



City of Milwaukee

200 E. Wells Street
Milwaukee, Wisconsin
53202

Meeting Minutes

CHARTER SCHOOL REVIEW COMMITTEE

KEVIN INGRAM, CHAIR

Joyce Mallory, Vice-Chair

**Ruben Burgos, Naryan David Leazer, Desiree Pointer-Mace,
and Glenn Steinbrecher**

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Gayle Peay, 288-1540

Tuesday, February 26, 2019

5:30 PM

City Hall, Room 301-B

1. Roll call.

Meeting convened: 6:00 P.M.

Members present: Mr. Steinbrecher, Ms. Mallory, Mr. Ingram and Mr. Burgos

Members excused: Ms. Pointer-Mace, Mr. Leazer and Ms. Liston

2. Review and approval of the minutes of the November 7, 2018 meeting.

Ms. Mallor moved, seconded by Mr. Burgos, for approval of the minutes. There were no objections.

3. [170703](#)

Communication relating to administrative matters of the Charter School Review Committee for the 2017-2019 school years.

Sponsors: THE CHAIR

Ms. Peay said that in 2015 the Committee voted to change the application prospectus and Ms. Peay is anticipating applications in the future and the old application needs to be updated. The changes would include a phase 1, which would include a prospectus and a letter of intent. The letter of intent would be one sheet that gives basic information about the school. Ms. Peay thinks the Committee needs to discuss who would review the prospectus - the whole committee or a separate team. The chair noted that currently the authorizer is the City of Milwaukee and the CSRC is the external group on behalf of the City, so that will stay the same.

Phase 2 would be a new applicant capacity interview which would focus on their financials, community support and other means of vetting the school to see if it merits submitting an application.

If the school is accepted, then the school is forwarded to Steering and Rules and Phase 3 is the financial impact report.

The letter of intent and prospectus would be required in October and the schedule would align with the Dept. of Public Instruction Implementation Grant. The specific dates will work back from what DPI needs and when it needs it. It is anticipated these schools would be opening in the fall of 2021.

Once CSRC votes, it will be forwarded to Steering and Rules Committee for its action. Edna Hudson - Global Nurse Leaders' Academy - member of the audience who questioned the schedule and how it would work with federal grants

Ms. Mallory moved approval of the recommendations and the only change is that the full CSRC remains the reviewer, seconded by Mr. Burgos. There were no objections.

Rupesh Gupta, ML Tharps, said ML Tharps received the required reports and did an annual site visit to each school. A financial scorecard was created based upon five criteria.

Downtown Montessori - has continued to show positive financial reserves with a 7% increase in revenues from 2017 to 2018. The school is financially very solid and ML Tharps has no concerns about its financial status. All required reports were provided as required and the school has a score of 95 out of a possible 100.

Mr. Steinbrecher would like to have some changes made to the reports as submitted by Tharps for next year so it is easier for him to review. He detailed those and ML Tharps agreed to make those changes.

Central City Cyberschool - the school has maintained a consistent enrollment level and has maintained its solid financial reserves. It is financially stable with a year-end cash balance of \$400,000. The audit and reports were timely submitted. One concern is that a background search was not performed until after an employee began working and inadequate liability insurance. Both of these were corrected. The school needs to be cognizant of maintaining a break-even or surplus budget. The school has a score of 93.

The CSRC would like to make sure that these two issues don't happen again next year; both of these issues were a problem in the previous years, with the lack of timely background searches last year as well and inadequate insurance in the 2015/16 school year.

DL Hines College Preparatory Academy of Excellence - The school has shown surpluses in 7 consecutive years and both revenues and expenses decreased this past year. Revenues decreased due to the loss of a grant, not a decline in student numbers. The annual audit was timely submitted and there were no issues over the school's ability to continue and all reporting requirements were complied with. The school has a score of 95.

Mr. Steinbrecher asked what was cut as a result of the decreased revenue. ML Tharps will investigate this as to whether staff reductions were done.

Milwaukee Academy of Science - The school had a significant increase in net assets of \$540,000 and their revenues also increased. The school has a solid cash flow and has net assets of \$2.5 million. Mr. Steinbrecher asked why there is no investment income generated by the \$1.16 million and ML Tharps will check into this. All reports and the audit were timely (although a 30-day extension was requested and granted for the audit) and the school has a score of 96. Ms. Mallory applauded the school for aggressively fundraising. She would like to see fundraising amounts and expenses that in the other schools' reports, which Mr. Steinbrecher supported as well. Cecilia Collins - member of the public - wondered why the fundraising amounts aren't already listed and what was cut. She is surprised that the CPAs didn't already ask these questions.

Milwaukee Collegiate Academy - After several years of mixed financials, the school had a significant surplus in 2018. They had a \$600,000 increase in outside donations

and continues to receive significant outside contributions. The audit was completed a few days late, an extension was requested and granted, so it was timely with the extension. The organization is taking the steps to be in a solid financial position and has a score of 91. Mr. Steinbrecher noted that a report was never made relating to the issues from last year's audit relating to the use of credit cards and a lack of receipts; Ms. Peay will follow up on this and Mr. Gupta noted that this was not listed as a concern this year.

Milwaukee Math and Science Academy - There was a slight deficit this year and the school, for the past few years, has been operating in a break-even position. Expenses were reduced, but not enough to erase the deficit. The school has no outstanding debt. The audit was completed timely, but 2 of the 8 teachers did not have proper teaching licenses, but no other issues were noted. The school has a score of 90, which is lower than last year due to the unlicensed teachers. Mr. Steinbrecher also questioned what the breakdown of the \$160,000 in receivables was.

Escuela Verde - The school had a solid surplus with a small student body and is a part of the Trans Center for Youth, which is showing a good financial position as a whole. The school and the organization appear to be in good financial position and all reports were submitted, but not in a timely fashion as the monthly reports were submitted with the quarterly reports. The school's score is 91. Ms. Mallory would like a letter sent to EV noting that monthly reports need to be submitted monthly and the quarterly reports quarterly.

Rocketship Southside Community Prep - This school is now being chartered by UW-M, effective the 2018/19 school year. Rocketship still has losses every year of its operation and is in its fifth full year of operation. Revenues increased but the expenses increased more, resulting in the deficit. The audit was submitted timely within the extension-granted deadline. There was an issue with a special education teacher teaching a grade for which he/she was not authorized. ML Tharpe is concerned about the large deficit, but it does seem to have a plan in place to turn this around. The school's score is 76.

This report is a draft and the questions submitted by CSRC during the meeting will be answered in the final report submitted for the file.

Mr. Steinbrecher moved, seconded by Mr. Burgos, to accept the draft report.

Meeting adjourned: 7:46 P.M.

*Linda M. Elmer
Staff Assistant*

This meeting can be viewed in its entirety through the City's Legislative Research Center at <http://milwaukee.legistar.com/calendar>.