

Archway Classical Academy-Cicero
Notice of Meeting of Board of Directors

Pursuant to A.R.S. § 38-431.02, notice is hereby given to members of the Board of Directors of Archway Classical Academy-Cicero and to the general public that the Board of Directors will hold a meeting open to the public on **Tuesday, June 19, 2018 at 3:00 p.m.** The meeting will be held telephonically, all public members are able to join and participate in the entire call by calling **641-715-3580, and entering conference code 852213#**. Public members are also welcome to participate by attending the meeting in person at the Coliseum Conference Room on the second floor of the **Cicero Campus, 7205 N Pima Rd Scottsdale, AZ 85250**.

Additional documentation relating to public meeting agenda items may be obtained at least 24 hours in advance of the meeting by contacting Gena McFarland at (502) 644-2580. Persons with a disability may request a reasonable accommodation by contacting Gena McFarland at (502) 644-2580 at least 48 hours in advance of the meeting to allow time to arrange for the accommodation

AGENDA

1. Call to Order
2. Call to the Public
In compliance with the Open Meeting Law, the Board of Directors will neither discuss nor take action on issues raised during the call to the public that are not specifically identified on the agenda. At the conclusion of an open call to the public, members of the Board of Directors may, however, respond to criticism made by those who have addressed the Board, ask staff to review a matter, or ask that a matter be placed on a future agenda.
3. Approval of Consent Agenda
Any member of the public or member of the board of directors may request that a consent agenda item be removed from the consent agenda and discussed separately.
Approval of the Minutes from the February 6, 2018 Meeting
4. Approval of the Proposed Annual Budget for School Year 2018-2019
5. Announcements/Adjournment

Members of the Board of Directors will attend the meeting either in person or by telephone conference call. The Board reserves the right to change the order of items on the agenda, with the exception of public hearings set for a specific time.

Dated and posted this _____ day of _____ 2018, at _____ a.m. / p.m.
Archway Classical Academy-Cicero

Signature _____

Print name _____

ARCHWAY CLASSICAL ACADEMY - CICERO

Board of Directors

Unapproved Minutes

Date: February 6, 2018

Time: 9:00 a.m.

Location: Great Hearts Quayle Campus

A meeting of the Great Hearts Academies- Archway Classical Academy - Cicero Board of Directors was held at Great Hearts Quayle Campus, 3102 N. 56th Street, Suite 300, Phoenix AZ 85018, pursuant to A.R.S. 38-431.02, notice having been duly given.

I. Call to Order

David Denton called the meeting to order at 9:01 a.m. The following directors/administrators were present/absent:

Directors	Office	Present	Absent	Notes
David Denton	President	X		
Toyin Atolagbe	Vice President		X	
Julie Sanders	Secretary	X		
Mark Discher	Director	X		
Zach Weisse	Director	X		
Steve Levine	Director	X		
Administration/Guests				
Matthew Vlahovich	Headmaster, Archway Cicero	X		

Ginger Brooks	Office Manager, Archway Cicero	X		
Elvia Barbosa	Staff Accountant, GH	X		
Jennifer Bradshaw	Manager School Accounting, GH	X		
Carrie Siegel-Benell	Director of Development, GH	X		
Emily Levkowitz	Director of Academy Giving, Archway Cicero/Cicero Prep	X		

II. Call to the Public

Mr. Denton made a call to the public at 9:01 a.m. No public was present.		
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III. Approval of Consent Agenda

Approval of the Minutes from the November 7, 2018 meeting		Ms. Sanders made a motion that the board approves the consent agenda. Mr. Weisse seconded, all in favor, none opposed, the motion carried at 9:02 a.m.
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IV. Headmaster's Report

<p>Mr. Vlahovich presented the headmaster report. He first discussed the teacher that suffered a concussion recently in recess due to a soccer ball. She is back now. He then discussed the offers to students now in 2nd round of 4. Headmaster welcomes new families and helps them become part of the community. Scottsdale's expansion hurts enrollment here. He stated there are some adjustments to the school due to the construction of Great Wolf Lodge across the street, trying to increase privacy and deal with roadway issues. The faculty survey in yellow due to ambiguous question regarding recommending school to others and lack of place for explanation.</p>		
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V. Approval to Change Mission Statement of the Academy

