Organization Plan

B.3.2 Contracted Services

Areas, which may require the applicant to seek outside expertise.

Generally, contracted services will be for such services as accounting, bookkeeping, payroll and accounts payable; Special Education services such as psychologists, speech and occupational therapists, janitorial services and independent audit services.

The Corporate Board is responsible for researching, generating requests for proposals, reviewing at least three quotes for each service, and approving any professional services to be contracted by the school.

The Corporate Board will review with the principal the performance of all contracted service providers annually to ensure the quality of their services, and cost effectiveness, and to determine if the provided services remain in alignment with the school's mission.

The Governing Board will make recommendations or requests for expenditures, particularly pertaining to curriculum and other educational resources, to the Corporate Board.

Professional qualifications and costs

Accounting,/financial consulting services

- John Hancock Academy will contract for accounting services, financial consulting, and to maintain compliance with state and federal requirements. These services include consultant work to review expenses and general ledger accounting, and to support with financial questions as they arise throughout the year regarding budget submission, annual financial review, grants management, audit preparation, IRS reporting, and other general financial needs.
- Skills and Experience - The qualifications and expertise of the contracted accounting service provider include:
    - Possessing appropriate degrees and certifications, including a CPA.
    - At least 2 years of experience in charter school/education finance
    - Knowledge of USFRCS and GAAP
    - Demonstrating the ability to provide accounting services and payroll support, establish the school's financial management systems and procedures that will be managed by our school's Business Manager
    - Demonstrating experience preparing annual financial reports in accordance with state guidelines and communicating with IRS, AZ Department of Revenue, and charter authorizer correspondence
    - Providing recommendations based on experience with other charter schools with clean financial audits

John Hancock Academy may consider to contract with Robert Brown of Compliance Services, Inc., (CSI), and potentially ADP or Paychex for the payroll services. He has the necessary qualifications - financial and accounting and has been successfully working with charter schools, including Happy Valley School, since 2000.

- Costs for this service are determined based on the experience of the sister school and appropriately reflected and accounted for in the outside services line item in the Tree-Year Operational Budget. The cost levels of contracted services at John Hancock Academy and Happy Valley School is deemed to be comparable, but scaled down to reflect the difference in the student population at the two schools for the following reasons:
    - Identical management approaches and styles at both schools;
    - Similar human and resource structure at both schools;
    - Possibility to use same service providers, without guarantees where bidding is required;
    - Relatively similar target area demographics .
- The amount budgeted for these services are reflected in the Contracted Services (AIS) line item in the Three-Year Operational Budget and they are as follows:

	Accounting/ Financial Consulting Services	Payroll Processing Services
Year 1	$21,000 ($1,750/mo)	$3,000
Year 2	$21,000 ($1,750/mo)	$3,500
Year 3	$21,000 ($1,750/mo)	$4,000

Independent Audit services

- John Hancock Academy will contract with an independent CPA auditor, to perform the annual audit for the school as required.

- Skills and Experience:
    - When selecting such service, the school will consider the list of approved providers by the charter authorizer.
    - Possessing appropriate degrees and certifications, including a CPA.
    - Possessing perfect record auditing charter schools

- John Hancock Academy is potentially considering to use the services of Anthony Lorenzo, CPA, who is on the approved list of auditors, understands how charter schools operate, has a long-standing perfect record and has successfully audited Happy Valley School as well as other charter schools.

- Costs for this service typically depend on the size of the school (enrollment of students). The costs are appropriately reflected and accounted for in the Auditor Fees line item in the Tree-Year Operational Budget and they are as follows:
    - $ 9,500 is budgeted in Year 1;
    - $11,000 is budgeted in Year 2;
    - $11,000 is budgeted in Year 3.

Special Education services

- John Hancock Academy will contract for outside special education services, such as a school psychologist, speech and occupational therapist, or other therapy as needed, to provide services on site to students who qualify and as required by their IEPs.

- Skills and Experience:
  - The service provider for psychological services, will meet the following qualifications:
    - Possess degree in school psychology at Master's level or above (Ed.S., M.Ed., CAS, Master's+CA)
    - Preferably possess national certification for school psychology
    - Possess state certification and licensing to provide services in the State of Arizona
    - 3-5 years of experience
    - Demonstrate strong competence in completing comprehensive evaluations
    - Demonstrate strong competence in both academic and behavioral intervention strategies.
    - Provide a positive recommendation from public school (charter or district).

  - The service provider for speech therapy will meet the following qualifications:
    - Possess Master's Degree in speech pathology
    - Possess state certification and licensing to provide services in the State of Arizona
    - Possess Speech Language Pathologist qualifications
    - Possess a Clinical Certificate of Competency
    - Possess 3-5 years of school-based speech therapy experience
    - Demonstrate proficiency in servicing both language needs and articulation needs
    - Provide a positive recommendation from a public school (charter or district).

  - The service provider for occupational therapy will meet the following qualifications:
    - Possess state certification and licensing to provide services in the State of Arizona
    - Possess 3-5 years of school-based occupational therapy experience
    - Knowledge of strategies for sensory integration and of developing fine motor skills
    - Provide a positive recommendation from public school (charter or district)

  - The service provider for physical therapy will meet the following qualifications:
    - Have completed a graduate program in the field of physical therapy (preferably a DPT, and minimally an MPT)
    - Possess state certification and licensing to provide services in the State of Arizona
    - Preferably be a CSCS for additional nutrition support with exercises
    - Preferably be qualified to use ASTYM for students requiring soft tissue treatment
    - Be informative to student and family as to purpose of treatments and ways to continue them independently of the physical therapist
    - Possess 3-5 years school-based physical therapy experience
    - Provide a positive recommendation from a public school (charter or district).

  - Costs for these services are determined based on costs of the sister schools experience and actual vendor quotes and are included in the special education outside services line item in the Tree-Year Operational Budget. The cost levels of contracted services at John Hancock Academy and Happy Valley School is deemed to be comparable, but scaled down to reflect the difference in the student population at the two schools for the following reasons:
    - Identical management approaches and styles at both schools;
    - Similar human and resource structure at both schools;
    - Possibility to use same service providers, without guarantees where bidding is required;
    - Relatively similar target area demographics .

- Based on quotes from service providers, the costs for psychological evaluations is approximately $400 per evaluation, and the costs for speech, physical, and occupational therapy are approximately $75/hour.

- The projections for the cost of those services assume annual increases typical for the industry, and accounting for anticipated inflation, cost of meeting Federal and State compliance requirements, curriculum and assessment requirements, and teacher qualification requirements. The following amounts are projected:
    - $50,000 is budgeted for special education for outside services in Year 1;
    - $65,000 is budgeted for special education for outside services in Year 2;
    - $65,000 is budgeted for special education for outside services in Year 3;

- The estimates in Year 2 and Year 3 reflect the increase in student enrollment;
- This estimate is adequate and viable because: it is based on the market study of the target population, averaging 10-12% special education population and projected needs of the school.

Janitorial Services

- Janitorial services will be provided by an outside service provider. Quality of the services provided and price will be determining factor in selecting the custodial services provider. The sources of cost are based on full service janitorial service typically provided to meet the needs of charter schools of similar size. The cost of such services is approximately $1,200/month based on competitive preliminary vendor quotes. This cost is accounted for in the Contracted Services - O&M Line Item in the Three year Operational Budget.

- Qualifications include:

    - Positive recommendation from other school facilities.
    - Possession of appropriate insurance and certification.