



MARYLAND ALLIANCE
OF PUBLIC CHARTER SCHOOLS

charterstarter 

Charter Design Series Workshop 4



Governance, Organizational Structures and Facilities & Budget Tools

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The Maryland Alliance of Public Charter Schools supports quality public charter school education on behalf of students and families. We are a non-partisan organization that serves as a voice for charter school communities so we can:

- Advocate for equitable and transparent conditions for public charter schools
- Offer support to new and existing public charter schools
- Drive the discussion around innovative educational practices that lead to positive outcomes for students

Agenda

- 5:00-5:15 Introductions and Norms
- 5:15-5:45 Power and Decision Making
- 5:45-7:00 School Governance and Leadership:
Your Organizational Structure
- 7:00-7:40 Budgeting and Facilities
- 7:40-8:00 Series Wrap Up
- 8:00-8:30 Optional: Questions/Answers

Learning Objectives

Participants will be able to:

- Create clarity around decision making and charter school leadership roles.
- Understand the difference between a founding group and a start- up board.
- Understand the basic roles & responsibilities of board.
- Differentiate between the board model types.
- Evaluate pros and cons of different organizational structures.
- Understand the key inputs in creating a budget.
- Identify basic facility needs using the facility calculator.

Virtual Workshop Logistics & Norms

- Please mute yourself unless you are speaking.
- Video sharing is on to create a in person feel, but please turn off your video if distractions arise.
- Use the chat feature for any questions.
- Those with groups will be assigned together in breakout rooms. You will need to unmute yourself to collaborate.
- The presentation will be recorded, breakout session discussions will not.
- You can exit the shared screen by pressing escape. Re-access by clicking on blue ZOOM icon.
- We will ask you to fill out a survey after the workshop concludes.

Introductions

- Now that we are at the end of the series, share with the group what you see as your next steps.



Building Your Governance Model

The core of idea of governance rests in two core ideas:

- Who has power in your school/organization?
- How do decisions get made?

Where will power lie – and who will make decisions in your school?

Defining Your Governance Philosophy and Framework: Function

Who and how are decisions being made?

Use the stakeholder matrix to think through when you make decisions at your school:

- Who is the decision maker
- Who gets input
- Who gets veto power

Where will power lie – and who will make decisions in your school?

Governance: The Decision Matrix

Being clear on who makes decisions at your school will allow clarity in everyone's roles. It will also allow you to align your decision-making process with your mission and vision and your core beliefs about power in schools.

Defining Your Governance Philosophy and Framework: Function

Categories & Decisions	Board of Directors	Principal	Staff	Parents	Students
School Leadership Hiring	D		I	I	I
Staff Hiring	MNBI	D	I	I	I
Internal Fundraising	V	D	I	I	I

Worktime 1: Stakeholder Decision Making

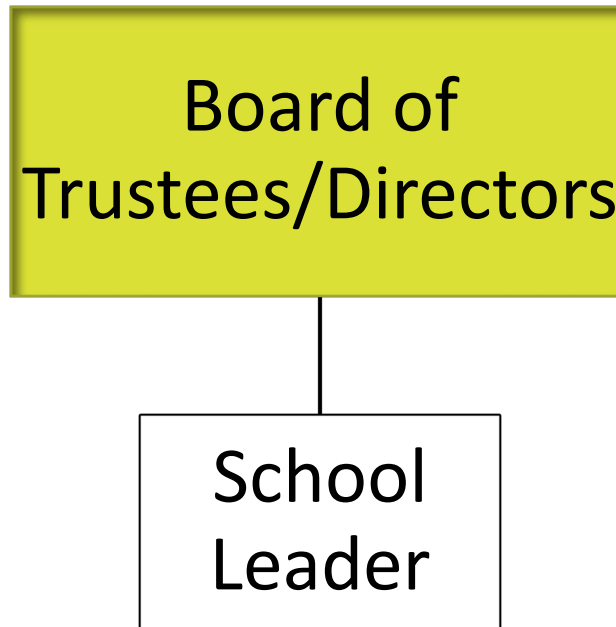
Take 20 minutes to work on your Stakeholder Decision Matrix, identifying who are the decision makers: who decides, who has veto power, who has input, who needs to be notified before implementing.

SEE IN SESSION HANDOUT

Looking at this at the front end may help you determine what kind of governance structure fits your model.

Governance

The most common notion of governance in the non-profit and charter school world, refers to the Board of Directors and School Leader of the organization.



