B.3.2 Contracted Services

A. Areas for Contracted Services

Create Academy has a founding team that has layered capacity and multiple areas of expertise. However, some specific services will be contracted out to other businesses in order to ensure Create Academy's students' academic needs are met and the school operates with effective financial and operational practices.

Below is an overview of the services and providers with whom Create Academy intends to contract:

- Special Education: physical therapy, occupational therapy, psychological services, and Speech-Language pathology
- Legal: monthly consultations and employee contract reviews
- Payroll: processing payroll for employees twice a month
- Accounting: bank account reconciliation, review of all accounting processes and procedures, accounts payable, accounts receivable, review of annual budgets, financial reports, and audit preparation
- Food Services: preparing and serving breakfast and lunch
- Informational Technology Services: network setup, wireless, technology security, copier lease
- Building Maintenance: custodial services

All contracted service providers will comply with Fingerprint Clearance Card regulations. Additionally, all providers will hold the qualifications detailed below, and will be the best value for Create Academy, considering the quality and price of each service. Each provider's cost projection is based on quotes from their company as well as estimates from local charter schools (specifically SySTEM School, Empower College Preparatory, Vista College Preparatory, and CASA Academy).

B. Provider Qualifications

Create Academy will evaluate all contracted service providers based on the following criteria:

- Mission alignment
- Compliance (Fingerprint Clearance Cards and applicable certifications)
- Experience in the field
- Experience working with charter schools
- Past performance and safety record, if applicable
- References from other charter schools
- Professionalism
- Affordability

Beyond the general criteria listed above, Create Academy will carefully evaluate each vendor for the following qualifications as they relate to each specific field.

Special Education: Speech-Language pathology, Occupational Therapy, and Physical Therapy: Create Academy will contract with a Special Education service that has a known track record for comprehensively addressing student needs and improving student achievement. Create Academy will likely contract with Dandrine Strachan for psychological evaluations and Ridge Zeller Therapies for speech, physical, and occupational therapies. Dandrine Strachan is a licensed independent child psychologist who works at a school full-time, but also contracts part-time with charter schools. She comes highly recommended from Angelica Cruz and Brian Holman at Empower College Preparatory. Ridge Zeller Therapies employs highly educated and highly experienced therapists from diverse backgrounds. Among their staff is a former K-12 principal whose specialty is in speech language pathology and special education. Ridge Zeller Therapies currently works in multiple schools within the Phoenix Union High School District, ASU Preparatory (a K-8 school), as well as other elementary charter schools in the valley. Their experience working directly with the population of students that Create Academy will serve is invaluable.

Legal Services: Legal vendors will be evaluated based on their experience working with charter schools, their reputation within charter schools, and affordability. In the initial years of its existence, the bulk of Create Academy's legal advice will be pro-bono work offered through a future school board member at Create Academy. The Directors of Elementary and Secondary education are currently in the process of strategically recruiting such a board member, and have a potential candidate who began her career in education, but made a career change by becoming an attorney. Additionally, in order to be prepared for any additional legal needs, Create Academy will budget a separate amount for unexpected legal fees to likely be contracted through Carter Law Group (CLG). CLG has extensive experience working with Arizona Charter Schools and comes highly recommended from the Arizona Charter Schools Association, as well as SySTEM Phoenix, CASA Academy, and Western School of Science and Technology. During the planning year, Create Academy will solely contract with CLG as the appropriate board member is selected for the school. CLG has provided a quote that ensures the Directors of Create Academy have 1 hour every month of contract review services, as well as 1 hour every month of check-ins and consultations for preventative services in addition to nonprofit 501(c)(3) status processing and support.

Payroll: Vendors will be evaluated for their affordability, ability, and willingness to work with charter schools, and based on recommendations from other charter school leaders in the valley. At Create Academy, Payroll Control Services (PCS) will provide payroll services as they offer services at a significantly reduced price in comparison with other companies.

Accounting: Create Academy will seek accounting firms that have experience working with charter schools and will be evaluated on their track record, recommendations, and their ability and willingness to train the Directors in order to increase the capacity of the business and operations team. Create Academy will likely contract these services from ASPIRE Financial Services, as it has extensive experience working with charter schools.

