollment will be primarily from the beach residents. Options beyond that include public transportation. With only these two options available, transportation may be a barrier for families who were otherwise interested in their children attending the school especially ESE students who need transportation.	Page 109

16. Food Service

The Food Service section should describe how the school will address these services for its student body.

Statutory Reference(s):

s. 1002.33(20)(a)(1)

Evaluation Criteria:

A response that meets the standard will present:

- A food service plan that will serve all students.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
The applicant plans on contracting with a close Pinellas County school to provide the needed food service or will contract with a service to provide lunches.	Page 110

Concerns and Additional Questions	Reference

17. Budget

The Budget section should provide financial projections for the school over the term of its charter.

Statutory Reference(s):

s. 1002.33(6)(a)(5); s. 1002.33(6)(b)(2)

Evaluation Criteria:

A response that meets the standard will present:

- Budgetary projections which are consistent with all parts of the application, including the school's mission, educational program, staffing plan and facility.
- A realistic assessment of the projected sources of revenue and expenses that ensure the financial viability of the school.
- A sound plan to monitor the budget and make adjustments as necessary.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Strengths	Reference

Concerns and Additional Questions	Reference
<p>The application fails to present budgetary projections which are consistent with all parts of the application.</p> <p>➤ Start-up budget includes an aggressive fundraising budget of \$100,000 during the planning year. Fundraising tends to be an unpredictable and non-recurring source of revenue and should not be relied upon as a sustainable source of revenue. According to page 112 thus far only \$5,000 of the \$100,000 has been collected leaving \$95,000 to be collected. These funds may be difficult to raise and there is no guarantee applicant will meet this goal yet the planning budget requires a budget of \$74,847.60 to cover expenses. – <i>Applicant stated as of October 24, 2013 their fundraising drive has received an additional \$5,000 in cash pledges and approximately another \$20,000 in furniture or equipment donations. Per the submitted start-up budget, of the \$74,847.60 required to open the</i></p>	

school only \$3,700 is for tangible goods (furniture or equipment). Whereas \$71,147.60 will require cash as these expenses are for salary, rent, and utility expenses. This requires \$61,147.60 of which applicant has collected \$10,000. The district maintains its concern regarding the ability to raise sufficient funds to open the school.

- Operating (FEFP) budget should be kept separate from other funding sources.
- At least a 3% contingency in operating funds not evident as suggested by auditors for years one through five. For example, year one projects a fund balance of \$1,835.05 whereas 3% would be \$29,315.55. This is a very narrow margin and applicant could easily be in a deficit with only mild fluctuations in revenue, expenditures, or enrollment. – *When district met with applicant; applicant responded that the 3% is only recommended and not required. While Charter schools are not required to maintain a 3% fund balance district maintains its concern that a budget plan where the first year ending with an excess of revenue to expenditures of only \$1,835.05 or .17% is problematic, as many expenses and or revenues may be understated. Of particular concern as seen below are the revenue collections regarding before and after care and expenses for computers and rent. The ending fund balance provides a good indication of the financial health of an entity; .17% is an insufficient ending balance.*
- The revenue does not seem to support the assertion on Page 115 that \$40,000 has been excluded from the revenue as a safeguard against lower than projected enrollment. . – *When district met with applicant; applicant responded that revenue included in budget was built less \$40,000. Applicant did not include revenue worksheets to validate claim. As a result, district had to produce a revenue worksheet making assumptions. District estimates the revenue for year one with 154 students to be \$993,020. Applicant built budget based on FEFP revenue of \$977,185; leaving a difference of \$15,835. Furthermore, page 115 of application states that if charter has lower than anticipated enrollment funds would be saved through reducing the number of staff computers purchased during the planning year. Per the submitted planning year budget, only \$3,000 is budgeted for staff computers. Therefore, additional details are needed regarding the school's plan to monitor the budget and make adjustments as necessary due to unforeseen circumstances (e.g. less than anticipated enrollment).*
- Revenue collections from providing before and after care services appear to be inflated. This program may prove to be less of a revenue generation program than the budget plan is assuming. Revenue is stated at double the expense.
- Year four and five expenses assume the school will be ranked as high performing resulting in district fees of only 2%. This assumption could under estimate expenses approximately \$32,953.92 each of the two years or a cumulative total of \$65,917.84. This understatement of expenses would result in a

deficit for both years four and five. - *When district met with applicant; applicant responded that if school did not achieve the high performing status it would reduce expenses associated with enhancing its library, media, and textbooks. Per the submitted five year budget the grand total allocated for library, media, and textbooks in year four is \$21,750 and year fives total is \$31,000. Even if no purchases were made this reduction would be insufficient to cover the deficit.*