A Founding Group is different than a Board of Directors

Founding Group

- Collection of individuals who came together to write an application for a charter school
- No legal authority
- No public money committed
- No students served
- No approval yet

GOALS:

- Write successful application
- Lay groundwork for strong governing board

Governing Board of Directors

- Collection of individuals who have the right skills to plan, launch and sustain a charter school
- Fulfill fiduciary/legal responsibilities
- Operating as a 501c3
- Accountable for opening a school that successfully educates students
- Accountable for delivering on the promises stated in the charter

GOALS:

- Oversee the long-term strategic direction, health, and viability of a charter school

Board Role & Responsibilities

A Board of Directors is the governing body of a non-profit organization

Establish Policy

- Create, update and maintain vision and mission statements
- Determine programs and services
- Approve Strategic Plan
- Hold executive sessions to discuss crisis & CEO/ED compensation

Ensure Sustainability

- Fundraise: directly donating to the non-profit and soliciting donations
- Advocate for the organization
- Expect 100% giving from board members

Monitor (not manage) Operations

- May Hire and evaluate the CEO/ED & Principal
- Work with and support the CEO/ED & Principal
- Approve & monitor annual budget annual report, Strategic Plan, etc.
- Approve major grants and contracts

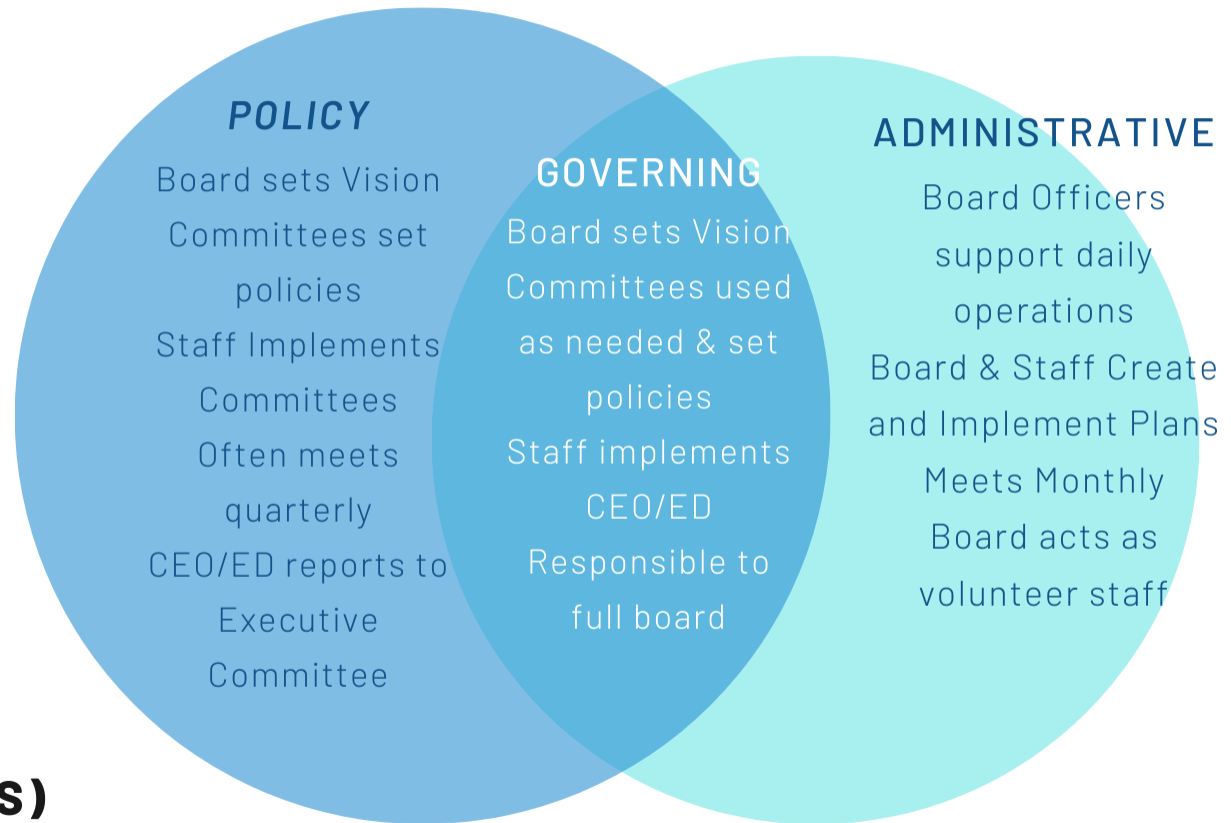
Other Responsibilities

- Prepare for and attend board meetings
- Document policies and decisions
- Research and discuss issues prior to decision making
- Recruit and develop board members

Defining Your Governance Philosophy and Framework: Structure

- Is your Governance model a membership model or a nominating model ?
 - Majority of charter schools use nominating model
- Determine core Board Structures.
 - Board Type
 - How are people selected? (Election? Slate? Who votes?/Who decides?)
 - Board size? This should be a range typically between 9-13
 - Board composition (skills, community, parents)?
 - Term limits & Staggered terms?
- Committee structure
- How often does the Board meet?

