

Annual Report

2008

A brief overview of the governance, finance and program activities for the 2007-2008 school year.

Prairie
Crossing
Charter School

President's Report

October 2007- September 2008

Dennis Munk, Ed.D.

The activities and achievements of the Board of Directors have been driven by the dual purposes of stabilizing areas of concern, and establishing a solid governance structure for the School's future. Through effective collaboration with the administration, staff, and parents, the Board has sought to put in place a strategic plan that will guide decision-making for the next three years.

Following are major activities for the Board during the past 12 months:

Respond to ISBE directives: In August 2007, the Illinois State Board of Education presented the Board with directives intended to address issues related to board functioning and parental concerns. The Board, in cooperation with the administration, responded successfully to the directives by (a) undertaking Board Training sponsored by the Illinois Association of School Boards (IASB), (b) undertaking Board Evaluation under the guidance of a facilitator from the IASB, (c) forming a Board Composition Task Force to study the potential benefits of changing our current composition of 6 members appointed by the Board, and 3 members elected by parents, and (d) forming an administrative Outreach Task Force, focused on enhancing our strategies for informing families in the Woodland and Fremont districts about PCCS and the enrollment process. The Board has committed to undertaking annual board training and evaluation to sustain the practices and benefits acquired from this year's experiences.

Establish new committees: The Board established two new committees, each charged with focusing on a critical area of school and board functioning. The Excellence in Education Advisory Committee was formed to provide an interface between the administration, teachers, board, and parent community in the ongoing development and evaluation of the School's educational program. The Organizational Policies Committee was formed to address the need for ongoing development and refinement of the School's bylaws and policies in accordance with best practices. The committee has initiated important revisions to policies related to responsibilities for board and committee members involved in the governance of the school.

Develop a Strategic Plan: Development of a new strategic plan to guide the decision-making and resource management was a priority for the Board. Under the guidance of a steering

committee and through the facilitation of a consultant, a large group of school staff and teachers, parents, and board members collaborated in a series of meetings that culminated in a revised mission statement, values statements, and goals that were approved by the Board at its August meeting. This strategic plan lays the foundation for annual work plans and Director Goals.

Achieve Financial Stability: Behind the leadership of the Finance and Fundraising Committee, the Board sought to improve the School's financial stability. There were three major components to their work; 1) carry out an ambitious fundraising plan to continue school operations without significant cuts to programs and services, 2) refinance our long-term mortgage debt at a lower interest rate, and 3) develop an annual budget that is less reliant on unpredictable revenue streams of fundraising and contributions.

In response to a matching grant challenge, a December annual appeal raised more than \$210,000. Refinancing of the School's debt was completed in September, and will result in an annual savings of more than \$150,000 over our current annual costs. An annual budget that reflects reduced reliance on fundraising and contributions has been in development for several months, and will be submitted for approval at the October 2008 Board meeting.

In summary, the 2007-2008 school year presented a number of challenges that allowed the Board, administration, staff, and parents to demonstrate the shared spirit and commitment that has served, and distinguished, Prairie Crossing Charter School from its inception. The Board has sought to reinforce our foundation, with a hope that those who come next will move us ever closer to fulfilling our potential, and achieving our mission.

School Program Report

October 2007- September 2008

Myron Dagley

Together we are on the pathway to academic excellence. Forward movement is only possible when we pause periodically and look around to measure our progress, refocus our direction, and renew our commitments. The end of the Board of Director's Work Year is one of those pauses of significance.

While this message is from the administrative perspective, it also serves as an acknowledgement that our forward movement is only possible because the Board of Directors has established aspirations for our success, has committed focused resources as tools to be used in that pursuit, has provided valuable guidance and encouragement on our journey, and has established a sound basis in policy to support our efforts. We thank those whose terms have ended for faithful, not always easy, service to this organization. They leave behind a legacy of commitment and large shoes to be filled by those who have stepped forward to join in our journey to academic excellence.

"And the children shall lead the way," and lead they have! Prairie Crossing Charter School students have again established an enviable record of achievement. Our 2007-2008 ISAT scores reveal that overall more than 96% of our students meet or exceed state standards in math and reading scores. We continue to use the NWEA testing in fall and spring and now will add a third administration during the winter months to monitor our steps towards higher achievements. Instruction is driven by sound planning and data based decisions. Our instrumental music program engaged more students this year than ever before. Our band ensembles performed more difficult pieces of music than previously with greater success. Our multi-gender soccer team just became Division Champions for the season as well as tournament champions and remained undefeated for the season.

