

# INDIANA MATH AND SCIENCE ACADEMY NORTH

## 2011-2012 Performance Analysis

### *Core Question 2: Is the organization effective and well-run?*

2.1. Is the school in sound fiscal health?	
STANDARD	The school presents significant concerns in no more than <u>one</u> of the following areas: a) its state financial audits (e.g., presence of “significant findings”); b) its financial staffing and systems; c) its success in achieving a balanced budget over the past three years; d) the adequacy of its projections of revenues and expenses for the next three years; e) its fulfillment of financial reporting requirements under Sections 10 and 17 of the charter agreement. In addition, if the school presents significant concerns in one area, it has a credible plan for addressing the concern that has been approved by the Mayor’s Office.

2011-12 Performance: **Exceeds Standard**

#### **A) The School’s Financial Audits (e.g. presence of “significant findings”)**

Indianapolis Math and Science Academy-North (IMSA-N) received a clean audit opinion that contained no material weaknesses or significant deficiencies. The school’s auditors, Fitzgerald Isaac, stated, “In our opinion, the financial statements...present fairly, in all material respects...”

While the audit contained no material weaknesses or significant deficiencies, the auditors did point out an area of non-compliance in the school’s internal controls. The auditor’s stated, “As part of our audit, we tested the School’s compliance with provisions of the Accounting and Uniform Compliance Guidelines for Indiana Charter Schools issued by the Indiana State Board of Accounts...Reported in the Audit Results and Comments are matters where we believe the School was not in compliance with those provisions”.

The auditors then go on to highlight specific areas of non-compliance with credit card policy. These are as follows:

- School made payments on the credit card by electronic funds transfer
- Invoice documentation was not furnished for all credit card purchases
- Credit cards were used in instances where purchase orders could have been used
- Credit card payment procedures were different from payment procedures for other purchases

The school responded by making updates to its credit card usage policies. These updates include the following:

- The school has agreed to stop making credit card payments by electronic funds transfer (EFT)
- Staff members must now fill out a Credit Card Usage Form
- The School Director must approve the staff member's use
- After the staff member completes the purchase, he or she must return the credit card to the Business Manager with an itemized receipt by the next business day or at the agreed upon date for return
- The school will continue providing monthly statements to the Board for their approval

In summary, the absence of material weaknesses and significant deficiencies coupled with a corrective action plan for the internal compliance challenges leave our action with no concerns in this area.

**B) The School's Financial Staffing and Systems**

The school has established adequate staffing and systems for managing its finances. The school's staff includes Halil Dulgeroglu, the Business Manager. The school also contracts with Bookkeeping Plus, Inc. for the preparation of financial statements.

**C) The School's Success in Achieving a Balanced Budget Over the Past Three Years**

As of FY '12, the school was only in its second year of operation. IMSA North successfully maintained a balanced budget for both FY '12 and FY '11. A summary of changes in net assets and ending balances for the last 2 years is seen below.

Year	Change in Net Assets	Ending Balance
FY '12	\$363,506	\$531,185
FY '11	\$182,836	\$167,679

As a result of the school's ability to maintain a positive change in net assets in its first two years of operations, our office has no concerns at this time.

**D) The Adequacy of the School's Projections of Revenues for the Next Three Years**

The school has provided budget projections for the next three fiscal years. The table below summarizes the schools anticipated change in net assets.

Year	Anticipated Change in Net Assets
FY '13	\$69,721.64
FY '14	\$184,427.69
FY '15	\$98,334.00

Given that the projections above indicate that the school anticipates maintaining a positive change in net assets for each of the coming three years, our office has no concerns at this time. Nonetheless, we will continue to work with the school to ensure that it remains on track fiscally.

**E) The School’s Fulfillment of Financial Reporting Requirements under Sections 10 and 17 of the Charter Agreement**

The school has fulfilled financial reporting requirements under Sections 10 and 17 of the charter agreement.

<b>2.2. Are the school’s student enrollment, attendance, and retention rates strong?</b>	
<b>STANDARD</b>	<b>The school is consistently fully enrolled. Student attendance and retention rates are generally at or above the school’s agreed-upon target rates.</b>

**2011-12 Performance: Approaching Standard**

IMSA-N did not meet its enrollment target for 2011-12. The following chart displays the school’s target enrollment compared with its official fall enrollment, as reported by the IDOE.

<b>Year</b>	<b>Target Enrollment</b>	<b>Fall Enrollment</b>	<b>Percent Below</b>
2011-12	450	438	2.7%

*Source: Official fall enrollment figures from the IDOE. Target enrollment is the maximum capacity from the school’s charter agreement with the Mayor’s Office, submitted by the school.*

The 2011-12 the attendance rate at IMSA-N was below averages of both the county and the state.