Differences
and Similarities



**BOARD TYPES
(OFTEN HYBRIDS)**

Typical Charter School Board Committees

Finance

- Supports the development of the annual expense budget, actual spending, monthly cash flow
- Interprets the overall financial health of the organization.
- Supports the development of the strategic and annual plans
- Reviews all financial policies

Fundraising

- Support ED in developing and implementing annual fundraising goal
- Tracks planned vs. actual results
- Encourages, trains and thanks board members for their fundraising contributions.
- Coordinates special event fundraisers

Governance/Board Development

- Recruits and trains all new board members
- Communicates with members and monitors board communication and satisfaction
- Manages board evaluations

Program/Academic

- Supports staff in developing and monitoring annual goals
- Supports the implementation of key programs
- Tracks and reports on outcomes

Executive Committee – meets as needed- officers

Worktime 2: Starting to Structure Your Board

The decisions you make about your Board of Directors will have long-lasting impact, as those structures will carry your organization through transitions at the Board level and beyond.

Use the next 20 minutes to build a rough draft to this basic set of Board structure questions.

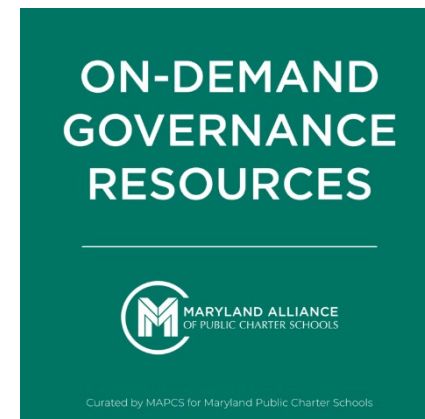
[SEE IN-SESSION HANDOUT](#)

Your Board in the First Years....

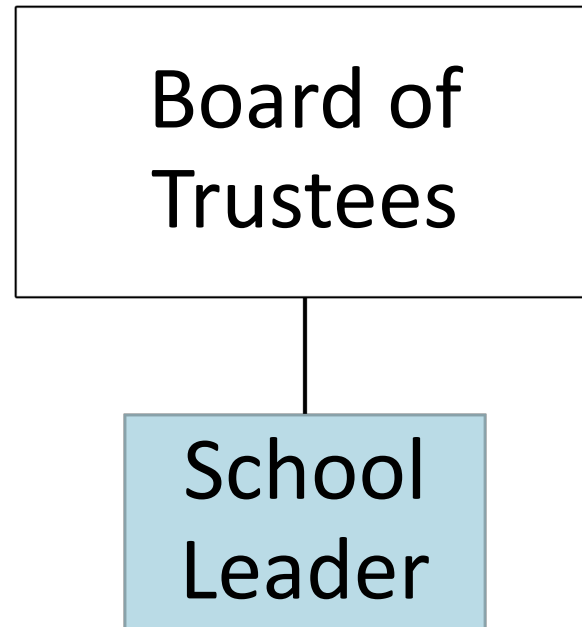
- Are doing the work while governing
- Small group passionate about the school
- Function as a “working board”
 - Members “roll up sleeves”/in the weeds
 - Often blur oversight/management because not hired enough staff
 - Board meetings deal with operations AND governance decisions
- Little structure/Not enough members to staff committees
- Can feel frantic and overwhelming

Steps to Build a Strong Board in Start-up

1. Find the people you need and onboard them fully
2. Set up your key structures, systems and policies
3. Hold a retreat prior to doors opening
4. Set goals for the year one



School Leader



School Leader

Recruiting, Hiring and Nurturing the right School Leader may be the most important task you have as a Charter School Operator. It can often be the fulcrum point between success and failure of a school's vision.

Carefully Consider Your Principal's Role

- Vision
- Strategy
- Instructional leadership
- Resource management
- Systems and processes
- Compliance
- Planning
- Staff development
- Student recruitment
- Fundraising
- School culture
- Public face of the school
- Advocacy
- Facilities

FACT: No One Is Good At All of These Roles

Who is Responsible For...?

