

Annual Performance Review 2017-2018

Academy of Advanced Learning

Released: July 12, 2019 by Aurora Public Schools



Academy of
Advanced Learning

QUESTIONS?

Office of Autonomous Schools
Aurora Public Schools
15701 E 1st. Ave., Ste 112
Aurora, CO 80011
303-344-8060 ext. 28320

PURPOSE OF THIS REVIEW

Every year, Aurora Public Schools produces an Annual Performance Review for each charter school it oversees, for use by the school and other stakeholders. The report summarizes the school's academic performance, organizational performance (including legal compliance), and financial health and sustainability, according to the most recent data available for the year in review. The Annual Performance Review also provides an overview of the charter school's enrollment demographics for the year reviewed.

Aurora Public Schools is committed to promoting high-quality education for public school students in Aurora. This Annual Performance Review is produced in order to:

1. Provide timely information to the charter school on its performance relative to the standards and expectations established by applicable federal and state law and the charter contract.
2. Identify the school's strengths and any areas needing improvement.
3. Provide information that enables the community and the public to understand the school's performance, including its fulfillment of public obligations.



DESCRIPTION OF RATINGS

Meets Standard:

All indicators in the section have been met.

Approaching Standard:

More than 75% of indicators in the section have been met.

Does Not Meet Standard:

50-75% of indicators in the section have been met.

Falls Far Below Standard:

Less than 50% of indicators in the section have been met.

Each charter school undergoes either a **STANDARD or **INTENSIVE** Internal Audit Review by APS. **INTENSIVE** reviews are performed for schools in Y1, renewal year, or if the District has reasonable concern to conduct a more thorough review of the school.*

SCHOOL AT A GLANCE

ACADEMIC PERFORMANCE	
Educational Program	MEETS STANDARD
State SPF Rating	PERFORMANCE PLAN
FINANCIAL PERFORMANCE	
Short-Term Financial Health	FALLS FAR BELOW
Long-Term Financial Health	FALLS FAR BELOW
Internal Audit Review - INTENSIVE	DOES NOT MEET STANDARD
ORGANIZATIONAL PERFORMANCE	
Governance, Reporting & Staff	MEETS STANDARD
School Environment	MEETS STANDARD
Enrollment	MEETS STANDARD

CONTACT INFORMATION

431 N. Sable Blvd
Aurora, CO 80011 | 720.500.5252
(Neighborhood: NW Aurora)

<http://www.aalk8.org/>

YEAR OPENED: **2017**
CONTRACT EXPIRES: **2021**

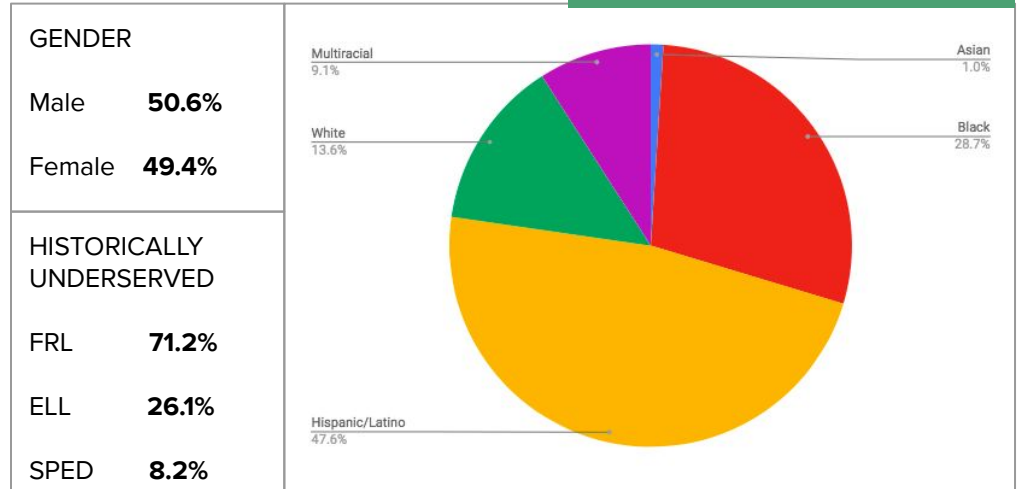
GRADES SERVED: **K-8**

LEADERSHIP

Mike Miles, Executive Director
Zach Craddock, Principal

SCHOOL OVERVIEW

STUDENT DEMOGRAPHICS



EVERY SCHOOL IS MORE THAN A SNAPSHOT

You can find more information about this school, including their academic and extracurricular offerings, by viewing the school's website.