<p>"The mission of Archway Classical Academy Cicero is to cultivate the minds and hearts of students through the pursuit of Truth, Goodness, and Beauty."</p>	<p>Mr. Discher moved that the Archway Classical Academy Cicero change its mission statement to "The mission of Archway Classical Academy Cicero is to cultivate the minds and hearts of students through the pursuit of Truth, Goodness, and Beauty." Seconded by Ms. Sanders, all in favor, none opposed, motion carried at 9:14 a.m.</p>
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VI. Financial Report

<p>Ms. Barbosa provided an updated Forecast statement of activities. Ms. Barbosa then reviewed the year to date financial highlights and forecast. The school has 97 days cash on hand, up 20 days from last year. The ADM is up 4. She noted the changes in administration costs and capitalizing. There has been much work on the financials. The board thanks her for the extra hours spent on this.</p>		
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VII. Development Report

Ms. Siegel-Benell introduced the new Director of Giving, Ms. Levkowitz, she is very excited to have her. The school is at 99% of their community investment goal. The amount per student is \$146 with 58% of the families participating (goal of 60%). They are at 79% of tax credit goal. The numbers are good. This is a developing school where families are committed. The new Director will help define community investment and her role, also re-educating community about where to put funds.		
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VIII. Possible Executive Session

None		
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IX. Leave Executive Session

None		
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X. Possible Motions from Executive Session

None		
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XI. Announcements/Adjournment

<u>Next Board Meeting:</u> Thursday, May 3, 2018 at 4:00 pm on the Cicero campus. Subject to change. If parking lot is full, park south of school in Car Life car wash lot and walk over.		Mr. Denton adjourned at 9:27 a.m.
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Submitted by Julie Sanders, Secretary

-Gena McFarland, Scribe

GREAT HEARTS ACADEMIES – Archway Cicero HEADMASTER SITE BOARD REPORT

Year End Enrollment Data for 2017-2018

Grade	ADM	ADA	Head Count	Waitlist
Kinder	76		85	35
1 st	86		83	33
2 nd	93		89	35
3 rd	89		87	81
4 th	89		88	53
5 th	86		82	75
6 th				
7 th				
8 th				
9 th				
10 th				
11 th				
12 th				
TOTAL	519		514	312

State of the School

Archway Cicero had a strong finish to the academic year. In quarter four, the final field trips and curricular celebrations occurred: History museum (5th grade), Insect museum (2nd grade), Field trip to Butterfly Wonderland (2nd grade), Life Cycles/Hatching chicks (2nd grade), Around the World (kindergarten), Americana day (4th grade), My Father's Dragon (1st grade), Alice in Wonderland (3rd grade), and field trip to Lowell Observatory and Walnut Canyon (5th grade). Our end of year concerts were received with resounding appreciation, as the concert times were shifted from evening to morning.

The fifth graders had a matriculation ceremony, where they were welcomed to Cicero Prep by Headmaster Discher and mentor students, and also greeted by the complete prep student body as they entered the gym. In addition to sending students out, we have been welcoming new families in. We had a "New Family" welcome after returning from Spring Break, and also did a new family Q & A before our annual "Kindergarten Round-up" in May.

Family culture is strong with an active PSO that closed the year with a Family Beach Bash, which was free to current and incoming families. Also due to the influx of new families, we have completed two different days of fingerprinting for our volunteers.

As we look to the summer and coming school year, our academic and daily calendars are completed, and hiring is just about wrapped up. We had very little faculty attrition (4 Lead, 7 TA) and are glad to see mature, returning leads in almost every grade level. Grade level lead teachers just returned from a retreat (5/31-6/2) where the coming year was planned, and goals identified.

