B.3.2 Contracted Services

A. Areas for Contracted Services[1]

Western School of Science and Technology: A Challenge Foundation Academy ("Western Tech: CFA") aims to build and maintain a strong, talented, and diverse founding team with varying qualifications and skills sets. However, Western Tech: CFA recognizes that some specialty services will be provided by contracted service providers in the areas of:

- Payroll: assistance with running the payroll for each pay period, including mandatory withholdings.
- Accounting: assistance with bank reconciliations, general ledger review, monthly financial statements, cash flow review and projections, budget preparation, audit preparation, and internal controls.
- Food Services: providing breakfast and lunch service and compliance with relevant local, state, and federal food service and program guidelines.
- Special Education Services: providing speech therapy, physical therapy, occupational therapy, and psychological evaluation services.
- Information Technology Services: assistance with establishing and maintaining Western Tech: CFA's information technology systems, including internet, networking, and communications systems, and maintenance of hardware and software.
- Legal Services: assistance with 501(c)(3) application and maintenance, required filings, and compliance with relevant local, state, and federal regulations.
- Janitorial Services: cleaning the Western Tech: CFA facility.
- 401(k) Plan Administration: administering Western Tech: CFA's Safe Harbor 401(k) plan.
- Landscaping Services: maintaining the landscaping of the Western Tech: CFA lot.

B. Provider Qualifications

Payroll

Western Tech: CFA aims to contract with a payroll provider to expedite and build efficiency into the payroll process. The following are the primary qualifications Western Tech: CFA is looking for in determining a contracted payroll provider:

- Mission-, vision-, and values-alignment with Western Tech: CFA.
- Several years of experience catering to the needs of charter schools.
- Personalized service.
- Positive referrals from other schools, school leaders, or business leaders.
- Affordability.

Based upon these qualifications, Western Tech: CFA may contract with Payroll Experts, LLC for contracted payroll services. Payroll Experts, LLC provides personalized payroll services at cheaper costs

[1] Adapted from Aspire Business Solutions presentation to the Arizona Charter Schools Association Charter Starter Program, March 9, 2013.

than competing providers and comes highly recommended by several charter schools and the TeamCFA Business Committee.

Accounting

Western Tech: CFA aims to contract with an accountant to provide financial management expertise. The following are the primary qualifications Western Tech: CFA is looking for in determining a contracted accountant:

- Mission-, vision-, and values-alignment with Western Tech: CFA.
- Time availability aligns with needs of Western Tech: CFA.
- Several years of experience catering to the needs of charter schools.
- Personalized service.
- Positive referrals from other schools, school leaders, or business leaders.
- Affordability.

Based upon these qualifications, Tisha Crisler of Crisler Business Services, LLC will provide the contracted accounting services for Western Tech: CFA. Ms. Crisler has been providing personalized contracted accounting services at an affordable rate to Arizona charter schools for over a dozen years and provides contracted accounting services for the other Arizona TeamCFA charter schools. Ms. Crisler is a member of the TeamCFA Business Committee and comes highly recommended as a contracted accountant by two other TeamCFA schools.

Food Services

Western Tech: CFA aims to contract with a food service provider to provide food service. Western Tech: CFA aims to participate in the National School Lunch Program and School Breakfast Program and anticipates food service costs to be reimbursed through participation in that federal program. This is based in local schools' high percentage of students qualifying for free or reduced lunch: Cartwright Elementary School District in the target community for Western Tech: CFA reports 93% of students qualifying; Pioneer Preparatory School: A Challenge Foundation Academy ("Pioneer Prep: CFA"), a sister school in the TeamCFA network and in the Maryvale neighborhood, reports 94% of students qualifying.

The following are the primary qualifications Western Tech: CFA is looking for in determining a contracted food service provider:

- Mission-, vision-, and values-alignment with Western Tech: CFA.
- Fingerprint clearance cards for any personnel to be regularly interacting with students.
- Food handling certification for any personnel to be regularly interacting with food for students.
- Several years of experience catering to the needs of charter schools participating in the National School Lunch Program and School Breakfast Program.
- Abiding by the Arizona Nutrition Standards.
- Personalized service.
- Positive referrals from other schools, school leaders, or business leaders.

