B.3.2 Contracted Services

Contracted Services Costs:
The Corporate Board will be made aware of contracted services through discussing school policy, the budget process, monthly financial reports, and annual audits. Costs reflected in the Start-Up Budget were estimated from current service rates, including special education services.

Accounting Services

- P.V. Montessori School will contract for accounting services and consultations in the areas of GAAP standards and reporting compliance. The accountant will consult the Corporate Board on establishing fiscal procedures that meet GAAPS standards, reporting compliance and waiver of USFCR and state procurement rules.

  The school will be considering service providers and specialist, who have a college degree in finance/accounting, and/or have more than 5 years in experience in providing accounting services to charter schools in Arizona. They must be familiar with the knowledgeable of accounting practices for charter school and have experience servicing small charter schools - ADE budgeting process, USFRCS and GAAP standards and reporting compliance, charter school cash flow management. They need to be CPA or if accounting firm - have a CPA on staff. The school will seek references from other charter schools, ACSA, and other background checks to ensure that those professionals have sufficient capacity and recent successful experience with small size charter schools

- Costs: Estimate for the Accounting Services is based on consulting with operating charter schools of similar size. The school will obtain actual competitive quotes once in operation. Costs for the accounting services are included in the Contracted Services - O&M line item of the budget. They are estimated as follows:

  Year 1: $11,400
  Year 2: $12,600
  Year 3: $15,000

Legal Services

- P.V. Montessori School will contract for legal services on as needed basis.

  The school will be considering service providers with legal knowledge, experience and expertise in non-profit organizations, Tax Exempt 501c3 applications, education/charter school law, Open Meetings Law. The school will seek references from other charter schools to ensure that those professionals have sufficient capacity in the required areas and have services small business clients.

- Costs: Estimate for the legal services is based on preliminary information from the current legal service provider of the corporation. Costs for the legal services are included in the Contracted services (AIS) line item of the budget. They are estimated at:

  Year 1: $5,000
  Year 2: $5,000
  Year 3: $5,000

Independent Audit

- P.V. Montessori School will contract with an Independent Auditor for its annual audit as required by law. The Corporate Board will select an auditor after consulting the approved list of independent auditors by the charter authorizer – Arizona State Board for Charter Schools. Resulting audit documents and any required responses to findings will be shared with both the Corporate Board and the School Board. Costs reflected in the operational budget.
- Cost: Estimate for the Independent Audit service is based on quotes from service providers, with charter schools experience and in consideration of the size of the school (student enrollment): Year 1: $6,500
  Year 2: $6,500
  Year 3: $8,000

Professional development

- Includes costs for various teacher and staff training courses and events in Montessori curriculum development and alignment with standards, Montessori Instructional Methods, Common Core Standards, Montessori classes, SAIS training,
- Cost: Estimates are based on typical Montessori professional development price structure, vendor information (Association Montessori Internationale (AMI), North American Montessori Teachers' Association (NAMTA), and previous experience of school founders with the Montessori Method and training. Costs for professional development are included in the Contacted Services (AIS) line item and are estimated as follows:
  Year 1: $ 6,000
  Year 2: $ 7,500
  Year 3: $12,500

Consultants

- Includes purchased expertise from experienced Montessori operators, in areas, where the school needs to built additional capacity, such as alignment of the Montessori curriculum with standards aligned materials to align with the Common Core Standards.
- Costs: Estimates are based on average hourly fees of top Montessori consultants, which typically range $100-$200/hour. Costs for consultants are included in the Contacted Services (AIS) line item and are estimated as follows:
  Year 1: $2,500
  Year 2: $3,000
  Year 3: $8,500

Licensing Arrangements

- Includes licensing fees for Montessori and other educational materials.
- Cost: Estimate is based on current practice of the private school operation and vendor quotes (Association Montessori Internationale (AMI), North American Montessori Teachers' Association (NAMTA). Costs for licensing arrangements are included in the Contacted Services (AIS) line item and are estimated as follows:
  Year 1: $1,500
  Year 2: $2,000
  Year 3: $2,000

