



Anser Charter School

Annual Report

Presented to the Boise School District
Board of Trustees
November 11th 2013

We Develop Future Community Leaders

School Update

OVERVIEW

The 2012-2013 school year marked Anser's 14th year in operation. After the growth of the last few years, welcoming back our student body of 366 made for an easy transition into a smooth year. Anser teachers worked in content groups and vertically aligned groups to align Anser's curriculum to the Idaho Core Standards. Anser implemented Infinite Campus, an online lottery application and new standards based report cards. Anser continued to make early payments on the bridge loan, exceed fundraising goals, build reserves and maintain full enrollment.

FINANCES

As plans were made for the 2012-2013 school year the Students Come First legislation had not yet been repealed. In anticipation of cuts to salary apportionment the Anser Administration and Board continued the work of the past few years to build reserves and reduce costs wherever possible to maintain salaries. With the repeal of SCF Anser, like all other charter schools and districts, was left to work through all of the implications of repeal. Anser lost funding for a grant in partnership with BSU to increase technology in the school as a result of the repeal, but gained some funds related to restoring the cut to the salary schedule. Anser teachers received a full share of the Pay for Performance bonuses in November of 2012 as a result of Anser's test results being in the top quartile for achievement and for growth.

During the 2011-2012 school year Anser adopted a GASB Fund Balance Policy that sets an expected reserve amount between 5% and 10% of annual operating expenses. Despite challenging financial times in education Anser was able to maintain reserve funds in the 7% range during the 2012-2013 school year. With the repeal of SCF, Anser no longer had the need to dip into these reserves to maintain salaries. As a consequence, Anser was able to sustain programs using operational funds, and at the end of FY13 the reserve fund balance had grown to closer to 9%.

As the year progressed planning for the 2013-2014 began. Legislative action to increase education funding for the first time in 4 years came as a relief to Anser staff and the Anser board. While the increase was very modest it was a step in the right direction. Additionally, due to the passage of charter school facility funding legislation, Anser had an additional \$40,000 to use toward the more than \$250,000 spent annually on paying for and maintaining our facility. Receiving these funds for facilities allowed Anser to shift funds used in the past for facilities toward compensating staff who had taken pay cuts in past years. If this funding continues, it will allow Anser to be able to use more of the funds received from the State toward education, and less toward the maintenance of our facilities.

Although the past few years have been financially challenging for Anser, as they have been for all schools, Anser's financial position remains strong. Anser's annual Fall Fund Drive raised \$50,500 in pledges and donations from Anser families, and our annual Spring Dinner and Silent Auction raised over \$80,000. This continued support by Anser families to help close the funding gap is evidence of our families' commitment to the school and the education program we provide.

As indicated in the Facilities Financing Summary (Attachment A), the bank reserve fund is currently fully funded at \$215,000. Collections on our Capital Campaign pledges continued to outpace our projections allowing Anser to make early Bridge Loan Payments in October 2010 and August 2011, and September 2012 leaving a balance of \$60,000 on the Bridge Loan.

Anser worked with Ridgley Denning and US Bank to renew our bridge loan for another year, per the terms of our original loan. The new one year loan was approved in May 2013 with a 2.30% interest rate. Anser has currently collected over \$35,000 of the \$60,000 balance due and we expect to pay this loan off before the May 2014 due date.

FUNDRAISING/CAPITAL CAMPAIGN

The continued generosity of ANSER families is what made the purchase of our building possible. As many families are now reaching the fourth and fifth year of their pledges, the majority of the funds have been collected.

\$76,368.67 Outstanding
\$753,726.20 Collected to date

\$830,094.87 Total for Campaign

Of the total amount, \$100,000 was donated by the Laura Moore Cunningham Foundation. The current focus of the capital campaign is to continue to collect pledges until all pledge terms have been completed.

We recognize that what has happened at Anser is exceptional. US Bank, which has made facility loans to about a dozen charter schools around the state, indicates that most of them do no parent fundraising at all. And even as the economy has created challenges for many families, our pledge default rate has stayed under 4%. Plans for future fundraising related to the building are being formulated by the Anser Fundraising Committee and will likely focus on targeted improvements to the building.