Our students also excel at community service. They generously support the PADS Program with meal contributions and provided needed clothing and games for students living in shelters within the county. Our musicians performed for shut-in senior citizens to help brighten their Holidays last year and are already scheduled to do so again. PCCS students consistently demonstrate concern for fellow man, their peers, their environment, their campus, and yes, their teachers. Our student body is great!

Recently I heard from one of our 2008 graduates. He was telling others about his secondary experience thus far. This student is taking all honors classes, finds homework easier than here, finds working in groups much easier than his fellow students, and finds he is the only student in his group who has no anxiety about making oral presentations in class. When asked why, he responded that his experience here had equipped him superbly!

We are blessed to have an excellent faculty. We began last school year and this year fully staffed with dedicated, hard working, and caring personnel. Even when our school faces annually difficult financial decisions which result in modest compensation adjustments and a further spreading of personnel

resources, our faculty of teachers and teacher assistants “put their shoulders to the wheel” and guide our students to discover, to learn, to expand their vision, and keep alive their hope for a better future and a better environment in which to sustain life on this planet. Without doubt our students leave here with a better understanding of the environment, what is necessary to sustain healthy life on this planet, and what the role of a responsible citizen must be to achieve sustainable life on this earth. We do realize excellent teaching here every year.

Our Board of Directors also has a vision for academic excellence. Through their wisdom the Prairie Crossing Charter School Bylaws were amended this past school year to provide for the Excellence in Academic Program Advisory Committee. This standing committee will operate at the policy level but be comprised of board members, the principal and school director, members of the faculty, and external professionals as needed. We will examine curricular and instructional issues to assure that the mission of the school is fulfilled. Additionally, we will examine practices of assessment, both standardized and non conventional to assure that protocols of accomplishment are employed to evaluate student learning through service learning projects and the traditional eighth grade culminating project. This committee will be formed in October, 2008 and should lead us forward on our search for excellence in all we do.

When school opens each year no one can predict what changes may come forth. While we had not contemplated the loss of our principal at the end of June, 2008, we did experience that loss. We are very fortunate to have found Mr. Brian Greene as our replacement. Brian has had several years experience both as a teacher and prior experience as a principal both in traditional public school settings as well as being a principal of a charter school. In his short tenure here he has embraced this school, its mission, values, its students and parents. He has engaged the faculty with warmth, vision, and genuine partnership. He is firmly seated on the team, and the team is forward moving in search of excellence.

Through healthy, close collaborative working relationships with this team of wonderful students and parents, our dedicated faculty, the constructivist approach to learning (discovery), and our loyal administrative team, we expect a fruitful and productive year in 2008-2009. Prairie Crossing Charter School has much potential! Please join that momentum. The pathway awaits us all!

Finance & Fundraising Committee Report

October 2007- September 2008

Steve Achtemeier

It was a challenging and eventful year for the Finance & Fundraising Committee and sub-committees. When we began this term we were faced with a significant budget shortfall, an audit report which was months late, and a ticking clock to get our debt refinanced.

The committees were reformed and quickly gained focus and determination to stabilize the financial situation of the school. With significant collaboration with the administrative team, we were able to identify cost cutting measures and a revised staffing plan to bring our budget in line if fundraising efforts were not fruitful. The fundraising group worked with the staff to plan and implement events and campaigns with outstanding results. No reductions in staffing were necessary and we finished the year with a strong cash position.

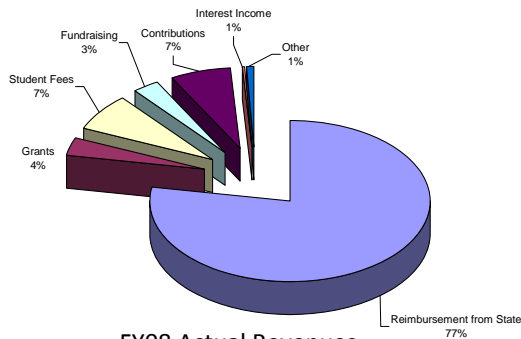
The following bullet points are the notable successes for the year:

- Fundraising efforts met or exceeded the income goals set in the budget.
- The annual appeal far exceeded our goals, allowing us to retain our staffing at the planned levels. The Liberty Prairie Foundation provided a matching grant of \$75,000, which was instrumental in our positive results.
- The audit was completed with an unqualified opinion of our operations.
- The construction debt was refinanced with a bond offering which closed in September, saving the school over \$150,000 in interest charges per year.
- The budget was adopted by the board, including a greatly reduced reliance on fundraising.