Food Services: Vendors will be chosen based on their experience working in charter schools providing breakfast and lunch to students while staying in compliance with the

National School Lunch Program and National School Breakfast Program. They will also be evaluated on the safety, sourcing, and the nutritional value of the foods they provide. All food service employees will hold appropriate food handling licenses. Create Academy will likely contract through L&M Catering, as they come highly recommended from other charter schools, namely Empower College Prep, Vista College Prep, and CASA Academy.

Information Technology: Vendors will be sought out for their expertise in information technology, as well as their experience working in schools. Create Academy will likely work with Dave Dillman, a local software engineer who has worked with and provided discounts for Empower College Prep and SySTEM Phoenix and has offered to provide discounted services to Create Academy as well.

Building Maintenance: Vendors will be sought out who have experience working in and maintaining schools. Create Academy will likely contract with Rob Burgmann, who comes highly recommended by other charter schools, including Vista College Prep.

C. Costs for Services:

For the purposes of this section, Y0 will be the months of April 2014-June 2015, which is also known as the Start-Up Year for Create Academy, and when applicable, will be included in the Start-Up Budget and Assumptions. Y1, Y2, and Y3 are during the first three years of operation with students, and these figures are included in the Three-Year Budget and Assumptions.

Figure 3.2.1: Costs for Contracted Services

Services Provided	Source of Quotes	Fee	Yearly Cost	Assumptions
Psychological Evaluations and Consulting	Dandrine Strachan, licensed independent child Psychologist	$300 per evaluation	Y0: N/A Y1: $7,200 Y2: $10,500 Y3: $13,800	Y0: N/A Y1: Assumes 12%[1] of students will need psychological evaluations/consultations based on the 12% SPED population of the school districts in which Create Academy will exist. Because Create Academy plans to be proactive in attending to students' special needs, the budget

[1] Arizona Department of Education: 1 October 2012. http://www.azed.gov/special-education/files/2013/03/100112-countbypea.pdf

				assumes the full 12% of the student population will need psychological evaluations. Also a contributing factor in choosing this percentage is student age, and the fact that two full kindergarten classes will begin in Y1. Y2: Assumes 12% of students will need psychological evaluations/consultations based on the 12% SPED population of the school districts in which Create Academy will exist. Because Create Academy plans to be proactive in attending to students' special needs, the budget assumes the full 12% of the student population will need psychological evaluations. Also a contributing factor in choosing this percentage is student age, and the fact that two new kindergarten classes will begin in Y2. Y3: Assumes 12% of students will need psychological evaluations/consultations based on the 12% SPED population of the school districts in which Create Academy will exist. Also a contributing factor in choosing this percentage is student age, and the fact that two new kindergarten classes will begin in Y3.

Speech Language Pathology	Ridge Zeller Therapies	$60 per hour	Y0: N/A Y1: $8,640 Y2: $12,960 Y3: $8,640	Y0: N/A Y1: Because Create Academy will begin its first year of operations with a large population of younger students, it will assume the full 12% of students in the identified school districts who qualify for Special Education Services will specifically need Speech Therapy. Assumes 5 groups of speech therapy a week (1 hour for each group each week) that will accommodate groups of 4-6 students per group. Conversations with experts in Speech Language Pathology, at Ridge Zeller Therapies, indicate the need for speech therapy is higher than other types of therapies among this student population. Y2: Assumes that some students from Y1 will no longer need speech therapies, while others will continue with established therapies. Still others, likely in Kindergarten, will require new support. Assumes 6 groups of 4-5 students will receive 1 hour a week of therapy. Y3: Assumes that some students from Y2 will no

				longer need speech therapies, while others will continue with established therapies. Still others, likely the newest class of Kindergarteners, will require new support. Assumes 4 groups of 4-6 students receive one hour of therapy a week. .
Physical Therapy	Ridge Zeller Therapy	$75/hour	Y0: N/A Y1: $8,100 Y2: $10,800 Y3: $16,875	Y0: N/A Y1: Assumes 6% of students (in 3 groups of 3-4 students) will need services once a week for one hour. Conversations with local school leaders (Julia Meyerson at Vista Preparatory and Angelica Cruz, formerly at Empower College Preparatory) indicate there is a low need for physical therapies among this student population. Further conversations with experts at Ridge Zeller Therapy indicate physical therapy can frequently happen in group settings. Y2: Assumes 8% of students (in 4 groups of 4-6 students) will need services once a week for one hour. Assumes that the need for therapies will rise slightly as the school population rises and takes on more students from diverse grade levels. Y3: Assumes 10% of students (5 groups of 5-8