Archway Classical Academy Cicero

Summary Statements of Activities

June 2018 School Board Package

	YTD as of Apr-2018 Actuals	YTD as of Apr-2018 Budget	A v B \$ Variance	A v B % Variance	YTD as of Apr-2017 Actuals
Enrollment (ADM)	529	522	7	1%	511
Revenue					
Federal and State	\$ 2,614,360	\$ 2,517,861	\$ 96,499	4%	\$ 2,500,656
Student Fees	311,147	253,700	57,447	23%	230,541
Comm Investment, Tax Credits & Philanthropy	402,186	431,818	(29,632)	(7%)	402,724
Rental Income	200	-	200	0%	200
Total Revenue	3,327,893	3,203,379	124,514	4%	3,134,121
Expense					
Instructional	1,531,568	1,514,423	(17,145)	(1%)	1,512,000
Special Education	133,251	96,990	(36,261)	(37%)	109,326
Extra Curricular: Non-Athletics	113,349	101,379	(11,970)	(12%)	69,013
Support Services: Facilities	781,542	792,041	10,499	1%	791,036
Support Services: Other Non-Instructional	115,205	115,414	209	0%	104,002
Support Services: Administration	604,995	629,595	24,600	4%	577,106
Depreciation & Amortization	67,272	67,312	40	0%	66,948
Total Operating Expense	3,347,182	3,317,154	(30,028)	(1%)	3,229,431
Net Operating Income (Loss)	(19,289)	(113,775)	94,486	83%	(95,310)
	(1%)				(3%)
Other Income					
Other Income	8,288	16,666	(8,378)	(50%)	7,337
Total Other Income	8,288	16,666	(8,378)	(50%)	7,337
Other Expense					
Other Expense	-	-	-	0%	-
Total Other Expense	-	-	-	0%	-
Change in Net Assets	\$ (11,001)	\$ (97,109)	\$ 86,108	89%	\$ (87,973)
	(0%)				(3%)
Cash Adjustments:					
Depreciation & Amortization	67,272	67,312	(40)	(0%)	66,948
Leasehold Improvements	(31,561)	(8,000)	(23,561)	(295%)	(2,862)
Change in Net Cash	\$ 24,710	\$ (37,797)	\$ 62,507	165%	\$ (23,887)
	1%				(1%)
Per Student Revenue	\$ 6,296	\$ 6,137	\$ 159	3%	\$ 6,133
Per Student Operating Expense	6,332	6,355	22	0%	6,320
Per Student Instructional Expense	2,898	2,901	4	0%	2,959

Archway Classical Academy Cicero

Statement of Financial Position

For the Period Ended,

	<u>Apr-2018</u>	<u>Apr-2017</u>	<u>Jun-2017</u>
Current assets:			
Cash	1,300,222	964,223	1,090,257
Due from government	-	-	11,306
Other receivables	15,153	2,950	23,683
Prepaid Expenses	2,984	3,357	75,392
Total current assets	<u>1,318,359</u>	<u>970,530</u>	<u>1,200,638</u>
Property and equipment:			
Leasehold improvements	66,375	37,675	34,813
Furniture, fixtures and equipment	333,051	333,051	333,051
Less accumulated depreciation	(248,696)	(168,435)	(181,424)
	<u>150,730</u>	<u>202,291</u>	<u>186,440</u>
Total assets	<u>\$ 1,469,089</u>	<u>\$ 1,172,821</u>	<u>\$ 1,387,078</u>
Current liabilities:			
Accounts payable	817	3,255	9,441
Accrued payroll and related	109,713	34,295	1,221
Deferred revenue	16,115	49,614	39,665
Due to related party	52,830	43,581	44,570
Deposits held for others	98,992	125,547	90,557
Total current liabilities	<u>278,467</u>	<u>256,292</u>	<u>185,454</u>
Net assets	<u>1,190,622</u>	<u>916,529</u>	<u>1,201,624</u>
Total liabilities and net assets	<u>\$ 1,469,089</u>	<u>\$ 1,172,821</u>	<u>\$ 1,387,078</u>

Archway Classical Academy Cicero
Statement of Cash Flows
For the Period Ended,

	Apr-2018	Apr-2017
Cash flows from operating activities:		
Changes in net assets	\$ (11,003)	\$ (87,974)
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	67,272	66,948
Changes in:		
Due from government	11,306	21,206
Other receivables	8,530	120,976
Due from related party	8,259	38,015
Prepaid expenses	72,407	77,797
Accounts payable	(8,622)	(72,207)
Accrued payroll and related	108,492	(9,381)
Deferred revenue	(23,550)	23,215
Deposits held for others	8,435	19,800
Net cash provided by operating activities	241,526	198,395
Cash flows from investing activities:		
Payments for property and equipment	(31,561)	(2,862)
Net cash used in investing activities	(31,561)	(2,862)
Net increase in cash	209,965	195,533
Cash, beginning of the period	1,090,257	768,690
Cash, end of the period	<u>\$ 1,300,222</u>	<u>\$ 964,223</u>

	Cash Balance	Days Cash on Hand
77 Day Target	\$ 870,971	77
True Operating Cash for the Month Ended:		
Apr-2018	1,289,281	114
Mar-2018	1,287,983	114
Feb-2018	1,260,783	111
Jan-2018	1,158,455	102
Dec-2017	1,074,318	95
Nov-2017	965,239	85
Oct-2017	873,358	77
Sep-2017	1,009,804	89
Aug-2017	1,040,870	92
Jul-2017	1,018,861	90
Jun-2017	1,079,316	97
May-2017	919,949	82
Apr-2017	962,786	86