A/C Maintenance

- Includes HVAC maintenance and lifetime warranty provided by vendors such as Linc Services, Harris Mechanical or other typical commercial HVAC vendor.
- Cost: Estimates are based on the size of the facility and in consideration of the expansion, and the respective number of A/C units to be serviced. Costs for A/C maintenance are included in the Contacted Services (O&M) line item and are estimated as follows:

  Year 1: $3,600
  Year 2: $4,200
  Year 3: $6,000

Management Support

- Includes purchase of services, related to special event management, including fund raising, community appreciation days, collaborative initiatives, etc. In Year 3, the school plans to start active, professionally run campaigns associated with expanding the school's revenue base such as fundraising, educational tax credits, competitive government and foundation grants and corporate contributions and donations.
- Cost: Estimates are based on fee structures of professional fundraising and event management organizations, proven track record grants specialists, typical cost associated with fundraising and tax credit campaigns. Costs for management support are included in the Contacted Services (O&M) line item and are estimated as follows:

  Year 1: $1,500
  Year 2: $1,700
  Year 3: $33,900

Strategic Business Planning

- Includes purchased expertise from top level experts in the Montessori program, charter school management, business process management.
- Cost: Estimates are based on hourly fees of top level experts and amount of time necessary to acquire the expertise and build capacity. Costs for strategic planning are included in the Contacted Services (O&M) line item and are estimated as follows:

  Year 1: $4,500
  Year 2: $5,500
  Year 3: $7,500

Special Education Services, Sources and Costs

As a public school, P.V. Montessori School will provide special education services to all qualified students enrolled at the school according to state and federal laws. The School Director will establish a team to participate in designing and implementing an inclusion model for special education services.

The school will contract for special education services, including special education and outside services. Until the charter school has the financial resources available to employ any full-time special education staff needed to serve a growing special education student population, such services will be purchased from an outside vendor on an individual basis as needed and specified in the student's IEP.

The school will utilize equalization funds to finance its special education program. Contracted costs for special education services are reflected in the Three-Year Budget. Additional funding for special education services provided by vendors will be sought through the IDEA Basic federal entitlement grant program, as the school qualifies for such funding (such funding is not reflected in the Three-Year Budget, but will be considered by the school).

Costs associated with special education vendors are estimated based on the target area research where the average percentage of special education students enrolled at the surrounding school districts is 10-11%.

The table below represents information on the anticipated special education services that will be purchased, the rationale for those placement options, and the market study of current costs for services, obtained from various area providers of special education services as summarized (online available quotes from the West Valley and Phoenix area professional service providers for psychological services - Crossroads Counseling, speech and language pathologist services - Sonja S. Ackerman, MED, occupational therapy services - The Play and Education for Development Inc, behavior interventionist services - Southwest Therapy Specialists, PC. The rates quoted are per child in a small group session. Individual rates, as we further consulted with the service providers would be slightly higher (approximately $75 -$80 per session and up to $400 per psychological evaluation).

Anticipated contracted special education services	Rationale	Market study of current costs for services – local area service providers
On-campus purchased professional special education services to include: • Psychological services, including evaluation • Speech and language pathologist services • Occupational therapy services • Behavior interventionist services • Special education certified teacher	Until the charter school has the financial resources available to employ any full-time special education staff needed to serve a growing special education student population, such services will be purchased from an outside vendor on an individual basis as needed and specified in the student's IEP.	Psychological evaluation • $250 -$400 per evaluation Speech & language pathologist session • $35-$60 per child / small group session Occupational session • $35-$60 per child / small group session Behavioral counseling • $40-$50 per child / small group session Special education certified teacher • 35,000 per school year salary package

Cost: Costs associated with special education vendors are estimated based on the target area research where the average percentage of special education students enrolled at the surrounding school districts is 10-11%. The estimates for special education is based on quotes obtained from various area providers of special education services and also consulting with a similar size Montessori school and the anticipated needs of the school:

- $7,500 is budgeted for special education for outside services in Year 1;
- $7,500 is budgeted for special education for outside services in Year 2;
- $12,500 is budgeted for special education for outside services in Year 3;