STATE/REGIONAL RECOGNITION

Anser continued to serve as one of just 17 Expeditionary Learning Mentor schools across the country in the Expeditionary Learning Network. Anser was also named a Studio District with the Idaho Leads Project. This was in recognition of the school's innovative approach to education. Anser Junior High math teacher Kelly McLeod successfully submitted a Khan Academy grant to the J.A and Kathryn Albertsons Foundation. The grant award of over \$40,000 will be used to provide iPads and invest in the technological infrastructure in order to allow students to use Khan Academy in their Junior High math classes. Anser Early Childhood teacher Jennifer Trole received a grant from the Idaho Botanical Gardens to start a Butterfly Garden. Jennifer Trole and her teaching partner Sara Garrett were selected to present a session on teaching math at the National Expeditionary Learning Conference in Baltimore. Anser Junior High science teacher Allyson Maynard received a \$750 Capital Educators Grant to participate in the Geographic Project with her junior high students. Anser Early Childhood teacher Kelly Selvage participated in the SDE Train the Trainer program in preparation for the SBAC assessments. Anser teachers Dolly Higgins and Diane Williams were invited to participate as curriculum writers on the Common Core Curriculum Design Intensive – Designing CCSS for New York State's 8th grade ELA Standards. Additionally Diane Williams lead a Human Rights Education Network class for teachers on teaching about the Holocaust and served as a presenter at the National Expeditionary Learning Conference regarding teaching social justice and aligning to the CCSS.

SUSTAINABILITY

In our fourth year at our new size Anser staff have worked through many of the challenges presented with the new size of the school and brining in many new staff and families. The primary challenge still outstanding was the implementation of our Community Based Curriculum (CBC) and Junior High Electives programs. In the 2011-2012 school year an Open House held to solicit feedback on the

programs and to gather ideas of how to insure the programs were high quality experiences for our students. Those suggestions included going back to multi-age groups, smaller modules and a connection to our Expeditionary Learning Design Principles. As the program was implemented including these changes during the 2012-2013 it was clear that although a strong group of supportive, involved parents were passionate about CBC, the sheer scale of trying to get 256 students off campus in 14 different modules each Wednesday just was not sustainable. Community partners that had worked with Anser students in the past felt overwhelmed by the number of students coming to their organizations, it became more difficult to find parents whose schedule allowed them to help each Wednesday afternoon and the frustration of those parents that were helping grew, as the quality of the program suffered.

In January 2013, at the direction of the Anser Board, a Sustainability Committee, comprised of Anser administrators, teachers, and parents was convened to address the sustainability of the program. The Committee began its work with only two parameters for the re-vamping of the CBC and Electives programs. Those parameters were that any new program must be budget neutral and provide the 2.25 hours of planning time for teachers at each grade level. The committee then determined that any program developed had to meet the criteria of being aligned to Expeditionary Learning, be of high quality, allow time for learning not related to class work, provide service opportunities and continue to have parental involvement as a critical component of implementation.

Over the next two months committee members submitted proposals to meet the above stated goals. Many different ideas were submitted and time was spent evaluating their feasibility and the budget necessary for implementation. After much collaboration and revision Anser's new C3 program was born. The program was introduced to the Anser community in April 2013 and feedback was solicited from the larger parent community regarding the new program. In May the staff required to implement the program were hired and the summer was spent planning for the new program. As the new school year starts we feel the program is off to a strong start. We will continue to take parent feedback and revise the program to be the best it can be in the future. A synopsis of the C3 program can be found under "Tab 8" of this report.

Anser was part of the first ISEE Phase 2 grant cohort. As part of this grant Anser was able to increase staffing to Implement Infinite Campus, work with teachers on the use of Schoolnet and implement standards based report cards. The implementation of Infinite Campus proceeded smoothly thanks in part to the expertise of the Boise School District staff responsible for the management of Infinite Campus. This implementation has made the sharing of data related to Special Education between Anser and Boise School District easier and quicker. Additionally, when students transition between Anser and the district it allows for instantaneous access to student information. The implementation of Infinite Campus has greatly streamlined the completion of monthly ISEE uploads. The grant also allowed for staff time and compensation for the development of standards based report cards. As Anser educators worked to align curriculum to the Idaho Common Core it was determined that a report card that reflected the new standards would be beneficial. Work was done over the summer to develop standards for each content area at each grade level that would be included in the report card. Upon creation of the new reporting format teachers were instructed on how to use Infinite Campus to generate their report cards. The process of implementing standards based report cards was large and required the collaboration of teachers in all subject areas and at all grade levels. The report cards created as an outcome of the process were well received by Anser families, and with the addition of some small revisions will continue to be used as we go forward. Samples of the new standards based report cards can be found under "Tab 7" of this report.

Parental Involvement is a cornerstone to Anser's success and we continue to have high levels of participation among our families. Parents continue to serve as volunteers in many ways: in the classroom, for our C3 Program, for fieldwork, fundraising, volunteer recruitment, performing building

enhancements and serving on the many Anser committees that help achieve the goals of the school. Because the involvement of our parents is so critical to the success of the school, the Anser Board adopted parental attendance at levels of 85% or higher at Student Led conferences as the local measure for Pay Performance bonuses implemented as a part of Students Come First. 98% of parents attended Student Led Conferences, meaning Anser met our local measure.