Archway Classical Academy Cicero

Forecasted Statements of Activities

June 2018 School Board Package

	FY18			FY18			Forecast vs Budget			FY19			19 Budget vs 18 Forecast		
	Forecast			Budget			Variance			Budget			Variance		
Enrollment (ADM)	529			522			7			522			(7)		
Revenue															
Federal and State	\$	3,450,529	81%	\$	3,401,605	81%	\$	48,924	\$	3,692,103	83%	\$	241,574		
Student Fees		338,147	8%		285,340	7%		52,807		310,318	7%		(27,829)		
Comm Investment, Tax Credits & Philanthropy		473,642	11%		488,256	12%		(14,614)		449,800	10%		(23,842)		
Rental Income		200	0%		-	0%		200		-	0%		(200)		
Total Revenue		4,262,518	100%		4,175,201	100%		87,317		4,452,221	100%		189,703		
Expense															
Instructional		1,923,711			1,908,381			(15,330)		2,070,356			(146,645)		
Special Education		157,079			114,006			(43,073)		214,889			(57,810)		
Extra Curricular: Non-Athletics		121,670			112,391			(9,279)		105,125			16,545		
Support Services: Facilities		944,627			949,867			5,240		920,335			24,292		
Support services: Other Non-Instructional		137,664			132,057			(5,607)		175,436			(37,772)		
Support services: Administration		762,684			786,542			23,858		824,791			(62,107)		
Depreciation & Amortization		81,192			80,774			(418)		77,792			3,400		
Total Operating Expense		4,128,627	97%		4,084,018	98%		(44,609)		4,388,724	99%		(260,097)		
Net Operating Income		133,891	3%		91,183	2%		42,708		63,497	1%		(70,394)		
Other Income															
Other Income		8,288			20,000			(11,712)		14,232			5,944		
Total Other Income		8,288			20,000			(11,712)		14,232			5,944		
Other Expense															
Other Expense		-			-			-		-			-		
Total Other Expense		-			-			-		-			-		
Change in Net Assets	\$	142,179	3%	\$	111,183	3%	\$	30,996	\$	77,729	2%	\$	(64,450)		
Cash Adjustments:															
Depreciation & Amortization		81,192			80,774			(418)		77,792			3,400		
Leasehold Improvements		-			(8,000)			8,000		(62,000)			(62,000)		
Technology (Hardware/Software)		-			-			-		(10,890)			(10,890)		
Change in Net Cash	\$	223,371	5%	\$	183,957	4%	\$	38,578	\$	82,631	2%	\$	(133,940)		
Per Student Revenue		8,064			7,998			66		8,529			465		
Per Student Operating Expense		7,811			7,824			13		8,408			(597)		
Per Student Instructional Expense		3,639			3,656			16		3,966			(327)		
Per Student Facilities Expense		1,787			1,820			33		1,763			24		
Per Student Administrative Expense		1,443			1,507			64		1,580			(137)		