ACADEMIC PERFORMANCE

The Academic Performance section includes indicators that allow the authorizer to evaluate the school's academic performance or outcomes. Specifically, this section answers the question:

Is the academic program a success?

A charter school that meets the standards in this area is implementing its academic program effectively, and student learning - the central purpose of every school - is taking place.

NOTES

If the school does not meet any of the indicators on this page, additional explanation will be provided here.

EDUCATIONAL PROGRAM	
Is the school implementing the material terms of the education program as defined in the current charter contract?	YES
Is the school complying with applicable education requirements?	YES
Is the school protecting the rights of students with disabilities?	YES
Is the school protecting the rights of English Language Learner (ELL) students?	YES

ACADEMIC PERFORMANCE

All data presented here is taken from the school's School Performance Framework (SPF) issued by the Colorado Department of Education.

ELEMENTARY PERFORMANCE INDICATORS	MEDIAN GROWTH PERCENTILE	SPF RATING
English Language Arts Growth	71.0%	EXCEEDS
Math Growth	80.0%	EXCEEDS
ELP Growth	29.0%	DOES NOT MEET
MIDDLE PERFORMANCE INDICATORS	MEDIAN GROWTH PERCENTILE	SPF RATING
English Language Arts Growth	72.0%	EXCEEDS
Math Growth	80.0%	EXCEEDS
ELP Growth	N/A	N/A

OVERALL SPF RATING

Academic Achievement	Elementary - APPROACHING Middle - APPROACHING
Academic Growth	Elementary - EXCEEDS Middle - EXCEEDS
Overall SPF points earned	76.1/100 PERFORMANCE PLAN

ACADEMIC PERFORMANCE CMAS PARCC

APS evaluates a charter school's academic performance using several key indicators, including student results on standardized assessment from the previous academic year. In the charts below, this charter school's academic performance is compared against Aurora Public Schools as a whole. If the school's performance or growth (either overall or by grade grouping) is less than the district's, the group is highlighted in red.

Data points in the Achievement table are presented through Mean Scale Scores, and data points in the Growth table are presented through Median Growth Percentiles. More information about the calculation of these data points is available through the Colorado Department of Education.

ENGLISH LANGUAGE ARTS

ACADEMIC ACHIEVEMENT		
GRADE LEVELS	THIS SCHOOL	AURORA PUBLIC SCHOOLS
3-5	737.7	725.6
6-8	737.3	726.5
9-12	N/A	408.7

ACADEMIC GROWTH		
GRADE LEVELS	THIS SCHOOL	AURORA PUBLIC SCHOOLS
3-5	71.0%	49.0%
6-8	72.0%	50.0%
9-12	N/A	35.0%

MATH

ACADEMIC ACHIEVEMENT

GRADE LEVELS	THIS SCHOOL	AURORA PUBLIC SCHOOLS
3-5	730.7	719.7
6-8	724.6	716.4
9-12	N/A	N/A

ACADEMIC GROWTH

GRADE LEVELS	THIS SCHOOL	AURORA PUBLIC SCHOOLS
3-5	80.0%	48.0%
6-8	80.0%	50.0%
9-12	N/A	N/A

SCIENCE

GRADE LEVELS	THIS SCHOOL	AURORA PUBLIC SCHOOLS
3-5	576.5	532.0
6-8	N/A	N/A
9-12	N/A	N/A

GRADE LEVELS	THIS SCHOOL	AURORA PUBLIC SCHOOLS
3-5	N/A	N/A
6-8	N/A	N/A
9-12	N/A	N/A

OVERALL FINANCIAL HEALTH

The Financial Performance section uses key data to assess the financial health and viability of the charter school by analyzing the current state of the school while taking into account the school's financial trends over a period of three years. The indicators are designed to provide a lens into a school's overall financial situation and provide insight into historic trends and future viability.