TECHNOLOGY

For Anser, as with every school the increased use of, reliance upon and expense of technology continues to grow. The 2012-2013 school year was another year of increases in technology spending and implementation. All classrooms have internet ready projectors, smart boards and document cameras. All teachers have a laptop and an iPad. This year we also implemented two pilot programs to assess the best use of technology. In one of our Middle Childhood (3rd-4th grade) teacher Michelle Dunstan implemented a one to one initiative with iPod touches. She helped us determine what sorts of classroom norms and expectations must be developed in order to successfully use such devices in the classroom, how best to manage the devices, and the best uses for the devices in support of learning. Her pilot was a great success, and she continues to use the devices in her classroom this year. In Junior High, teacher Allyson Maynard piloted the use of iPads in her science classroom. In her class, there was one iPad per 4-5 students. Allyson also explored the framework that needs to be developed by teachers in order to insure proper use of the device and worked to develop protocols for device management. We learned a great deal through these pilots. As a result of our learning we have determined to make some even larger investments in technology and to work to craft a “Bring your Own Technology” policy, most likely to be implemented first at the Junior High level. In order to support the large number of devices that would be in use in the building once the policy is in place, Anser made vast investments in our infrastructure. We doubled our bandwidth and added Meraki devices in each classroom, which allow Anser to create two parallel networks, one for staff and one for students. The Merakis also allow for many devices to access the internet in each classroom. These investments will be critical to our future success in allowing students to bring their own devices to school in support of their learning.

Technology also allows us to streamline administrative tasks as the school. In January 2013 Anser launched our first online lottery application. Prospective parents may still mail, fax or hand deliver an application, but we found the vast majority of the 600+ applications we received were submitted online. This led to greater efficiency in processing the applications and decreased staff time in performance of the lottery.

ADMINISTRATION

Suzanne Gregg served in her 11th year as the Education Director, Heather Dennis served in her 3rd year as the Organization Director and Teresa Schmalz served her 9th year as Fiscal Manager during the 2012-2013 school year. The administrative structure put in place by the Anser Board in the 2004-2005 school year continues to provide a strong foundation for keeping a focus on academic excellence while insuring that finance and policy requirements are met. Teresa Schmalz has announced her plans to retire at the end of the 2013-2014 school year. A committee made up of Anser Board members and administrative staff will work together beginning in December 2013 to recruit and hire a new Fiscal Manager. Teresa will be greatly missed, but she has done an exemplary job of outlining processes and deliverables in order to train Anser’s new Fiscal Manager during the two-three months that they will overlap before her retirement.

GOVERNANCE

The Anser Board continues to provide guidance for Anser staff on managing the school in a manner that is consistent with its mission and vision, and meets the goals of the Strategic Plan. During the 2012-2013 school year the Anser board worked with the administrative staff to begin visioning budgetary priorities for the future of the school. With the recognition that Anser has stayed financially stable in

part because staff took pay reductions, restoring compensation for staff has been a priority for the Anser Board. The Anser board included 2% bonuses for staff in December 2013 and May 2014 as part of the FY14 budget. Budgetary planning is underway to determine the best way to move the funds used in the FY14 budget for bonuses, into the salary schedule for future years as well.

The Anser Board has 15 members. The board includes managers, business owners, an accountant, attorneys, a city planner, three educators, a marketing consultant, and a non-profit executive. Specific expertise of Board members ranges from architecture to strategic planning. Dave Wagers was elected President of the Anser Board for the 2012-2013 school year, and continues to serve as President for the 2013-2014 school year.

SPECIAL EDUCATION SERVICES

In 2012-2013 Anser's percentage of students eligible for Special Education Services (9.0%) returned to a level more consistent to our years before expansion. Exceptional Child Services Director Lisa Cates announced her plans to retire at the end of the 2012-2013 school year. Lisa Cates, Special Education Teacher Kari Kerfoot and Education Director Dr. Suzanne Gregg worked together to recruit a new Special Education teacher and re-align the Exceptional Child Services Crew to meet the needs of Anser's students. The ECS Crew now consists of Kari Kerfoot, Special Education Teacher responsible for K-5th grade students, Sara Anderegg, Special Education Teacher responsible for 6th -8th grade students, two full time Paras, two part time Paras and a math support assistant. Given the school's more stable level of students requiring services this new model should allow the most flexibility in meeting our student's needs.