				students) will need services once a week for one hour. Assumes that the need for therapies will rise slightly as the school population rises, taking on more students from diverse grade levels.
Occupational Therapy:	Ridge Zeller Therapy	$72/hour	Y0: N/A Y1: $10,368 Y2: $18,792 Y3: $29,548	Y0: N/A Y1: Assumes 4% of students will need services for one hour, biweekly. Conversations with local school leaders (Julia Meyerson at Vista Preparatory and Angelica Cruz, formerly at Empower College Preparatory) indicate the need for Occupational Therapy is very low among this population. Y2: Assumes 5% of students will need services for one hour, biweekly. Conversations with local school leaders (Empower College Prep) indicate the need for Occupational Therapy is very low among this population. Assumes that the need for therapies will rise slightly as the school population rises and takes on more students from diverse grade levels. Y1: Assumes 6% of students will need services for one hour, biweekly services once a week for one hour.

				Conversations with local school leaders (Empower College Prep) indicate the need for Occupational Therapy is very low among this population. Assumes that the need for therapies will rise slightly as the school population rises and takes on more students from diverse grade levels.
Legal Services	Carter Law Group	Based on a yearly flat rate fee of $6,800	Y0: $14,250 Y1: $5,000 Y2: $6,000 Y3: $7,000	Y0: Assumes a total of $14,250 for legal services provided and quoted by Carter Law Group during the start-up phase. This assumes a flat fee of $6,600 for 501(c)(3) processing; $850 for the IRS fee to process our 501(c)(3) status and a yearly rate of $6,800 for legal consulting and contract review services. Carter Law Group has extensive experience serving Arizona charter schools, and as such, has developed a monthly fee schedule that is flexible and can accommodate charter schools' evolving needs. Y1: Assumes the bulk of Create Academy's legal advice will be provided pro-bono from counsel that will serve on the school board, but in the interest of taking preventative action, a yearly amount of legal fees has been budgeted.

				Y2: Assumes the bulk of Create Academy's legal advice will be provided pro-bono from counsel that will serve on the school board, but in the interest of taking preventative action, a yearly amount of legal fees has been budgeted. Assumes legal fees will rise slightly from Y1 to Y2. Y3: Assumes the bulk of Create Academy's legal advice will be provided pro-bono from counsel that will serve on the school board, but in the interest of taking preventative action, a yearly amount of legal fees has been budgeted. Assumes legal fees will rise slightly from Y2 to Y3.
Building Maintenance: Custodial Services	Rob Burgmann	Between $60 and $108 per day	Y0: $300 Y1: $12,000 Y2: $16,128 Y3: $20,736	Y0: Assumes 5 cleanings during July 2015 when only teachers are in the facility. Y1: Assumes 192 days (180 student days, and 1 weekly cleaning during the summer) x $60/day rate. Y2: Assumes 192 days x $84/day. Assumes prices will go up as student population increases.

				Y3: Assumes 192 days x $108/day. Assumes prices will go up as student population increases.
Food Services	L&M Catering	$1.50 per student breakfast $2.50 per student lunch	Assumes calculations below will be 100% reimbursed from NSLP for a net cost $0 per year. Y1: $145,600 Y2: $208,000 Y3: $273,600	Y1: 200 students x 180 days x $4.00 (the cost of breakfast and lunch combined). Total = $145,600 Y2: 290 students x 180 days x $4.00 (the cost of breakfast and lunch combined). Total = $208,800 Y3: 380 students x 180 days x $4.00 (the cost of breakfast and lunch combined). Total = $273,600
Technology Services	Dave Dillman, independent contractor and software engineer, tech support	$50 per hour	Assumes calculations below will be 90% reimbursed from e-rate funding. Y1: $13,600 Y2: $4,600 Y3: $4,600	Y1: Assumes setup of CIPA filter, wireless network, including Wireless Access Points, routers, and modem at a cost of $1,800 per classroom x 7 classrooms = $12,600 total. Assumes no more than 100 computers will be online at once. (Create Academy will provide laptop carts that will be shared between classrooms). Assumes an additional 20 hours of support as needed to troubleshoot problems during the school year = 20 hours x $50 per hour = $1,000. Assumes setup will take place during the summer of 2015, but payment will be made during Y1.