Information for this section is pulled from the school's 2017-2018 independent audit. The year ended June 30, 2018 was Academy of Advanced Learning's first year of serving students. The expectation is with expanded operations in the years to come the school's long and short term metrics will improve.

SHORT-TERM METRICS

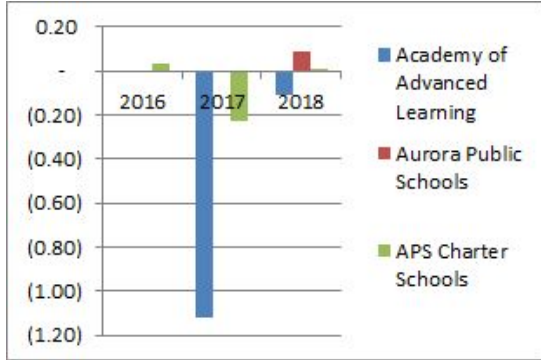
	2-YEAR AVG.	FY18 VALUE	What is significantly below standard?
Operating Margin Ratio	(0.61)	(0.11)	Less than 0
Asset Sufficiency Ratio	0.41	0.45	Less than 1
Change in Fund Balance Ratio	N/A	0.16	Less than 0 for all 3 years
Average Days Cash on Hand	8.86	6.00	Less than 30 days

LONG-TERM METRICS

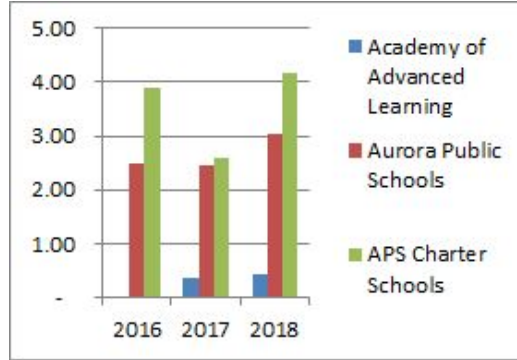
	2-YEAR AVG.	FY18 VALUE	What is significantly below standard?
Net Position (% of Revenue)	(15.95%)	(5.37%)	Less than 0%
Operating Reserve Ratio	(0.09)	(0.05)	Less than 0.0192 (1/52, or one week of reserves)
Debt Burden Ratio	2.35	4.04	Less than 1.0

SHORT-TERM FINANCIAL HEALTH

OPERATING MARGIN RATIO



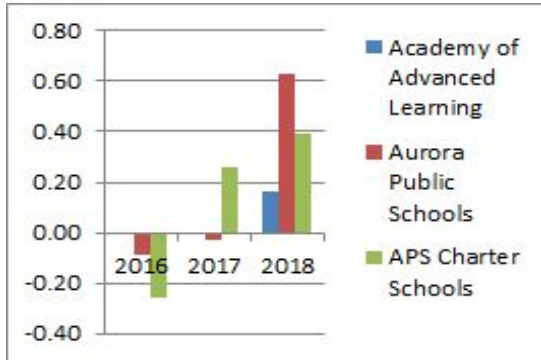
ASSET SUFFICIENCY RATIO



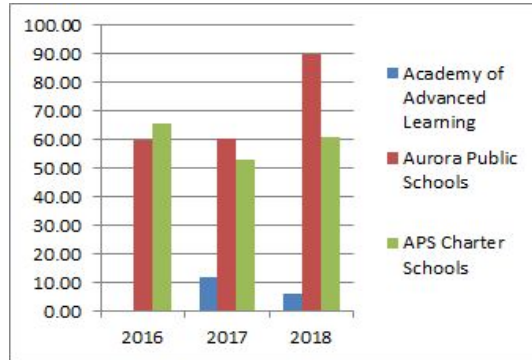
Operating Margin Ratio (OMR) indicates the amount added to reserves for every \$1 in total general fund gross revenue.