ANSER is so grateful to the District's Special Education staff for their support through the process of our growth to what is now most likely our more stable level of students requiring services. Anser's Exceptional Child Services team has partnered with the committed District staff members assigned to work at Anser part-time in meeting the needs of these students. Additionally Anser and District staff have worked together to smoothly transition students from Anser into the proper setting within the Boise School District as they leave Anser.

FACILITIES

The Anser community continues to enjoy the stability our current building provides. The 2012-2013 school year was filled with upgrades to the facility, including the installation of bathrooms in our Kindergarten modular classrooms, installation of water lines to our Junior High Science room, the installation of a PA System, the installation of Access Control locks on the two doors used during school hours, the replacement of 4 HVAC units and the remodel of the kitchen in order to be able to start serving lunches in the 2013-2014 school year. We also received a donation from our neighbors at UPS toward landscaping of our main parking lot, which was performed in the summer of 2013.

Anser's 10 Year Facility Plan was developed in 2010 and will be updated annually. This document will guide the maintenance of the major mechanical and structural systems of the school, as well as the replacement of items such as windows, carpet, and general maintenance to keep the building in excellent repair. Additional wish list items for staff and parents include adding a sports floor to the gym, installing sky lights in rooms with little natural light, and increasing efficiency to decrease power consumption within the school building. These projects are expected to absorb much of the available maintenance funds for the next several years. These reports are now being filed with the Division of Building Safety.

NATIONAL SCHOOL LUNCH PROGRAM

The 2012-2013 School year was ANSER's fourth year as a sponsor of the National School Lunch Program. Lunches were prepared by Create Common Good, a local service organization that provides

culinary training to refugees. The program began successfully, but as the year progressed, the numbers of lunches being ordered declined. Parents sited the high meal price (\$3.50), the necessity of ordering for a month at a time, and their child's disinterest in the food as primary reasons they were not ordering when surveyed regarding the lunch program. The meal counts averaged around 70 meals per day and Anser was providing substantial monetary support to the program. Staff had all but given up hope that a small school such as Anser could hope to provide lunches in a cost effective manner. In the face of losing our Free and Reduced Lunch program we reached out to other charter schools to see if others were able to manage a sustainable program. Rolling Hills Charter School was having success with their program and invited us out for a tour and a brief training.

After visiting with Rolling Hills, staff felt that we could replicate a similar approach and the real work began. Over the summer Anser's very dated kitchen was remodeled in order to allow us to prepare meals on site. The kitchen was equipped with sinks, refrigerator and freezers, and a convection oven. The high cost of venting and fire suppression eliminated the possibility of having a stove top in the kitchen. Staff worked with local vendors and the Child Nutrition program to develop menus that were cost effective and meet all of the requirements of the NSLP. The menu each day includes a salad bar full of fresh vegetables and fruit, and a prepared item, such as a BBQ chicken sandwich and a peanut butter and jelly sandwich. Through strict meal planning and implementation, the new school lunch cost has dropped to \$2.75 and the purchase of new lunch software has allowed us to take orders from students each day, rather than a month at a time. As we start the 2013-2014 school year, all signs point to this being a successful new program. Average lunch counts are 123 per day and parents and students are reporting satisfaction with the new meals.

**ATTACHMENT “A”
FACILITY FINANCING SUMMARY**

Anser’s acquisition of its current facility in May 2009 was made possible by US Bank lending Anser \$3,025,000 in the form of a \$2,700,000 Term Loan, plus a \$325,000 Bridge Loan to cover a portion of ANSER’s down payment. Both are summarized below.

US Bank Term Loan: \$2,700,000

Term: Up to 25 years (terminating on June 1, 2034). US Bank has a right to call the loan sooner and require Anser to pay off the balance. US Bank may exercise this right only on the following dates: June 1, 2016, June 1, 2023 and June 1, 2030.

Monthly Term Loan Payment: \$15,122 (principal + interest).

Interest Rate: 4.5% (APR based on 25 yr. term).

Reserve Account: Established May 22, 2009 at \$110,000 has been increased to the required \$215,000. Anser may use the Reserve Account to repay the Term Loan or for capital improvements with US Bank’s approval.

US Bank Bridge Loan: \$325,000

Term: 2 years (maturity date was May 22, 2011), with 3, one-year options to renew on each anniversary date. Final maturity date is May 22, 2014. Anser renewed this loan in May, 2013 at an interest rate of 2.30%.

Bridge Loan Payments: Interest only monthly payments = \$115. Annual minimum reduction in principal of \$60,000 per year, cumulatively. Anser owes \$60,000 on this loan.