- Family Engagement
- Data and Compliance
- Special Education
- Professional Development
- Budget and Finance
- Operations (facilities, food services, transportation)
- Information Technology
- HR
- Student Recruitment

QUALITIES OF A SUCCESSFUL CNH LEADER

Carefully Consider the Desired Qualities of Your School Leader

Commitment to Progressive Education

Knowledge of Best Progressive Education Practices

Knowledge and Experience as a Progressive Educator

Diversity, Social Justice and Activism

Commitment to Social Justice and Activism

Demonstrated Commitment to Cultural Competency

Understanding of the Baltimore Context

Leading Through Service and Empowerment

Servant Leader Stance

Teacher Empowerment

Community Empowerment

Effective Practical Leadership

Demonstrated Leadership Experience

- Proactive
- Organized
- Timely Follow Through
- Managing Time
- Driving Processes Forward

Integrity, Maturity, and Way of Being

Professional Integrity

Emotional Maturity

Evidence of Strong Relationships with Many Constituencies

Personal Qualities

Joyful

Loving

Sense of Humor

Vision

Bold and Visionary

Authenticity

Technical Skills and Competencies

Experience and Knowledge of Special Education

Logistical Competency

Fiscal Stewardship

Budgeting Competency

Physical Plant Management

A Holistic Approach

Cautionary Notes

- Protect instructional leadership
- Top-heavy administration in a small school
- Demonstrated experience in core areas
- Sustainability and Number of direct reports
- Alignment with Mission and Vision
- Embodies the Charter School Spirit

NOTE: If you are planning to hire the school leader, bring them on board as soon as possible. Ideally they are part of key program

decisions.

Worktime 3: The School Leader Inventory

- Considering core qualities of your future School Leader will be key in helping you find the person you are seeking.
- In the next 20 minutes, articulate the five most important qualities for your school leader and five qualities/understandings/experiences that would make your school leader perfect **for your mission, vision and approach.**

[SEE IN SESSION HANDOUT](#)

The Executive Director

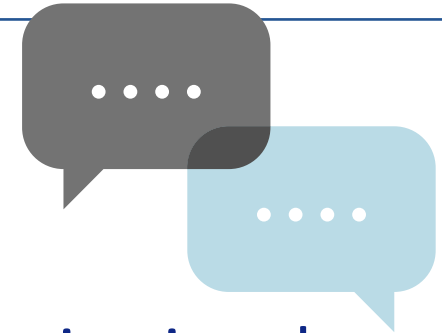
Typical roles for the Executive Director in a Charter School:

- Operations & Building
- Fundraising
- External branding and marketing
- Interfacing with the district/protecting charter autonomy
- Working closely with the board/report to the board

Path: Founder to School Leader

- As founders, you may have ideas about your future role in the school
 - Embrace this, don't avoid it!
- Be brutally honest about your strengths and weaknesses
 - Who will give you real feedback?
- School leader doesn't have to be good at everything
 - Design your structure and hiring processes to address gaps

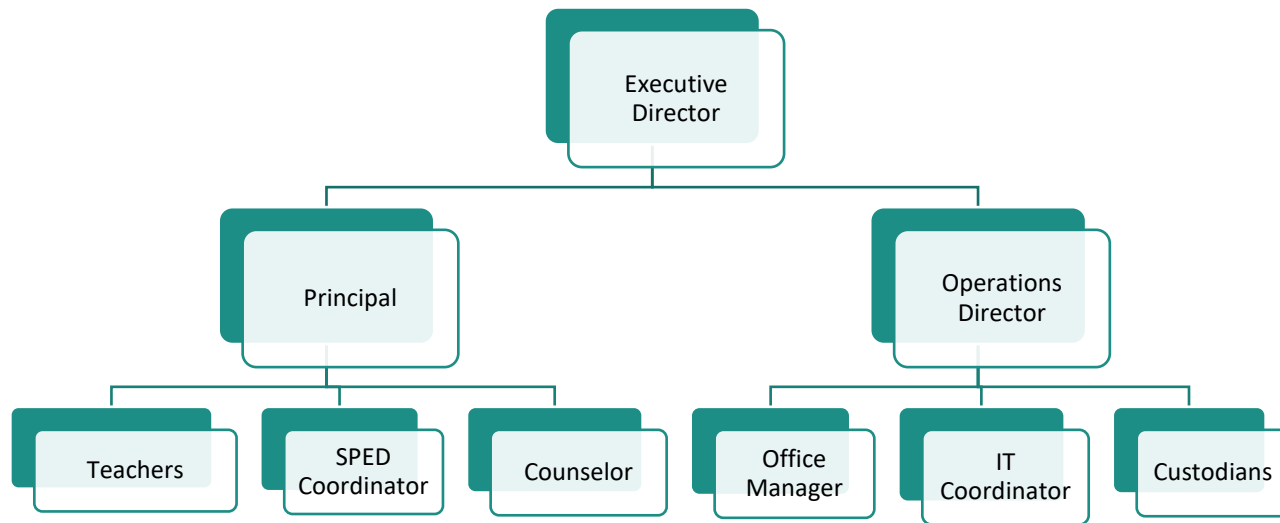
Organizational Chart



Consider the following three sample organizational charts:

