Organizational Plan B2 Governing Body

Governing Board Distinctions with Corporate and School Governing Body

PCA Elementary, LLC (the applicant) intends to have a governance relationship with Phoenix Collegiate Academy, Inc. (the CMO). The Corporate Board for PCA, Inc. (the sole member and manager of the applying entity) will cede the school oversight and governing authority of PCA Elementary to the School Governing Board upon chartering. The Corporate Board serves as the CMO's corporate oversight board. The management of PCA, Inc., the CMO, will manage the applicant, PCA Elementary LLC. PCA, Inc. will retain its governance and management relationship through a management contract. PCA, Inc. is the sole member and manager of PCA Elementary, LLC.

School Governing Board Responsibilities

Per ARS § 15-183.E.8, the School Governing Board is responsible for the policy decisions of the charter school. The Board holds the charter and is legally and ethically responsible for the school's academic and organizational success and financial health. Comprehensively and as a policy-making body, the board is responsible for all governance issues. Upon authorization, the Board will govern according to the Bylaws for School Governing Boards at all PCA, Inc. Schools submitted with this charter application, and will comply with all components of Open Meeting Law.

Specifically, the Governing Board will oversee:
a) Mission, policy and strategic planning - Articulate and ensure alignment with the school's mission, vision and charter, create and update policy related to the mission and governance, set the strategic direction and review progress against articulated goals over time
b) Financial oversight - Ensure the school's financial health, review and approve the annual budget and ensure adherence to it, participate in fundraising and secure external funding sources
c) Legal and regulatory compliance - Ensure compliance with all laws and regulations and review compliance on a regular basis, ensure filing of all legal and regulatory documents
d) Executive Leadership oversight - Select, manage, support, and evaluate the CEO who will be responsible for the organizations day-to-day management, evaluate the CEO regularly based on agreed-upon, clearly outlined performance criteria, set CEO compensation annually, offer guidance and support
e) Promotion and accountability to the public - Promote the school to the public, expand the school's networks and relationships, respond to community and stakeholder concerns, and participate actively in the South Phoenix neighborhood.

To ensure oversight of each of these specific areas, the Board elects a President, Vice President, and Secretary/Treasurer, and establishes standing committees including, but not limited to, Governance, Finance, and Development Committees. The Board is responsible for governance issues; school leadership is responsible for daily management of the school. The Board will oversee the financial and academic health of the organization through the use of detailed dashboards that present key data on a monthly basis, and will work closely with management through its committee structure. The Governing Board will consist of a minimum of three (3) and no more than thirteen (13) members.

A majority vote of those present at a Board meeting will constitute action by the Board. The Board may not act unless a quorum of the voting members is present. In drafting and approving school policies, the Governing Board will adhere to the following decision-making process: conduct Board level discussion; assign member to draft policy; write first draft of policy; and present policy to Board for approval.

Phoenix Collegiate Academy Elementary will implement financial policies and practices to ensure the long-term viability of the school, including maintaining a balanced budget and conducting an annual audit of financial statements. The Board will create and maintain a comprehensive budgeting process and a system of fiscal checks and balances. As one of the standing committees of the Board, the Finance Committee will work closely with the Principal to develop and execute responsible fiscal policies and practices. Every month, the Finance Committee will report to the Board on the financial health of the school.

Governing Board Officer Descriptions

Phoenix Collegiate Academy Elementary's Governing Board will consist of a minimum of three and no more than thirteen voting members. The Chair of the Board is the head of the Governing Board. The responsibilities of this position include:

- Presiding over and leading all meetings of the Governing Board
- Working closely with the CEO and establishing board agendas
- Communicating regularly with the CEO, committee chairs, and Board members
- Disseminating important information to other Board members as needed
- Serving as *ex officio* member of all board committees
- Facilitating the appointment of committee chairs
- Assisting in development and facilitation of committee work
- Reviewing strategies and priorities, both operational and organizational
- Supervising the effectiveness of officers, board governance, and vacant board positions
- Cultivating future leadership for the board

The Vice President of the Board serves as the Board President in the event that the President is absent.

The Secretary/Treasurer of the Board leads the financial oversight of the Board. These responsibilities include:

- Chairing the Finance Committee
- Working closely with the CMO staff to help prepare the annual budget
- Ensuring the school is in compliance with federal, state, and district mandatory reporting requirements as well as all other financial reporting requirements
- Working with staff to make all financial records available if requested by entitled organizations or persons
- Working with the Board Chair and CMO to ensure financial records are accurate and updated
- Reviewing monthly budget and financial statements
- Providing a recommendation for external auditors and accountants after thorough vetting
- Ensuring that all financial reports are prepared accurately and on time
- Reporting regularly to the Governing Board on the financial position of the school and facilitates board understanding of the financial health of the organization

Governing Board Committees

The Governing Board will have several standing committees dedicated to the performance and governance oversight of the school. Additional committees may be added as needed through the formal resolution process by the Governing Board. The initial committees include:

Governance: This committee is responsible for maintaining and growing the strength of the composition of the Board. The committee will be responsible for developing an objective protocol and set of tools to evaluate the strength of the Board and provide professional development opportunities to Board members, as needed. Should a Board position become vacant or in need of a specific field to be represented, the Governance Committee will be responsible for the identification, recruitment, nomination, verification, and training of all new members. Ideal fields of expertise represented on this committee include management, human resources, school leadership, and prior successful board membership.