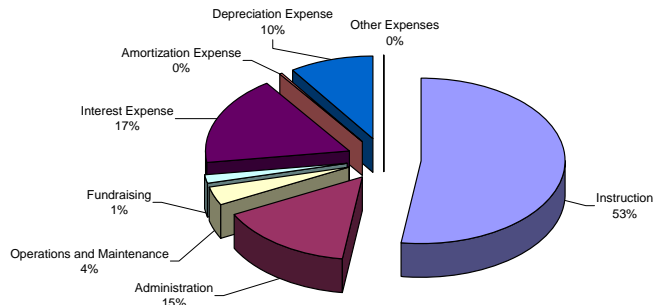
The committee is thankful for the support of the school community over this past year. The successes were all possible because everyone worked together toward our common goal.

Financial Accountability

Prairie Crossing Charter School is heavily dependent upon state funds to support its operation as a consequence of the Illinois Charter School Statutes, School Code of Illinois, Article 27A. The graphs below are based upon audited figures from FY-08, July 1, 2007- June 30, 2008. The graphs are constructed using the same budget line item configurations as are used all year long in all public financial statements and as presented to the Board of Directors

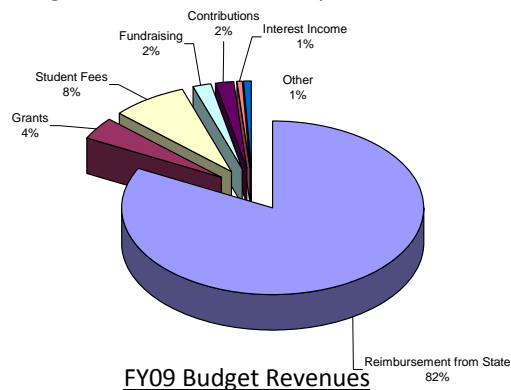


<u>FY08 Actual Revenues</u>	
Reimbursement from State	\$2,927,878
Grants	\$137,562
Student Fees	\$284,552
Fundraising	\$106,850
Contributions	\$261,006
Interest Income	\$19,364
TOther	<u>\$27,510</u>
Total Income	\$3,764,722

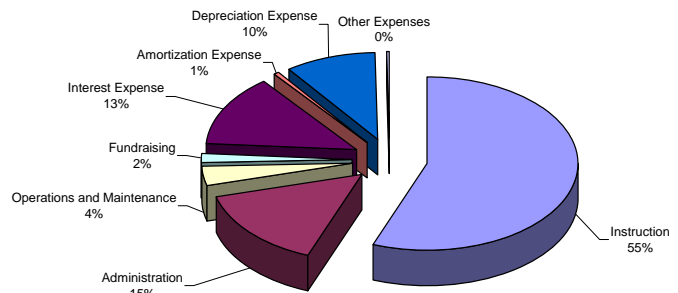


<u>FY08 Actual Expenses</u>	
Instruction	\$1,981,774
Administration	\$588,232
Operations and Maintenance	\$139,091
Fundraising	\$56,948
Interest Expense	\$661,616
Amortization Expense	\$10,840
Depreciation Expense	\$361,840
Other Expenses	<u>(\$1,974)</u>
Total Expense	\$3,798,336

The graphs below depict what we expect to be the outcomes of our operation for FY-09, July 1, 2008- June 30, 2009. We will continue to rely heavily upon State Aide as the primary basis of our operation. We will always need to raise funds through fundraising efforts as an integral part of the underlying financial principles upon which the School is sustained. During FY-09 we will experience the first benefits of our new long term debt reduction plan resultant from refinancing our construction costs of 9.4 million dollars.