Archway Classical Academy Cicero

Bond Covenant Calculation

June 2018 School Board Package

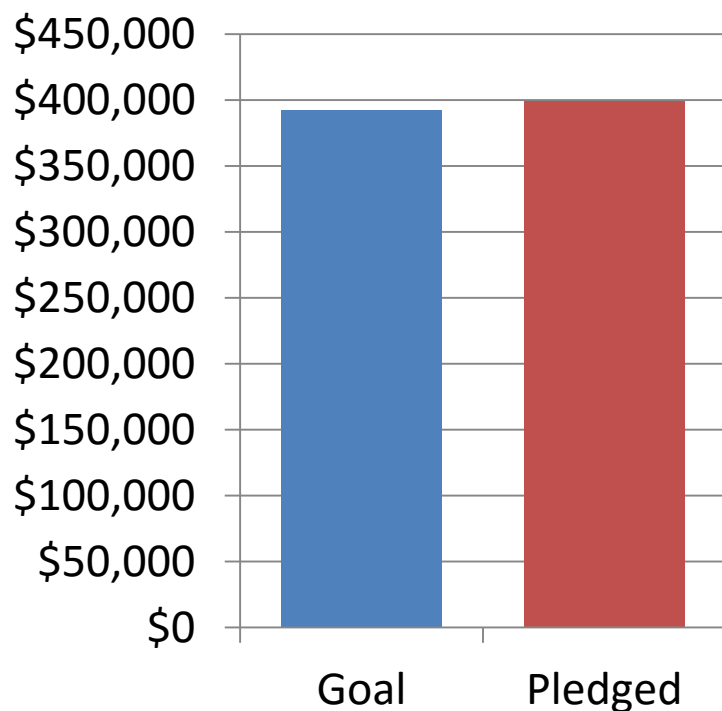
	FY 19 Budget	FY 18 Forecast	FY 17 Actuals
Fund Balance/Net Asset Covenant (Unrestricted Fund Balance not less than 5% of Operating Expense + Base Rent):			
(A) General Fund Unrestricted Balance	\$ 1,421,531	\$ 1,343,802	\$ 1,201,623
Total Expense	4,388,725	4,128,628	4,075,399
Less:			
Depreciation	(77,792)	(81,192)	(79,937)
Base Rent	(730,000)	(783,626)	(736,349)
(B) Fiscal Year Operating Expenses	3,580,933	3,263,810	3,259,113
(C) Base Rent Payment Obligation	730,000	783,626	736,349
Sum of (B) and (C)	4,310,933	4,047,436	3,995,462
(D) 5% of the sum of above lines (B) and (C)	215,547	202,372	199,773
In Compliance?	Yes	Yes	Yes
Effective Date	06/30/16	06/30/16	06/30/16
Liquidity Covenant (Days Cash on Hand equal to at least 45 days):			
(A) Unrestricted Cash & Investments	\$ 1,396,260	\$ 1,313,629	\$ 1,090,258
(B) Fiscal Year Operating Expenses	3,580,933	3,263,810	3,259,113
(C) Line (A) divided by line (B)	0.39	0.40	0.33
(D) Days Cash on Hand [line (C) multiplied by 365]	142	147	122
In Compliance?	Yes	Yes	Yes
Effective Date	06/30/16	06/30/16	06/30/16
Coverage Ratio (Coverage Ratio of not less than 1.10):			
(A) Gross Revenues	\$ 4,466,453	\$ 4,270,807	\$ 4,272,523
(B) Fiscal Year Operating Expenses	3,580,933	3,263,810	3,259,113
(C) Net Income Available for Debt Service [line (A) minus by line (B)]	885,520	1,006,997	1,013,410
(D) Base Rent	730,000	783,626	736,349
(E) Coverage Ratio [line (C) divided by line (D)]	1.21	1.29	1.38
In Compliance?	Yes	Yes	Yes
Effective Date	06/30/16	06/30/16	06/30/16

Community Investment Campaign Report

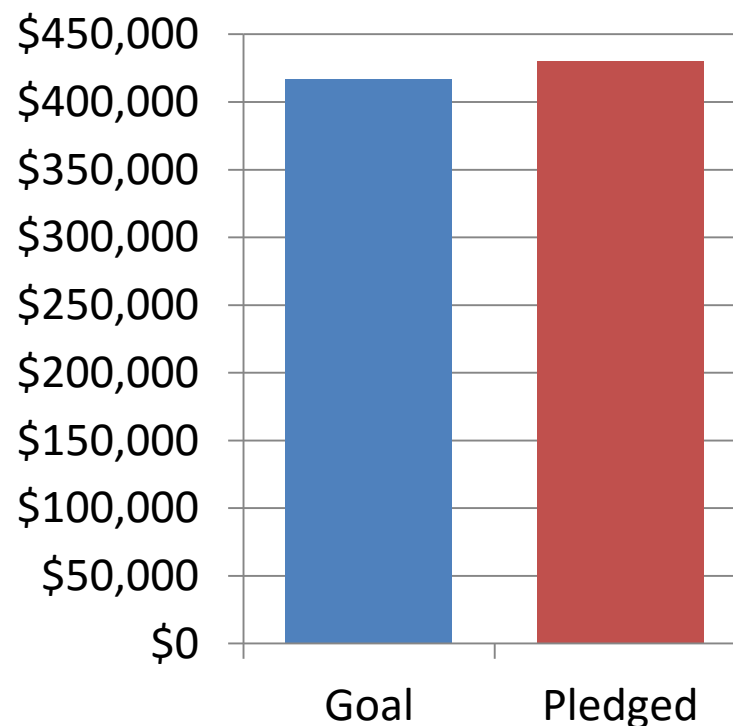
	CI 17-18 as of 5.31.18	CI 16-17 as of 5.31.17
Goal:	\$392,941	\$417,102
Pledged:	\$399,538	\$429,926
% of Goal Pledged:	102%	103%
Amount Received:	\$336,910	\$355,321
Number of Donors:	257	251
Per Student Amount:	\$765	\$853
Family Participation:	60%	66%