- What are the benefits of each one?
- What are the potential drawbacks?
- In each of these, was it clear who reported to the Board of Directors/Trustees?

Organizational Chart #1

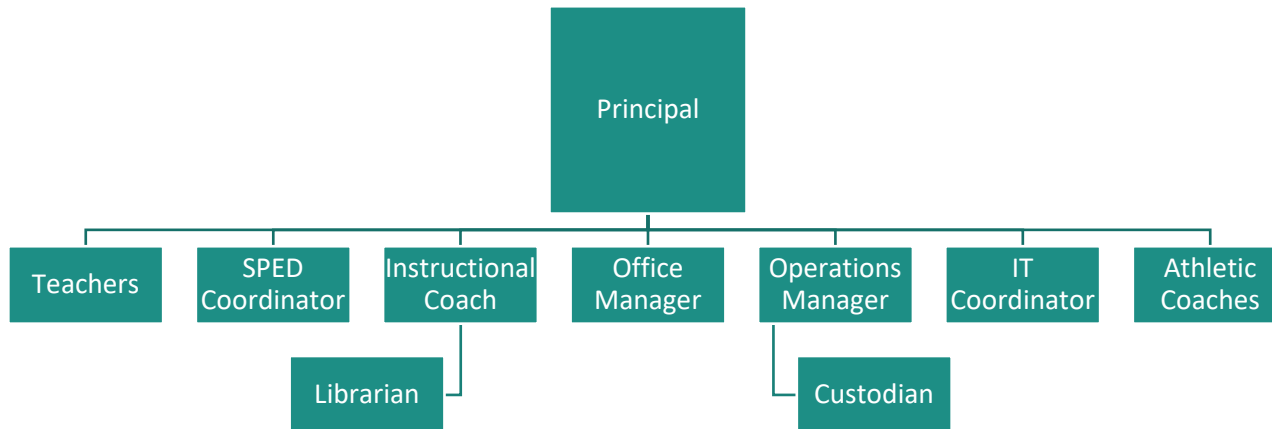


What are the benefits of this one?

What are the potential drawbacks?

Is it clear who reported to the Board of Directors/Trustees?

Organizational Chart #2

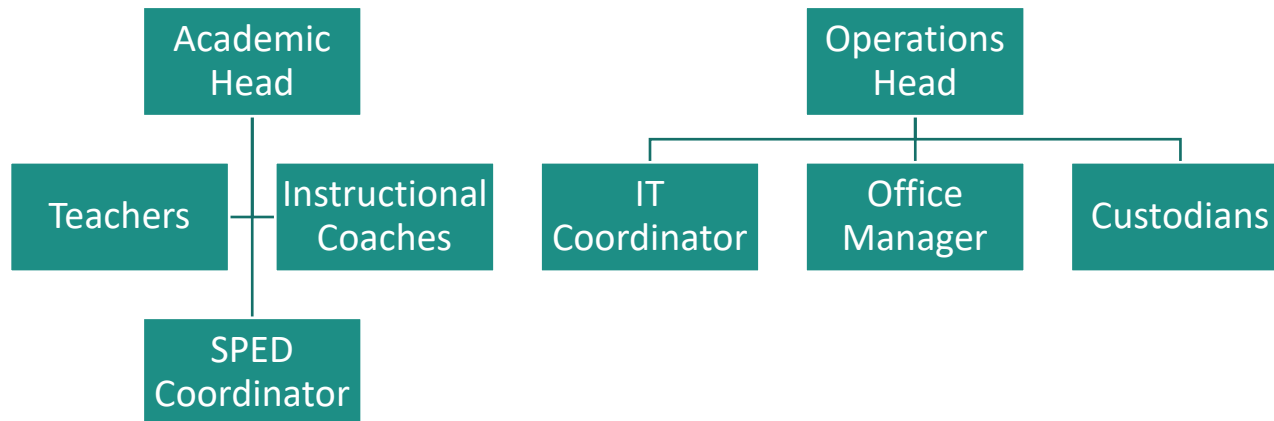


What are the benefits of this one?