<u>FY09 Budget Revenues</u>	
Reimbursement from State	\$3,072,555
Grants	\$155,763
Student Fees	\$307,800
Fundraising	\$74,500
Contributions	\$64,650
Interest Income	\$20,000
Other	<u>\$35,000</u>
Total Income	\$3,730,268



<u>FY09 Budget Expenses</u>	
Instruction	\$2,085,561
Administration	\$550,495
Operations and Maintenance	\$140,841
Fundraising	\$58,438
Interest Expense	\$494,343
Amortization Expense	\$23,412
Depreciation Expense	\$361,500
Other Expenses	<u>\$12,000</u>
Total Expense	\$3,726,589

Organizational Policy Committee Report

October 2007- September 2008

During school year 2007-2008, the Board of Directors amended the Prairie Crossing Charter School Bylaws to provide for the creation of a new standing committee, the Organizational Policy Committee. Board member, Bob Bentz agreed to serve both as a member of the committee and as its first chair. President Munk also appointed the following additional members to the committee:

- Dennis Munk, Board Member
- Michelle Helle, PSO Representative
- Myron Dagley, Administration
- Brian Greene, Administration

It was further intended that from time to time as needed other members of the parent community or instructional staff would be asked to serve as topics of discussion warranted.

The work plan assigned to this committee upon creation was to systematically review existing board policy, revise for content update as necessary, and to convert existing policy to the uniform format agreed upon by the committee.

Additionally the committee was to periodically examine the Prairie Crossing Charter School Bylaws to assure they contain the amendments that have been formally ratified into them, that they are current in light of relevant legislative changes, and that they accurately reflect best practices needed to assure success of the School's mission and realization of the organization's value statements.

The inaugural meeting of this committee was held in early spring of 2008. The first task undertaken by the committee was to agree upon a standard format in which Board Policy would be written. To date, nine existing policies have been revised and reformatted, and ratified by the Board of Directors. On the work bench are a dozen additional policies which the committee is poised to address prior to presentation to the Board of Directors for a first reading. One policy is currently being advanced to the Board by the committee.

The Board of Directors has also amended the bylaws several times in the last six months. A revised draft to the Bylaws document incorporating these changes has been prepared and is ready for legal review and then Board presentation.

Sections 300 and 400 of the Board Policy Manual contain job descriptions for numerous positions within the organization. The administration is nearly finished with revising each of these and will now format them for consistency prior to presenting same to the Board of Directors for information purposes. The work undertaken by this committee is painfully tedious and time consuming. For its brief life at this point, much productive work has been achieved and the committee is fulfilling the aspirations of the administration which advocated strongly for its creation.

Personnel Committee Report

October 2007- September 2008

Kim Vander Yacht

The Personnel Committee this year was comprised of five members: Kim Vander Yacht (Chair), Suzanne Coonan, Marcelo Chiodi, Cheryl Pytlarz and Bob Creviston. The committee met a total of 13 times, and one of the first actions was to draft a list of items, prioritize them and to set a timetable in which to accomplish them. Noteworthy accomplishments are highlighted below.

The committee devoted much time and thought to the Director's performance evaluation process and form. Both a process and a form were drafted, and subsequently utilized in the conduct of the Director's performance evaluation this year. In assessing how they measured up when implemented, the committee was pleased. Improvements and "tweaks" to the process were suggested and incorporated into the written document. Suggestions were also made to the form, and will be considered by the new Personnel Committee.

Regarding the Director's performance evaluation, the committee set, at the beginning of the school year, a schedule for the interim evaluations. With the exception of the annual evaluation, which was conducted a couple of weeks later than scheduled, the evaluations were all accomplished on time, and were based on goals and action plans written by the Director, affirmed by the committee and approved by the board.

The role and responsibilities of the Personnel Committee, as they currently appear in the PCCS bylaws, were reviewed and discussed at length. One task currently assigned to the Personnel Committee, the orientation of new board of directors and the Director of the school was removed as a responsibility of the Personnel Committee. A document entitled, "Prairie Crossing Charter School Personnel Committee Responsibilities" was drafted and presented to the board by the committee. It has been forwarded to the Organizational and Policy Committee for inclusion in the Policies and Procedures Manual.

Another priority of the committee was to review compensation and benefit packages for top administrative staff, teachers and teacher assistants (from comparable schools/school districts). The director met with an outside consultant to discuss the possibility of conducting a study of same, which would ultimately assist in the creation of guidelines and a uniform salary structure. The price quoted by the consultant was outside of budgetary constraints and the director is exploring other options to provide the necessary data and analysis.

Other tasks accomplished by the committee include the endorsement of the Director's recommendations for teacher compensation and contracts for FY09; a review and discussion of the administration's response to the resignation of the Director of Development and Community Relations, and subsequent recommendations; and the endorsement of the creation of a Food Nutrition Consultant position, using funds received in the form of a targeted grant.