Finance: This committee is responsible for overseeing the financial management and viability of the school. In doing so, the committee will work closely with the Board Chair and CEO. The Finance Committee will review cash flow and budget statements on a monthly basis, prepare financial reports as needed, present financial materials to the Governing Board, and lead the process for hiring the school's auditor in conjunction with the Board Chair. Ideal fields of expertise represented on this committee include finance, consulting, accounting, and business ownership.

Development: This committee is responsible for working with the CEO to establish fundraising strategies, increase public awareness about the school, develop stronger partnerships with key political, financial, and business allies, and develop marketing materials. Ideal fields of expertise represented on this committee include finance, consulting, marketing, public relations, advertising, prior board experience, fund development, campaign or political management experience, and human resources.

Description of Governing Body Composition

Currently there are three members of the Governing Board (brief description listed below – full names and background listed in Section B1) with a minimum of three (3) and maximum of thirteen (13) members as outlined in Phoenix Collegiate Academy's Bylaws.

Upon authorization and confirmation, the Governance Committee of the Board will continue networking intensely to ensure that the new Board members will contribute additional perspectives and networks. As part of the preparation for that period of expansion of the Governing Board, the proposed Principal and Founding Board Members have continued meeting with community members and supporters of Phoenix Collegiate Academy. During this period of Board expansion, it is particularly important to us to have strong representation from community leaders, including local businesses and community members. We value the important role community plays in the health of our school and embrace expanding our board to include community partners.

The Governing Board is comprised of all Board Members and the Chief Executive Officer as a non-voting *ex-officio* member. In this role, the Chief Executive Officer serves as the liaison from management to governance and reports on the health of the school's day-to-day operations including presenting a comprehensive academic and financial dashboard. The academic dashboard provides the board with a monthly snapshot of student academic performance, average daily attendance, and school-wide goals. The Chief Executive Officer, working with the Treasurer, also

presents a monthly financial dashboard that outlines a 90 day budget projection, analysis of budget to actuals, key revenue sources and key expenditures.

Current Voting Governing Board Members

Jan Miller, Director of Talent Management- Salt River Project
Tomas Reveles, Human Resources Manager- US Airways Group
Michael Zimmerman, Attorney- Polsinelli Shughart

Non-Voting Ex Officio Board Member

Rachel Bennett Yanof, CEO- Phoenix Collegiate Academy, Inc.

Process for Filling Vacancies

Phoenix Collegiate Academy Elementary requires a Board composed of three to thirteen individuals who possess areas of expertise in law, real estate/facilities, finance, accounting, marketing/public relations, development, governance, education, community work, human resources and strategic planning. Some individuals may encompass several areas of expertise, and the ultimate goal is that the Board as a full body demonstrates a mix of talents and perspectives that will ensure Phoenix Collegiate Academy Elementary is a strong and healthy organization.

Currently, we are in a fortunate position in that the Phoenix Collegiate Academy Elementary Governing Board represents the majority of these skills. As stated above, the Governing Board will use the extensive community, business, and non-profit outreach that have occurred to begin identifying additional excellent candidates upon authorization.

Additionally, a vacancy will need to be filled if a Board Member decides to end his/her term early or is removed based on the attendance policy as defined by the Board upon authorization.

The Governing Board uses the following criteria to identify potential board candidates: (1) expertise aligned with needs - strategic planning, senior management, accounting or finance, fundraising, law, marketing/PR, governance, facilities, education or community; (2) belief in charter schools and in the Phoenix Collegiate Academy Elementary philosophy and approach; (3) passion for and commitment to youth and education in South Phoenix; (4) availability and time to participate fully in the board role; (5) familiarity with or interest in the community; (6) access to personal networks capable of assisting Phoenix Collegiate Academy Elementary in its development; (7) ability to work well in groups and to put group goals before personal agenda; and (8) addition of diversity to board as defined by age, race, socioeconomic background, gender.

Once a candidate is identified, a current member (led through the Governance Committee) makes contact to set up a first interview. If the first interview goes well, the Board candidate is invited back for a second meeting with school leadership and member(s) of the Governance Committee. The candidate is provided with relevant documents to review prior to recommendation for membership by the Governance Committee to the Board for a vote. Once approved, new members receive a welcome packet and complete required documents, i.e. Conflict of Interest and other relevant forms.

To date, PCA has identified Abran Villegas as a possible Governing Board member. Mr. Villegas brings an outstanding background in finance and a passion for serving low-income Latino youth. He is currently the Senior Vice President of Commercial Banking at Arizona Bank and Trust.