	<b>IMSA-N</b>	<b>MC</b>	<b>IN</b>
<b>2011-12 Attendance rate</b>	95.06%	96.06%	96.1%

No targets have been established for student retention rates for IMSA-N.

Based on the 2011-12 performance, IMSA-N is approaching the Mayor’s Office standard for this indicator because they were not fully enrolled and had an attendance rate lower than both the county and the state.

**2.3. Is the school’s Board active and competent in its oversight?**

<b>STANDARD</b>	<b>The Board’s membership collectively contributes a broad skill set and fair representation of the community; Board members are knowledgeable about the school; roles and responsibilities of the Board are clearly delineated; Board meetings reflect thoughtful discussion and progress in the consideration of issues; overall, the Board provides consistent and competent stewardship of the school.</b>
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2011-12 Performance: **Approaching Standard**

The Indiana Math and Science Academy-North Board is knowledgeable about the school, its needs, and its priorities. Its membership reflects a broad skill set and is relatively representative of the community, and attendance at board meetings has been consistent. The Board holds monthly meetings as they also oversee Indiana Math and Science Academy-West, a Ball State University sponsored Charter School.

Board membership is nearly complete and has been relatively stable in the 2011-12 academic year. The Board is reasonably representative of the community and contributes some expertise. Two board members resigned during the 2011-12 school year unrelated to term limits. One of the vacant board seats has been filled with a member who represents the local community and adds to the collective skill set of the Board. Members have varied skill sets and varied backgrounds; however, the board is lacking representation in areas such as finance and law. Board meeting minutes are clear and well organized. The Board complies with the requirements of Indiana Open Door Law by ensuring meeting notices are posted.

The Board of IMSA-N is active in its stewardship to the school but is still defining its role and responsibility of providing fiscal and operational oversight of the school particularly because the Board is heavily reliant upon Concept Schools, the school’s Education Management Organization (EMO) whom the Board is tasked with overseeing. The board has not implemented its committee structures as identified in its bylaws, therefore, roles and responsibilities of members are not immediately evident.

Based on the performance demonstrated in the 2011-12 academic year, the Board at IMSA-N is approaching the Mayor’s Office standard for this indicator.

<b>2.4. Is there a high level of parent satisfaction with the school?</b>	
<b>STANDARD</b>	<b>More than 80% but less than 90% of parents surveyed indicate that they are satisfied overall with the school.</b>

**Not Evaluated.** In the spring of each year, researchers administer anonymous surveys to parents of students enrolled at Mayor-sponsored charter schools. Parent satisfaction was measured for the 2011-2012 school year based on a total of only 27 surveys from parents/families. With a total enrollment of 438, this means that Indiana Math and Science Academy-North collected surveys from less than 10% of students’ families. Accordingly, the survey information received was not

statistically significant; therefore, the school could not be evaluated on this indicator for 2011-12.

<b>2.5. Is the school administration strong in its academic and organizational leadership?</b>	
<b>STANDARD</b>	<b>The school’s leadership a) has sufficient academic and/or business expertise; b) has been sufficiently stable over time; c) has clearly defined roles and responsibilities among leaders and between leaders and the Board; d) actively engages in a process of continuous improvement which has led to some mid-course corrections.</b>

2011-12 Performance: **Meets Standard.**

The administration of Indiana Math and Science Academy-North is strong in its academic and organizational leadership. School leadership has a range of background and expertise in education and business. The school’s leadership team includes a Principal, Assistant Director, Dean of Students and Business Manager. The school principal is the founding principal of Indiana Math and Science Academy-West and has prior leadership experience in both public and private schools since 1997. The Principal has previously worked in charter schools as a teacher, department head, assistant director and director.

The Principal provides oversight on numerous aspects of the school while implementing policies set by the Board of Directors. The Principal assumes administrative responsibility for the planning, operations, supervision and evaluation of the educational programs and the annual evaluations of the school staff.

IMSA-N has not experienced any leadership turnover. Roles and responsibilities between (and among) the school leaders and Board are clearly delineated. Accordingly, the school meets standard for this indicator for 2011-12.

<b>2.6. Is the school meeting its school-specific organizational and management performance goals?</b>	
<b>Meets standard</b>	<b>School has clearly met its school-specific organizational goal.</b>

**Not Evaluated.** Indiana Math and Science Academy-North did not have school-specific organizational and management performance goals to be evaluated for 2011-12.