Asset Sufficiency Ratio (ASR) indicates the coverage of general fund assets to general fund liabilities.

CHANGE IN FUND BALANCE RATIO



AVG. DAYS CASH ON HAND

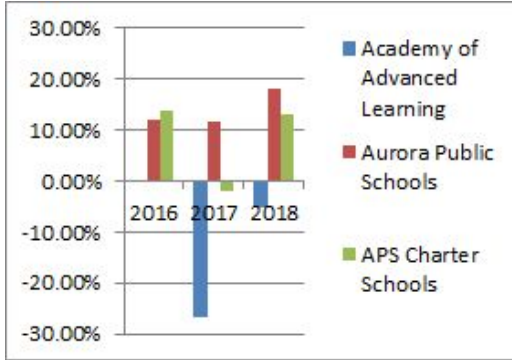


Change in Fund Balance Ratio (CFBR) indicates the change in the fund balance of the general fund from one year to the next in relationship to the prior year fund balance.

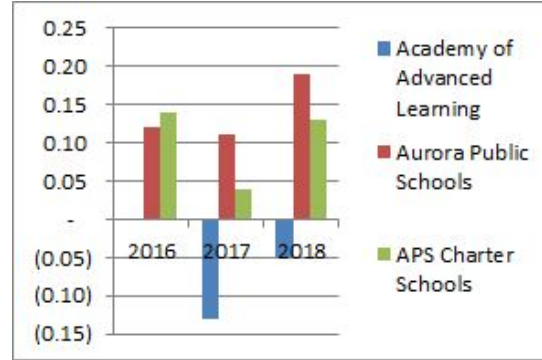
Average Days of Cash on Hand is the number of days a school could operate without receiving additional money (calculated as the school's total cash divided by the average daily cost to run the school).

LONG-TERM FINANCIAL HEALTH

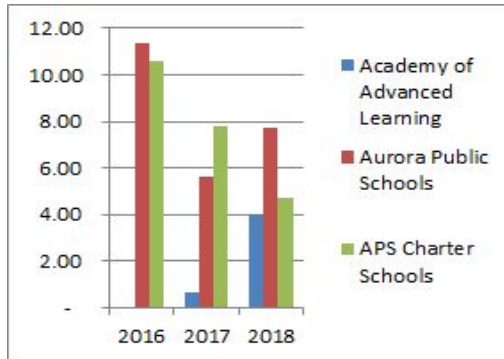
NET POSITION (% OF REVENUE)



OPERATING RESERVE RATIO



DEBT BURDEN RATIO



Net Position (% of Revenue) measures how much a school is worth as a percentage of their total annual revenue (calculated as net position divided by total revenue).

Operating Reserve Ratio (ORR) indicates the amount the general fund ending fund balance will cover of the current year general fund expenditures, including transfers.

Debt Burden Ratio (DBR) indicates the coverage of revenue of fund(s) paying debt service to the annual principal and interest payments, including leases.

FINANCIAL SUMMARY

STANDARD REVIEW METRICS

2017-18

Did the school receive an unqualified audit opinion?	YES
Was the audit free of any significant findings, notes, weaknesses, or other areas of concern?	NO
Have the audit findings from the prior year been addressed or resolved?	N/A
Did the school maintain the TABOR reserve?	NO
The annual Colorado Department of Education Letter was free of any comments.	N/A
Is the school demonstrating short-term financial health?	NO
Is the school demonstrating long-term financial health?	NO
Is the school meeting financial reporting and compliance requirements?	NO

FY16*

FY17

FY18

Total Assets	N/A	\$1,504,575	\$12,686,732
Total Liabilities	N/A	\$1,187,448	\$16,879,930
Net Position	N/A	\$317,127	\$(4,193,198)
Total Revenue			
Total Revenue	N/A	\$931,073	\$5,350,113
Total Expenses			
Total Expenses	N/A	\$613,946	\$9,860,438
Changes in Net Position			
Changes in Net Position	N/A	\$317,127	\$(4,510,325)

NOTES

Audit Concern and Compliance Requirement:

During FY18, actual expenditures exceeded the amounts budgeted by \$81,384 which is a violation of state statute. This is primarily due to capital outlays above expectations.