What are the potential drawbacks?

Is it clear who reported to the Board of Directors/Trustees?

Organizational Chart #3



What are the benefits of this one?

What are the potential drawbacks?

Is it clear who reported to the Board of Directors/Trustees?

Core Budget Principles- Revenues

- Student enrollment drives your budget
- Anticipate 10% attrition in the first year and often before the enrollment count- plan accordingly
- The Per-Pupil Allocation is determined by each authorizing school district
 - Determine whether Special Education funding is included in the per-pupil, (and is the charter school's responsibility) or is provided either in-kind by the district or a combination of in-kind and additional funding in addition to the stated per-pupil.
 - Same with ELL funding
- MMP CSP Grant up to \$2M (years 0-2)
 - Anticipated next Round Spring 2024

Core Budget Principals- Expenses

- Teacher salaries and benefits typically comprise at least 55% of revenue
- You can use district average staff salaries (assumes highest cost) or a mix of the salary scale
- Facilities costs typically range between 15% and 20% of revenue and should not exceed 20%
- Insurance coverage & annual audit are mandated
 - Insurance coverage approx. \$30K
 - Annual Audit approx. \$15K

Resource Exploration : Budget Tool

The Budget Illustrator allows you to calculate your estimated revenue and major expenses by inputting enrollment, teachers, specials, etc. in the red highlighted areas.



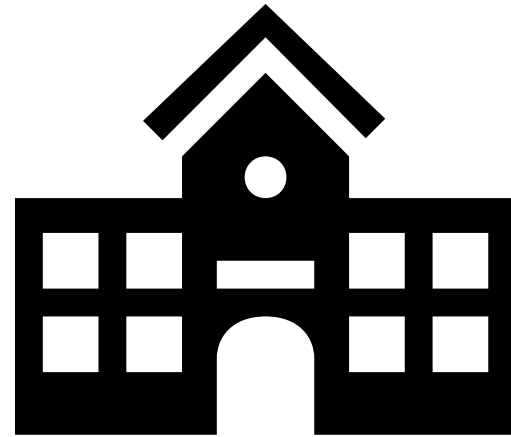
Basic Charter School Budgeting Illustrator		Input your numbers in Highlighted cells
Enter Name of Charter School:		
Revenue:		
What is my revenue?		
How many students do you expect to enroll in first year?		
What is the District Funding Per-Pupil Allocation?		
Calculation: Max. Gross Revenue=# Students X Per-Pupil	\$	-
Expenses:		
What can I spend on my teachers?		
Number of Students		
Average Class Size		
Calculation: Number of Classes		
Number of Teachers per Class		
Calculation: # Teachers=# Classes X Average #Teachers per Class		-
Number of Specials Teachers (Art, Music, PE etc)		
Calculation: Min. Staffing Budget Year 1 = Max. Gross Revenue X 55%	\$	-
Calculation Year 1: Avg Teacher Cost (salary plus benefits)=Number of Teachers X \$72K	\$	-
Calculation: Min. Staffing Budget Year 3 = Max. Gross Revenue X 55%	\$	-
Calculation Year 3: Avg Teacher Cost (salary plus benefits)=Number of Teachers X \$78K	\$	-
How much should I spend on my building?		
Note:Total Occupancy Costs typically between 15%-20%. Facility Costs should not exceed 20% of Max. Gross Revenue*		
Calculation: Maximum Facilities Expense= 15% X Max. Gross Revenue	\$	-
Calculation: Minimum Usable Space for Building in Sq.Ft. Year 1=# Students X 75 Sq.Ft.		-
Number of Students in Year 3		
Calculation: Minimum Usable Space for Building in Sq.Ft. Year 3=# Students X 75 Sq.Ft.		-
Calculation: Max Rent or Mortgage Payment in Year 1 (per square foot) = Max Rent or Mortgage Payment / Min. Sq.Ft.		#DIV/0!
How much can I spend on student support, administration, and other?		
Calculation: Remaining Budget for Other= Max. Gross Revenue - Min. Teaching Staffing Budget-Max Facilities Expense	\$	-