				Y2: Assumes regular maintenance of filter and wireless network, addition of 80 student computers for 20 hours per school year at $50 an hour = $1,000, as well as two additional classrooms at a cost of $1,800 per classroom = $3,600 = $1,000 + $3,600 = $4,600. 100 computers will be online at once. (Create Academy will provide laptop carts that will be shared between classrooms). Y3: Assumes regular maintenance of filter and wireless network, addition of 80 student computers for 20 hours per school year at $50 an hour = $1,000, as well as two additional classrooms at a cost of $1,800 per classroom = $3,600 = $1,000 + $3,600 = $4,600. 100 computers will be online at once. (Create Academy will provide laptop carts that will be shared between classrooms).
Phone and Internet Connectivity	Dave Dillman and Local Charter Leaders	Y0: N/A Y1: $300/month Y2: $400/month Y3: $500/month	Y0: N/A Y1: $3,600 Y2: $4,800 Y3: $6,000	Y0: N/A Y1: Assumes two school landlines and an internet speed that will accommodate no more than 100 devices at a time. Y2: Assumes two school landlines and an internet

				speed that will accommodate no more than 200 devices at a time. Y3: Assumes two school landlines and an internet speed that will accommodate no more than 300 devices at a time.
Accounting	ASPIRE Business Consulting Services	$450/month for start-up phase $17,200/ annually for full-service	Y0: $6,750 Y1: $17,200 Y2: $12,900 Y3: $8,600	Y0: Assumes $6,750 for financial business consulting services as quoted by ASPIRE Business Consultants at a reduced rate of $225 for April and May 2014 and a regular rate of $450/month for fourteen months (June 2014 through July 2015). Y1: Assumes full service financial accounting support for the first year of operations. Y2: Assumes a 25% reduction in services upon hire of Director of Operations in Y2. Y3: Assumes a 50% reduction in services from Y1 as Director of Operations takes over additional duties in Y3.
Payroll	Payroll Control Services	$652.50/start-up phase Flat fee of $600/year; $17.95/pay period and $2/employe	Y0: $613.20 Y1: $1846.80 Y2: $2182.80 Y3: $2470.80	Y0: Assumes $613.20 for payroll fees twice a month for fourteen months (June 2014 through July 2015), based on a quote from Payroll Control Services that assumes $21.90/pay

		e per pay period		period with two pay periods each month. Y1: Assumes $17.95 plus $2/employee for 17 employees each pay period. Assumes $51.95/pay period for 24 pay periods based on a payroll twice a month. Assumes $600 flat annual fee. Y2: Assumes $17.95 plus $2/employee for 24 employees each pay period. Assumes $65.95/pay period for 24 pay periods based on a payroll twice a month. Assumes $600 flat annual fee. Y3: Assumes $17.95 plus $2/employee for 30 employees each pay period. Assumes $77.95/pay period for 24 pay periods based on a payroll twice a month. Assumes $600 flat annual fee
Copier Lease	Grand Canyon Business Solutions	$700 per month for two copiers with 40,000 copies each per month	Y1: $7,700 Y2: $8,800 Y3: $9,900	Y1: Assumes two large black and white copiers, which also scan and fax, at $700/month for 80,000 copies per month x 11 months in Y1 = $7,700 Y2: Assumes two large black and white copiers, which also scan and fax, at $800/month for 100,000 copies per month

				x 11 months in Y2 = $8,800 Y3: Assumes two large black and white copiers, which also scan and fax, at $900/month for 120,000 copies per month x 11 months in Y3 = $9,900

D. Sources of Costs

All estimated costs within this "Contracted Services" document were obtained through individual calls and emails with the vendor or conversations with current school leaders at Vista College Preparatory, SySTEM Phoenix, CASA Academy, or Empower College Preparatory schools. All of the schools mentioned above are located in Central Phoenix, close to Create Academy's proposed location, and all serve students whose demographics are similar to Create Academy's. All costs mentioned in this document are also included in the Start-Up Budget and the Three-Year Operational Budget.