TABOR Requirement:

The deficit fund balance of (\$287,144) for the fiscal year end 2018 does not meet compliance for the TABOR reserve.

Short-Term and Long-Term Financial Health:

As indicated on page 9 of this report, the school did not meet the short-term and long-term financial health indicators for FY17-18 (note the information on page 9 referencing the school's first year of operations).

*The year ended June 30, 2017 was the start-up year of operations for the school, therefore there is no financial activity for FY16. The APR will be amended if CDE's letter is received.

APS INTERNAL AUDITOR'S COMMENTS AND FINDINGS 2017-18

Maintained financial transparency	NO ISSUES NOTED
Review board meeting minutes	FINDINGS
Each quarter's spending rate, as listed in the District's Quarterly Financials, is at or under 100.0 percent.	NO ISSUES NOTED
Bank statements agree to GL and financial template. Reconciliations are prepared on a timely basis and proper documentation is maintained.	NO ISSUES NOTED
Finance committee follows appropriate protocols	FINDINGS
Perform walk-through of financial transactions for understanding of internal controls (Main Office Operations)	RECOMMENDATION
Perform walk-through of financial transactions for understanding of internal controls (Deposits)	RECOMMENDATION
Maintain and retain all applicable financial records in accordance with all applicable Federal, State, and Local laws, rules, and regulations	NO ISSUES NOTED

INTERNAL AUDIT REVIEW

Aurora Public Schools also performed an **INTENSIVE** review of this school in the area of finance for **2017-2018**.

NOTES

FINDINGS:

To see the detailed report of findings, please reference the next page of this report.

RECOMMENDATIONS:

Recommendations in greater detail can be found on the following pages of this report.

INDICATOR:

Review board meeting minutes

FINDING(S):

The board minutes indicate that the school's days cash on hand is low, with below 30 days of cash on hand in the March minutes and 12 days of cash on hand in the May minutes

INDICATOR:

Finance committee follows appropriate protocols

FINDING(S):

Academy of Advanced Learning does not have a finance committee.

INDICATOR: Perform walk-through of financial transactions for understanding of internal controls **(Main Office Operation)**

OBSERVATION 1
The process for collecting, documenting, and safeguarding funds are not documented.
RECOMMENDATION 1
Formally document the process for collecting, documenting, and safeguarding funds. Management should review the process regularly and update if necessary.

INDICATOR: Perform walk-through of financial transactions for understanding of internal controls (**Main Office Operation**)

OBSERVATION 2
Main office staff was unable to locate or provide receipt documentation for incoming funds.
RECOMMENDATION 1
Documentation should be secured in a central location with limited access to only personnel responsible to the process.
RECOMMENDATION 2
If the school is solely using receipt books for recording incoming money, the book should contain triplicate, pre-numbered receipts. This allows for sufficient backup, if distributed correctly, in the event that the receipt books are misplaced.

INDICATOR: Perform walk-through of financial transactions for understanding of internal controls **(Main Office Operation)**

OBSERVATION 3
Count sheet was only used when the school received cash or coins.
RECOMMENDATION 1
All money should be counted by two individuals that are assigned to the process. A count sheet should be filled out completely for each deposit, regardless of the type of money coming in.

INDICATOR: Perform walk-through of financial transactions for understanding of internal controls (**Deposits**)

OBSERVATION 1
The process for depositing are not documented.
RECOMMENDATION 1
Formally document the process for depositing funds and entry into the financial system. Management should review the process regularly and update if necessary.

INDICATOR: Perform walk-through of financial transactions for understanding of internal controls **(Deposits)**

OBSERVATION 2
Deposit records did not have supporting documentation.
RECOMMENDATION 1
Each deposit should have its own record. The supporting documentation, such as receipts, count sheets, bank deposit slips, bank transaction receipts, etc. should reflect the deposit amount. Any discrepancies should be noted and included in the record.