Community Investment Campaign Report

CI 17-18 as of 5.31.18



CI 16-17 as of 5.31.17



2017-18 Community Investment Campaign Report as of 5.31.18

Academy	CI 17-18 Goal	CI 17-18 Pledges and One-time Gifts	CI 17-18 % of Goal (Pledges/One-time Gifts)	CI 17-18 Received	CI 17-18 Non-Corporate Donor Participation % (i.e. 'Family Participation')	CI 17-18 Per Student Amount (Based on Pledges/One-time Gifts and Budgeted # of Students)
Veritas Prep	454,204	486,927	107%	441,981	57%	684
Archway Veritas	450,444	467,939	104%	436,428	64%	896
Chandler Prep	401,367	423,165	105%	384,041	60%	605
Archway Chandler	357,167	353,475	99%	327,292	60%	682
Arete Prep	264,307	276,553	105%	247,030	53%	495
Archway Arete	215,000	217,575	101%	190,890	44%	422
Scottsdale Prep	661,635	751,015	114%	668,210	72%	879
Archway Scottsdale	406,622	425,059	105%	396,301	67%	1,052
Glendale Prep	274,757	306,096	111%	248,821	66%	565
Archway Glendale	290,000	302,694	104%	256,408	57%	582
Anthem Prep	407,000	426,532	105%	388,906	64%	551
Trivium Prep	308,802	343,750	111%	296,381	47%	472
Archway Trivium West	217,584	221,090	102%	187,612	44%	426
North Phoenix Prep	197,160	167,284	85%	148,916	37%	450
Archway North Phoenix	409,200	390,549	95%	330,737	48%	498
Cicero Prep	334,630	304,143	91%	254,451	54%	680
Archway Cicero	392,941	399,538	102%	336,910	59%	765
Archway Trivium East	185,279	184,394	100%	154,772	44%	385
Lincoln Prep	147,013	156,103	106%	133,585	40%	427
Archway Lincoln	393,024	315,715	80%	266,990	45%	470
TOTAL:	\$6,768,136	\$6,919,596	102%	\$6,096,662	55%	\$601

Tax Credit Drive

	TC 2017 FINAL	TC 2016 FINAL
Goal:	\$80,865	\$88,056
Received:	\$82,735	\$80,865
% of Goal Received:	102%	92%
Number of Donors:	253	251
Per Student Amount:	\$157	\$161

2017 Tax Credit Drive Report FINAL

Academy	Tax Credit 2017 Goal	Tax Credit 2017 Received FINAL	Tax Credit 2017 % Goal Received (FINAL)	Tax Credit 2017 # of Donors FINAL	Tax Credit 2017 Per Student FINAL
Veritas Prep	144,502	144,618	100%	435	200
Archway Veritas	115,944	100,231	86%	305	186
Chandler Prep	181,776	180,036	99%	561	248
Archway Chandler	100,000	104,975	105%	325	196
Arete Prep	100,045	96,638	97%	304	173
Archway Arete	75,000	72,693	97%	227	135
Scottsdale Prep	210,000	226,934	108%	685	261
Archway Scottsdale	89,250	104,784	117%	318	257
Glendale Prep	124,922	125,013	100%	388	226
Archway Glendale	93,105	95,803	103%	294	177
Anthem Prep	132,100	132,053	100%	385	165
Trivium Prep	105,539	109,021	103%	338	147
Archway Trivium West	70,327	68,412	97%	223	126
North Phoenix Prep	69,831	69,026	99%	218	170
Archway North Phoenix	136,370	107,338	79%	341	128
Cicero Prep	81,695	79,278	97%	255	180
Archway Cicero	80,865	82,735	102%	253	157
Archway Trivium East	48,100	49,013	102%	156	98
Lincoln Prep	51,623	47,485	92%	155	127
Archway Lincoln	102,748	94,811	92%	278	141
Maryvale Prep	39,600	37,812	95%	166	76
Teleos Prep	43,931	33,587	76%	123	148
TOTAL:	\$2,197,273	\$2,162,345	98.41%	6,733	\$172