

KIPP INDIANAPOLIS COLLEGE PREP

2012-2013 Performance Analysis

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

2.1. Is the school in sound fiscal health?	
STANDARD	<p>2.1-1: The school demonstrates satisfactory performance in all areas identified: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default</p> <p>2.1-2: The school demonstrates satisfactory performance in all areas identified: 3 Year Aggregate Net Income, Debt to Asset Ratio, and Debt Service Coverage Ratio</p> <p>2.1-3: The school does not present concerns in the financial audit or financial reporting requirements</p>

2012-13 2.1-1 Performance: **Approaching Standard**

Indicator	Ratio	Measures	Rating	2012-13	2012-13
2.1 Short Term Health	Enrollment Variance Ratio	Enrollment Ratio equals or exceeds 99%	Meets Standard	95%	Approaching
		Enrollment Ratio is between 90% - 98%	Approaching Standard		
		Enrollment Ratio is less than or equal to 89%	Does Not Meet Standard		
	Current Ratio	Current Ratio equals or exceeds 1.1	Meets Standard	1.06	
		Current Ratio is between 1.0 - 1.1	Approaching Standard		
		Current Ratio is less than or equal to 1.0	Does Not Meet Standard		
	Days Cash On Hand	Days cash on hand equals or exceeds 45	Meets Standard	13	
		Days cash on hand is between 30-45 days	Approaching Standard		
		Days cash on hand is less than or equal to 30 days	Does Not Meet Standard		
	Debt Default Evidence	Not in default or delinquent	Meets Standard	Meets	
		Default or delinquent	Does Not Meet Standard		

KIPP Indianapolis College Prep **approached** standard for core question 2.1-1 for the 2012-13 school year. Based on data from the September 2012 count day, the school’s enrollment came in slightly below the enrollment targets stated in its charter agreement. As a result, the school approached standard for this sub-indicator. Though the school had more current assets than current liabilities (those due in the next 12 months), the ratio was still lower than what is prescribed by the indicator. As a result, the school approached standard for this sub-indicator.

KIPP: Indianapolis College Prep ended the year with 13 days of cash on hand. This means that if payments to the school had stopped or been delayed post June 30, 2013, the school would have been able to operate for 13 more days. Based on this data, the school did not meet standard for this indicator. Finally, the school successfully met its debt obligations based on the information that Sikich, the school’s auditor, provided. Furthermore, there were no negative communications from the school’s lenders. Since the school met standard for one of the sub-indicators in core question 2.1-1, approached standard for two sub-indicators, and did not meet standard for the other, it approached standard for this section of the core question.

2012-12 2.1-2 Performance: Exceeds Standard

2.2 Long Term Health	3 Year Aggregate Net Income	Aggregate 3 year Net Income is positive and most recent year is positive	Meets Standard	NA	Exceeds
		Aggregate 3 year Net Income is positive and most recent year is negative	Approaching Standard		
	Net Income	Aggregate 3 year Net Income is negative	Does Not Meet Standard	\$428,651.00	
	Debt to Asset	Debt to asset ratio is less than or equal to 0.9	Meets Standard	0.12	
		Debt to asset ratio is between 0.9 - 0.95	Approaching Standard		
		Debt to asset ratio equals or exceeds 0.95	Does Not Meet Standard		
	Debt Service Coverage (DSC) Ratio	DSC ratio equals or exceeds 1.15	Meets Standard	11.43	
		DSC ratio is between 1.05- 1.15	Approaching Standard		
		DSC Ratio is less than or equal to 1.05	Does Not Meet Standard		

The school **exceeded** standard for core question 2.1-2. The school met standard for the net income sub-indicator in that it generated a positive net income for the fiscal year. It is important to note that \$394,176 of this dollar amount was from a non-cash gain that resulted from the Common School Loan forgiveness. Pages 11 and 12 of the school’s audit explain how this calculation was derived. Additionally, the school met standard for the sub-indicator regarding debt to asset ratio. The school’s assets exceed its debts. Finally, the school’s debt service coverage ratio met standard. The school owes \$46,428 in long-term maturities for fiscal year 2014. Since the school met standard for all of the sub-indicators it exceeded standard for core question 2.1-2.

2012-13 2.1-3 Performance: **Meets Standard**

2.3 Reporting Requirements	Annual Independent Accrual Based Audit	Receives a clean audit opinion	Meets Standard	Meets	Meets
		Receives a clean audit opinion with a few significant deficiencies noted but no material weaknesses	Approaching Standard		
		Receives an audit with multiple significant deficiencies, material weakness or is a going concern	Does Not Meet Standard		
	Financial Reporting Requirements	Satisfies all financial reporting requirements	Meets Standard	Meets	
		Fails to satisfy financial reporting requirements	Does Not Meet Standard		

The school **met** standard for core question 2.1-3. The school met standard for its annual accrual based audit because it received a clean audit with no material weaknesses or significant deficiencies. The school met its financial reporting requirements, and its audit report was issued on March 25, 2014.