INDICATOR: Perform walk-through of financial transactions for understanding of internal controls (**Deposits**)

OBSERVATION 3
Checks are not restrictively endorsed 'For Deposit Only' when received.
RECOMMENDATION 1
Academy of Advanced Learning should restrictively endorse each check 'For Deposit Only' when it is received.

ORGANIZATIONAL PERFORMANCE

GOVERNANCE, REPORTING & STAFF	
Is the school complying with governance requirements?	YES
Is the school holding management accountable?	YES
Is the school complying with reporting requirements?	YES
Is the school meeting teacher and other staff credentialing requirements?	YES
SCHOOL ENVIRONMENT	
Is the school complying with facilities and transportation requirements?	YES
Is the school complying with health and safety requirements?	YES*

OCT. COUNT ENROLLMENT TOTAL
491

PROJECTED ENROLLMENT TARGET
479

ACTUAL % OF ENROLLMENT TARGET	103%
MEETS STANDARD	

Charter schools are required to meet certain regulatory requirements and responsibilities as established by applicable state and federal law and their charter contracts. The Organizational Performance section reports the school's overall performance in the year reviewed in fulfilling legal requirements and other indicators relevant to organizational health and performance.

>95% - MEET; 85-94% APPROACHING; <85% DOES NOT MEET

NOTES

School Environment Requirements:

Medications were kept in an unlocked cabinet with no ability to lock it. In addition, the school did not maintain a log of student visits to the school nursing clinic.

INDICATORS IN DETAIL

EDUCATIONAL PROGRAM	
Is the school implementing the material terms of the education program as defined in the current charter contract?	The school is implementing the essential terms of the education program in all material respects and the educational program in operation reflects the essential terms as defined in the charter, including but not limited to: <ul style="list-style-type: none">• Instructional days or minutes requirements• Graduation and promotion requirements• State assessments
Is the school complying with applicable education requirements?	
Is the school protecting the rights of students with disabilities?	The school complies with applicable laws, rules, regulations and provisions of the charter relating to the treatment of students with disabilities and students identified as English Language Learners including, but not limited to: <ul style="list-style-type: none">• Identification and referral• Discipline, including due process protections• Appropriately carrying out SPED and CDLE services• Access to the school's facility and program to students and parents in a lawful manner• Exiting of students from CLDE services and ongoing monitoring of exited students
Is the school protecting the rights of English Language Learner (ELL) students?	

INDICATORS IN DETAIL

GOVERNANCE, REPORTING & STAFF	
Is the school complying with governance requirements?	<p>The school complies with applicable laws, rules, regulations and provisions of the charter relating to governance by its board including, but not limited to:</p> <ul style="list-style-type: none"> • Board policies • Board bylaws • Conflicts of interest • Board composition and membership requirements, if applicable
Is the school holding management accountable?	<p>The school complies with applicable laws, rules, regulations and provisions of the charter relating to oversight and evaluation of school leadership.</p>
Is the school complying with reporting requirements?	<p>The school complies with applicable laws, rules, regulations and provisions of the charter relating to relevant reporting requirements to the authorizer, CDE, and/or federal authorities.</p>
Is the school meeting teacher and other staff credentialing requirements?	<p>The school complies with applicable laws, rules, regulations and provisions of the charter relating to state certification requirements and background checks.</p>
SCHOOL ENVIRONMENT	
Is the school complying with facilities and transportation requirements?	<p>The school complies with applicable laws, rules, regulations and provisions of the charter relating to the school facilities, grounds, and transportation, including, but not limited to:</p> <ul style="list-style-type: none"> • Fire inspections and related records • Certificate of occupancy • Documentation of insurance coverage • Student transportation
Is the school complying with health and safety requirements?	<p>The school complies with applicable laws, rules, regulations and provisions of the charter relating to governance by its board including, but not limited to:</p> <ul style="list-style-type: none"> • Appropriate nursing services • Food services requirements, if applicable • Emergency management plan