	Year 1	Year 3
Major Assumptions		
Number of Students		
Number of Classes		
Number of Teachers	-	
Number of Specials Teachers		
Per-Pupil Allocation		
Revenue		
Per-Pupil Revenue	\$ -	\$ -
MSDE CSP Grant (up to \$900,000 for 0-2 years) Assume at least \$300K in Start-Up/Pre-Opening. Enter between \$300K-\$900K here. MSDE CSP N/A in Year 3		-
Total Revenue	\$ -	\$ -
Expenses		
Salaries		
Executive Director/CEO		
Principal		
Teachers (includes benefits)	\$ -	\$ -
Front Office/Secretary		
Payroll Taxes & Benefits (assumed at 29%)		
Executive Director/CEO		\$ -
Principal	\$ -	\$ -
Front Office/Secretary	\$ -	\$ -
Facilities		
Estimated Rent or Mortgage Payment (at 15% revenue)	\$ -	\$ -
Operating & Fixed Costs assume \$6/Sq.Ft.	\$ -	\$ -
Other Known Expenses		
Contingency (assume 3% of revenue)**	\$ -	\$ -
Total Expenses	\$ -	\$ -
Surplus/Deficit (Remaining Amount Available for programming, etc. if Facilities Costs are at 15% of Revenue)***	\$ -	\$ -
*Estimated Incremental Rent or Mortgage Payment (at 20% Revenue)	\$ -	\$ -
Surplus/Deficit (Remaining amount available for programming etc. if Facilities Costs are at 20% of revenue)***	\$ -	\$ -

** Every Charter Application Budget should have a contingency budget line

Facilities

One of the greatest challenges for many new charter schools, in the school opening and development process, is finding and purchasing or leasing an adequate school facility.



Facilities

- Founding groups tend to underestimate the space that they will need for their building.
 - The minimum Sq.Ft is 60 Sq.Ft/student up to 120 Sq.Ft/student.
- Think broadly: Office parks, closed religious or private schools, surplus district school buildings, warehouses, etc.
- Ideally, you can find a space that can grow with you in your target area, but that is not always possible.
- Some charter schools lease a smaller temporary space in the area that they want, and then build out when they are at full enrollment and have access to credit.

Resource Exploration : Facilities Tool

The Facilities Tool allows you to calculate your minimum and maximum square footage as well as a more detailed calculation.

The screenshot displays a Google Spreadsheet interface for calculating physical space needs. The spreadsheet is titled "Maryland Public Charter School Facilities -- Physical Space Needs Worksheet" and is part of a "Maryland Public Charter School Facilities Requirements Worksheet revised" document. The interface includes a menu bar (File, Edit, View, Insert, Format, Data, Tools, Extensions, Help) and a toolbar with various editing and calculation tools. The spreadsheet is organized into several sections:

- Quick Calculation, Form A:** This section provides a summary of key metrics. The "Total Number of Students" is 300, the "Minimum SF/Student" is 60, and the "Maximum SF/Student" is 120. Based on these values, the "Minimum SF" is calculated as 18,000 and the "Maximum SF" is 36,000.
- Detailed Calculation, Form B:** This section breaks down the requirements into specific categories:
 - Academic Classrooms:**
 - Number of Pre-K and K1 Classrooms: 0, resulting in 1100 SF.
 - Number of G1 -- G8 Classrooms: 0, resulting in 800 SF.
 - Number of G9 -- G12 Classrooms: 0, resulting in 0 SF.
 - Specialty Classroom Space:**
 - Number of Special Education Classrooms: 0, resulting in 450 SF.
 - PreK -- G5 Science: requires G6 -- 12 Science: 0, resulting in 4 SF.
 - Science Prep/Storage: 0 SF.
 - Pre-K -- G5 Fine-Arts: may be accommodated with a general use or dedicated arts classroom: 0 SF.
 - Fine-Arts Storage: 0 SF.
 - G6 -- G8 Fine-Arts: 0, resulting in 4 SF.
 - G9 -- G12 Fine-Arts: 0, resulting in 5 SF.
 - Supportive Practices:**
 - Number of Small Instructional Spaces: 0, resulting in 350 SF.

The spreadsheet uses yellow highlighting for input cells and grey shading for section headers. The bottom of the screen shows the "Sheet1" tab and navigation controls.

Worktime 4: Budget Illustrator & Facilities Tool

20 minutes

Budget Tool: Plug in your assumptions for your school in terms of number of students, number of students per/classroom into the highlighted cells.

Download as an Excel file

[SEE IN SESSION SPREADSHEET](#)

Facilities Tool: Input your first year and five year student enrollments into the first section of the tool. Make a note of the minimum and maximum space needs for both scenarios. If you have additional time, look over the second section to see how the tool can be used to determine a more accurate picture of your space needs.