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

2012-13 Performance: **Approaching Standard**

KIPP Indianapolis College Prep did not meet enrollment targets set for 2012-13. The following chart displays the school’s target enrollment compared with its official fall enrollment, as reported by the IDOE.

Year	Target Enrollment	Fall Enrollment	Percent Below
2012-13	290	282	2.8%

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 2012-13 attendance rate at KIPP Indianapolis College Prep was below the average of both the county and the state.

	KIPP	MC	IN
2012-13 Attendance rate	95%	95.7%	95.8%

No targets have been established for student retention rates for KIPP Indianapolis College Prep.

Based on the 2021-13 performance, KIPP Indianapolis College Prep **approached** the Mayor’s Office standard for this indicator because the school was slightly below its enrollment target and had an attendance rate slightly below that of the county and the state.

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

2012-13 Performance: Exceeds Standard

The board of directors at KIPP Indianapolis College Prep was experienced and provided extremely competent oversight of the school. There was a range of expertise on the board. Members were knowledgeable about the school, its policies, and issues of concern. The board consisted of members with expertise in education, law, finance, development, community relations, and human resources. The roles and responsibilities of the Board and its members were clearly defined with each member taking ownership of his or her role as a member. The board had 12 members, which was compliant with charter by-laws, who were actively engaged, committed, and aligned with the mission and vision of KIPP Indianapolis College Prep. The board anticipated two members would roll off, but proactively started the process of replacing those members.

The board chair, Mr. David Mann was active, engaged and dedicated to the overall success of KIPP Indianapolis College Prep. Mr. Mann worked well with Emily Pelino, Executive Director, and Aleesia Johnson, School Leader, to convey the mission and vision of KIPP Indianapolis College Prep to key stakeholders. Mr. Mann was knowledgeable regarding the day-to-day operations of the school, but he allowed school leadership the autonomy in running the school while still providing support. Mr. Mann’s expertise in the area of finance was an asset to the school and he willingly provided assistance to ensure that school leadership was thoughtful in making decisions that could not only impact the school financially but in other areas as well. Mr. Mann actively engaged in a process of continuous improvement in that he was very astute in his thinking and thought about long-term sustainability throughout the decision-making process. Finally, Mr. Mann regularly assessed the skill sets of fellow board members to ensure that all areas of expertise were represented to ensure board viability.

Board meetings always reflected thoughtful discussion and consideration of issues that impacted not only the school but the community as well. The board was competent in its stewardship of the school and took time to assess if decisions at the local level aligned with KIPP National.

The board had a subcommittee structure that allowed members to oversee each critical area of operation and was looking to add an advisory committee to allow for additional input from stakeholders who were not able to commit to being a voting member. Committees focused on the areas such as strategic development, finance, and board governance with members providing the board with updates at monthly meetings. The board consistently achieved quorum and the KIPP Indianapolis College Prep board conducted evaluations of the school leadership against established academic, financial, and operational goals. Board minutes improved in that they were accurate, transparent, clear and concise. The board utilized a dashboard during meetings to track goals and trends which engaged board members in a process of continuous improvement. Based on the performance demonstrated in the 2012-13 academic year, the KIPP Indianapolis College Prep board **exceeded standard** the Mayor’s Office standard for this indicator.

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

2012-13 Performance: Exceeds Standard

In the spring of each year, researchers administer anonymous surveys to parents of students enrolled at Mayor-sponsored charter schools. In 2011-12, 90% of KIPP Indianapolis College Prep parents reported overall satisfaction with the school. Based on this data, the school **exceeded** the Mayor’s Office standard for performance for this indicator for the 2012-13 academic year.

2.5. Is the school administration strong in its academic and organizational leadership?	
STANDARD	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.

2012-13 Performance: Meets Standard

The school’s administration consisted of an Executive Director, Principal, two Assistant Principals, and a Director of Finance and Operations. The 2012-13 school year was the Executive Director’s first year in the role. She was previously the school’s principal. The previous Assistant Principal then became the Principal. The administration worked together well with the Executive Director focusing a great deal of her time on the operations and governance of the school and the Principal focusing a great deal of her time on the instructional needs of the

school (while providing input on the operations and governance). Both the Executive Director and Principal worked closely with their board. As such, the school **met** the Mayor's Office standard for this indicator.

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

Not Evaluated. KIPP Indianapolis College Prep did not have school-specific organizational and management performance goals to be evaluated for 2012-13.