- Additionally the district fee in year two and three is understated. The budget reflects \$52,177.04 however 5% of the FEFP revenue of \$1,098,464 is \$54,923.20.
- The five year budget does not prove it will purchase an adequate number of computers. According to page 113, budget has been set aside in year one for 22 computers yet the revenue anticipates 154 students will enroll. With seven teachers and 154 students anticipated 22 computers is inadequate to furnish the school. The state requires one computer for every five students; therefore for the anticipated student population there should be a minimum of 31 computers. Proposed budget had one computer for every seven students. Year twos budget has set aside a budget for 10 computers; this is still below the required ratio and year three only allocates budget for two additional computers. In is not until year four sufficient funds have been allocated to meet the five to one student to computer ratio. This understatement of expenses skews the ending fund balance.
- The five year budget makes provisions for a \$2,000 raise in year three only. No other raise is being considered in the five year budget. Budget may be understated. This understatement of expenses skews the ending fund balance.
- The submitted budget is based on a \$60,000 lease for facilities. Page 100 of the application states the ideal location would be Gulf Beaches Elementary. Application further states applicant could lease said property for \$77,600. This would be in increase of \$17,600 each year. This annual increase to the budget would result in a deficit for each of the five years. In year one alone the ending budget would be a deficit of (\$15,764.95). By year five the ending budget would be a deficit of (\$57,467.39). - *Applicant clarified it does not believe the lease of Gulf Beaches is an option therefore it did not allocate its lease budget accordingly. District remains concerned sufficient budget may not have been allocated for its facility lease as budget is built at \$5,000 a month. This equates to approximately \$6 a square foot. Has applicant verified this is a viable going rate in the real estate market? Expenses may be understated, skewing the fund balance.*
- Application states on page 108 that electricity cost are estimated at \$46,996 annually. Year two reflects expense with no increase for inflation. Year three through five electricity budget reflects a decrease to \$42,996. Budget may be understated. This

<p>understatement of expenses skews the ending fund balance.</p> <p>➤ The organization chart provided on page 72 of the application show teachers and teacher assistants. There is no budget evident for the teacher assistants.</p> <p>In summary, the application fails to present a realistic assessment of the projected sources of revenue and expenses that ensure the financial viability of the school.</p>	
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18. Financial Management and Oversight

The Financial Management and Oversight section should describe how the school's finances will be managed and who will be responsible for the protection of student and financial records.

Statutory Reference(s):

s. 1002.33(6)(a)(5); s. 1002.33(7)(a)(9); s. 1002.33(7)(a)(11)

Evaluation Criteria:

A response that meets the standard will present:

- A clear description of how the school's finances will be managed. The description must include assurances that the governing board retains ultimate control over the school's finances.
- A clear description of strong internal controls. The system of internal controls must be sufficient to safeguard finances.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Strengths	Reference
	Pages 109-110.

Concerns and Additional Questions	Reference
<p>➤ The applicant failed to provide a clear description of strong internal controls relating to cash disbursements, cash controls, segregation of duties, and bank reconciliation. The application needs more comprehensive details relating to internal controls.</p> <p>➤ Applicant failed to provide a finance policy and procedure guide. The establishment of written policies and procedures are necessary to ensure implementation of internal controls and compliance with laws, rules, and good business practices.</p> <p>➤ Applications failed to utilize proper coding. For example not all FEFP revenue is to be coded to 3310. Improper recording of transactions affects the reliability of the applicant's reports on financial position and results of operations.</p> <p>➤ Student and financial documents need to be stored in a</p>	

waterproof environment. ➤ More detail is needed regarding the applicant's understanding of the school's insurance requirement including the types and amounts.	
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19. Action Plan

The Action Plan should provide a clear roadmap of the steps and strategies that will be employed to prepare the school to be ready to serve its students well on the first day of operation.

Statutory Reference(s):

s. 1002.33(7)(a)(16)

Evaluation Criteria:

A response that meets the standard will present an action plan that:

- Provides a thoughtful and realistic implementation plan that covers major operational items and provides flexibility for addressing unanticipated events.

Meets the Standard	Partially Meets the Standard	Does Not Meet the Standard
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strengths	Reference
A detailed plan is provided.	Pages 120-121

Concerns and Additional Questions	Reference