Facilities Space Calculator Tool

[SEE IN SESSION SPREADSHEET](#)

Observations

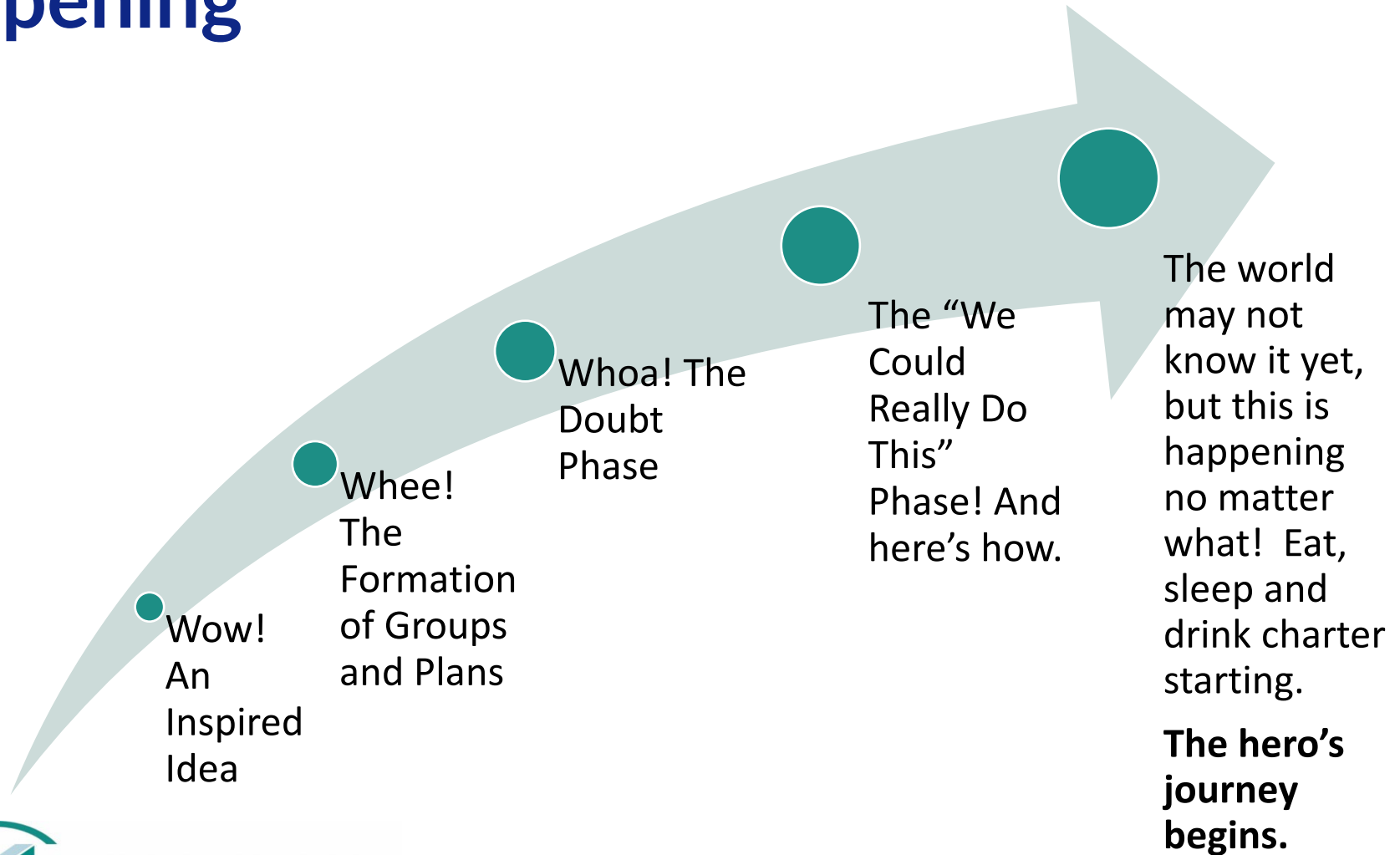
- Did your proposed 1st year student enrollment generate enough revenue to cover expenses?
- Was it helpful to see that at least 70% of your known expenses are in teachers and facilities costs?
- Are there enough funds left over to carry out your mission driven programming?
- Note: Authorizers will not approve charter schools that are not sustainable on their operating budget.
- Were you surprised at the size of the building you will need at the different growth stages?

OK, what have we done together?

Over the last 7 weeks, we have engaged with many of the core elements of building a successful charter school including, but not limited to:

- Clarifying Your Charter Idea
- Mission and Mission-Aligned Work
- Community Outreach
- Curriculum and Assessment
- Teacher Development
- Board Development
- Finance and Facilities

The Psychological Path to Charter Opening



Congratulations, You've Completed the Series!