- Affordability falling below reimbursement rates of the National School Lunch Program and School Breakfast Program.

Western Tech: CFA is considering several possible contracted food services providers that meet the criteria above; the one that comes most highly recommended by other TeamCFA schools is Royal Dining.

Special Education Services

Western Tech: CFA will employ a certified Special Education Director/Teacher starting Year 1 to provide services to students with special needs. However, several special education services will be provided by contracted service providers, including speech therapy, occupational therapy, physical therapy, and psychological evaluations for special education qualification. These services will be contracted to non-employees because of the relatively low frequency of these needs.

The following are the primary qualifications Western Tech: CFA is looking for in determining contracted special education service providers:

- Mission-, vision-, and values-alignment with Western Tech: CFA.
- Fingerprint clearance cards for any personnel to be regularly interacting with students.
- Time availability aligned to the needs of Western Tech: CFA.
- Certification in the requisite fields.
- Several years of experience catering to the needs of charter schools.
- Extreme familiarity with the federal and state special education compliance, including reporting requirements.
- Personalized service.
- Positive referrals from other schools or school leaders.
- Affordability.

Western Tech: CFA is considering several special education service providers, specifically based on the recommendations of the other TeamCFA schools in Arizona, including Speech and More for speech therapy and AZ Ortho for physical therapy.

Information Technology Services

Information technology needs will be critical to Western Tech: CFA's program of instruction. Thus, the selection of a qualified information technology service provider is a very important decision for the school's success and sustainability.

The following are the primary qualifications Western Tech: CFA is looking for in determining contracted information technology service providers:

- Mission-, vision-, and values-alignment with Western Tech: CFA.
- Fingerprint clearance cards for any personnel to be regularly interacting with students.
- Time availability aligned to the needs of Western Tech: CFA.
- Several years of experience catering to the needs of charter schools.
- Personalized service.

- Capacity to provide the high levels of service required of a hybrid learning school.
- Positive referrals from other schools or school leaders.
- Affordability.

Based on these qualifications and the successful experience of two other TeamCFA charter schools in Arizona, Western Tech: CFA may contract with Compass Technology Solutions, LLC to provide information technology services. Compass Technology Solutions, LLC has provided personalized service to Arizona charter schools at an affordable rate.

Legal Services

Western Tech: CFA aims to contract with an attorney to provide legal expertise. The following are the primary qualifications Western Tech: CFA is looking for in determining a contracted legal service provider:

- Mission-, vision-, and values-alignment with Western Tech: CFA.
- Time availability aligned to the needs of Western Tech: CFA.
- Member in good standing of the Arizona Bar Association.
- Several years of experience catering to the needs of charter schools.
- Personalized service.
- Positive referrals from other schools, school leaders, or business leaders.
- Affordability.

Based upon these qualifications, Terry Warren of Warren Charter Law, LLC will provide the contracted legal services for Western Tech: CFA. Mr. Warren has been providing contracted accounting services to Arizona charter schools for several years and provides contracted legal services for the other Arizona TeamCFA charter schools. Mr. Warren is a member of the TeamCFA Properties Committee and has extensive experience in new charter school development, 501(c)(3) application, and other areas of law related to charter school operation. He comes highly recommended by two TeamCFA charter schools and the TeamCFA Business Committee.

Janitorial Services

Janitorial services will ensure that Western Tech: CFA has a clean and safe facility.

The following are the primary qualifications Western Tech: CFA is looking for in determining contracted janitorial services providers:

- Mission-, vision-, and values-alignment with Western Tech: CFA.
- Fingerprint clearance cards for any personnel to be regularly interacting with students.
- Time availability aligned to the needs of Western Tech: CFA.
- Several years of experience catering to the needs of charter schools.
- Personalized service.
- Positive referrals from other schools or school leaders.
- Affordability.

