B.3.2 Contracted Services

A. Contracted Services

Ethos Academy: A Challenge Foundation Academy ("Ethos Academy") will develop a staff capable of fulfilling the mission of the school. All members will provide specialized skills that are applied to specific needs. There will be times that additional needs are provided by contracted services. Ethos Academy intends to contract out the following areas during the first three years:

- Special Education – Assistance with speech therapy, physical therapy, occupational therapy, and psychological evaluations.
- Accounting Services – Assistance with bank reconciliations, general ledger review, monthly financial statements, cash flow analysis, financial projections, budget preparation, audit preparation, and internal controls.
- Payroll Services – Assistance with periodic payroll that includes mandatory withholdings in accordance with local, state and federal guidelines.
- Legal Services – Assistance with filings and compliance associated with all local, state and federal guidelines.
- 401(k) Services – Assistance with providing relevant personnel the benefits associated with a 401(k) plan.
- Food Services – Assistance with providing breakfast and lunch in compliance with local, state and federal guidelines.
- Information Technology – Assistance with establishing and maintaining internet services, networking services, communications systems, hardware maintenance and software management.
- Transportation Services – Assistance with providing bus routes for morning arrival, afternoon dismissal and field trips.

Note: Ethos Academy will <u>not</u> contract with a facility or landscape services provider as this service will be included in the lease agreement for the first two years. However, the lease agreement will include a requirement that all staff have a valid fingerprint clearance card.

B. Provider Qualifications

<u>Special Education</u>

In year 1 Ethos Academy will provide a part-time (FTE .5) Special Education director/teacher. The school will contract with additional special education service providers in the fields of speech therapy, occupational therapy, physical therapy, and psychological evaluations for special education qualification. The school will accept a provider that aligns to the vision, mission and values of the school. In addition, the providers must have significant experience in their specific specialization area, possess the required certifications to serve in their specialized

field, possess proven familiarity with all compliance matters, provide exceptional referrals from charter school leaders, provide affordable rates, and have a valid fingerprint clearance card.

The founding team is in the process of identifying several special education service providers for Ethos Academy. Considerations are being given to Speech and More (speech therapy), AZ OTPT Kid's Place (physical therapy), and Education Support Services (psychological evaluations).

Accounting

Ethos Academy will contract with an accounting services provider that aligns to the vision, mission and values of the school. In addition, the provider must have significant experience in charter school finance, provide exceptional referrals from charter school leaders, and provide affordable rates.

The founding team has identified accountant Tisha Crisler of Crisler Business Services, LLC as the contracted accounting services provider for Ethos Academy. Ms. Crisler has participated in charter school finance for sixteen years, comes highly recommended by three other Team CFA school directors, and has agreed to an affordable rate.

Payroll

Ethos Academy will contract with a payroll services provider that aligns to the vision, mission and values of the school. In addition, the provider must have significant experience in payroll servicing for medium sized companies, provide exceptional referrals from current clients, and provide affordable rates.

The founding team has identified Payroll Experts, LLC as the contracted payroll services provider for Ethos Academy. The company utilizes payroll professionals with dozens of years of experiences, comes highly recommended by three other Team CFA school directors, and has agreed to an affordable rate.

Legal

Ethos Academy will contract with legal services provider that aligns to the vision, mission and values of the school. In addition, the provider must have significant experience in charter school law, provide exceptional referrals from charter school leaders, and provide affordable rates.

The founding team has identified lawyer Terry Warren of Warren Charter Law, LLC as the contracted legal services provider for Ethos Academy. Mr. Warren has practiced charter law for over ten years, comes highly recommended by three other Team CFA school directors, and has agreed to an affordable rate.

401 (k)

Ethos Academy will contract with a 401 (k) benefits provider that aligns to the vision, mission and values of the school. In addition, the provider must have significant experience in servicing charter school personnel, provide exceptional referrals from current clients, and provide affordable rates.

The founding team has identified Moors and Cabot Investments as the contracted 401(k) plan administrator for Ethos Academy. The company utilizes benefit plan professionals with dozens of years of experience, comes highly recommended by two other Team CFA school directors, and has agreed to an affordable rate.

Food

Ethos Academy will contract with a food services provider that aligns to the vision, mission and values of the school. In addition, the provider must have significant experience in servicing charter schools, provide exceptional referrals from current clients, provide affordable rates, and ensure all staff have fingerprint clearance cards.

The founding team has identified L and M Catering as the contracted food services provider for Ethos Academy. The company has a decade of experience serving charter schools, comes highly recommended by three regional charter schools, has agreed to an affordable rate, and all staff have fingerprint clearance cards.

Information Technology

Ethos Academy will contract with an information technology provider that aligns to the vision, mission and values of the school. In addition, the provider must have significant experience in servicing charter schools, provide exceptional referrals from current clients, provide affordable rates, and ensure all staff have fingerprint clearance cards.

The founding team has identified Compass Network Solutions as the contracted information technology provider for Ethos Academy. The company has five years of experience working directly with charter schools, comes highly recommended by three regional charter schools, has agreed to an affordable rate, and all staff have fingerprint clearance cards.

Transportation

Ethos Academy will contract with a transportation services provider that aligns to the vision, mission and values of the school. In addition, the provider must have significant experience in servicing charter schools, provide exceptional referrals from current clients, provide affordable rates, and ensure all staff have fingerprint clearance cards.

The founding team has identified Kenny May of Event Source Ministries as the contracted transportation provider for Ethos Academy. Mr. May has five years of experience working

directly with charter schools, comes highly recommended by two regional charter schools, has agreed to an affordable rate, and all staff have fingerprint clearance cards.

C. Associated Costs

Special Education

Ethos Academy will budget $25,300 in year 1, with an enrollment adjust annual increase, for speech therapy, physical therapy, occupational therapy, and psychological evaluations. The number is based on analyzing similar costs provided by existing Team CFA schools in the state. Assumes 12% of students (19 in Year 1) will receive services. The total cost includes $7,600 for psychological evaluations ($400 per student for all 19 students), $15,000 ($1,500 per student for 10 students) for Speech Therapy, and $2,700 for Physical and Occupational Therapy ($75 per student for 6 students).

Accounting

Ethos Academy will budget $21,600 in year 1, with a 3% annual increase, for accounting services. The number is based on a quote ($60 per hour x 30 hours per month x 12 months) from Tisha Crisler of Crisler Business Services, LLC.

Payroll

Ethos Academy will budget $2500 in year 1, with a 3% annual increase, for payroll services. The number is based on an estimate provided by the Team CFA business committee which compared the costs against other similar TeamCFA schools.

Legal

Ethos Academy will budget $18,000 in year 1, with a 3% annual increase, for legal services. The number is based on a quote ($250 per hour x 72 hours per year) from Terry Warren of Warren Charter Law, LLC.

401 (k)

Ethos Academy will budget $2,500 in year 1, with a 3% annual increase, for benefits administration services. The number is based on an estimate ($2,500 per year) provided by the Team CFA business committee which compared the costs against other similar TeamCFA schools.

Food

Net food services costs are estimated to be zero due to reimbursement through participation in the National School Lunch Program and School Breakfast Program.

Information Technology

Ethos Academy will budget $24,000 in year 1, with a 3% annual increase, for information technology services. The number is based on an estimate ($2,000 per month x 12 months) provided by the Gene Rowley of Compass Network Solutions.

Transportation

Ethos Academy will budget $45,750 in year 1, with a 3% annual increase, for transportation services. The number is based on an estimate ($250 x 183 days) provided by the Kenny May of Event Source Ministries.