Based on these qualifications and the successful experience of Pioneer Prep: CFA, Western Tech: CFA may contract with Jani King to provide janitorial services. Jani King has provided personalized service to Arizona charter schools at an affordable rate.

401(k) Plan Administration

Contracting with a 401(k) plan administrator will ensure the effective administration of Western Tech: CFAs Safe Harbor 401(k) program. The 401(k) program is an important part of the compensation structure of Western Tech: CFA in order to attract and maintain talented employees through a competitive compensation package.

The following are the primary qualifications Western Tech: CFA is looking for in determining contracted 401(k) plan providers:

- Mission-, vision-, and values-alignment with Western Tech: CFA.
- Time availability aligned to the needs of Western Tech: CFA.
- Several years of experience catering to the needs of charter schools.
- Personalized service.
- Positive referrals from other schools or school leaders.
- Affordability.

Based on these qualifications and the successful experience of Pioneer Prep: CFA, Western Tech: CFA may contract with Expert Plan, Inc. to provide 401(k) administration services. Expert Plan, Inc. has provided personalized service to Arizona charter schools at an affordable rate.

Landscaping Services

Western Tech: CFA's facility will be on an approximately six acre lot, which will require some landscaping to maintain. Attractive, cost-effective landscaping will contribute to both the safety and marketability of Western Tech: CFA.

The following are the primary qualifications Western Tech: CFA is looking for in determining contracted landscaping services providers:

- Mission-, vision-, and values-alignment with Western Tech: CFA.
- Time availability aligned to the needs of Western Tech: CFA.
- Several years of experience catering to the needs of charter schools.
- Personalized service.
- Positive referrals from other schools or school leaders.
- Affordability.

Based on these qualifications and the successful experience of Pioneer Prep: CFA, Western Tech: CFA may contract with Landcare Unlimited for contracted landscaping services. Landcare Unlimited has provided personalized service to Arizona charter schools at an affordable rate.

C. Costs for Services and Sources for Costs

Payroll

The yearly cost for payroll services is budgeted to be $2,160 in Year 1, with a 3% increase per year, based upon the rate charged by Payroll Experts, LLC for another TeamCFA Arizona charter school with a similar payroll.

Accounting

The monthly costs for accounting services is budgeted to be $58 per hour for thirty hours per month in Year 1, with a 3% increase per year, based upon a quote from Ms. Crisler of Crisler Business Solutions, LLC.

Food Services

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

Special Education Services (speech therapy, physical therapy, occupational therapy, and psychological evaluation)

Costs for special education services are estimated to be $700 per student for one-third of the total school's special education population. The special education population was estimated to be approximately 10% of the total school population based upon data from Pioneer Prep: CFA and considering special education populations are typically lower for secondary schools than elementary schools.

Cost information was provided in a webinar by Cenpatico, an Arizona special education contracted service provider for charter schools.

Information Technology Services

Information Technology contracted services were budgeted for $3,000 per month in Year 1, with a 3% increase in Years 2 and 3. This is based upon the expense for Compass Network Solutions, LLC for Pioneer Prep: CFA. Although the two schools are different sizes, it is assumed the amount of technology needs will be approximately equal.

Legal Services

Legal services were budgeted for $200 per hour for ten hours of legal services in Year 1, decreasing to five hours per month in Years 2 and 3, with a 3% increase to the hourly rate each year. The cost was based upon a quotation provided by Warren Charter Law, LLC with the hourly assumptions provided by the TeamCFA Business Committee.

Janitorial Services

Contracted janitorial services were budgeted for $30,000 per year in Year 1, with a 3% increase per year. This cost is based on the cost for Pioneer Prep: CFA with Jani King and adjusted for facility size.

401(k) Plan Administration

Contracted 401(k) plan administration services were budgeted for $2,500 per year starting August 1, 2014, with a 3% increase per year in Years 2-3. This cost assumption was provided by the TeamCFA Business Committee.

Landscaping Services

Contracted landscaping services were budgeted for $1,000 per month for Years 1-3, with a 3% increase per year. This cost is based on the cost for Pioneer Prep: CFA with Landcare Unlimited for services on a similarly-sized lot.