

AGENDA ITEM EXECUTIVE SUMMARY

- I. **Public Education Commission Meeting Date: March 16, 2018**
- II. **Item Title: DISCUSSION AND POSSIBLE ACTION ON CORRECTIVE ACTION PLANS RELATED TO DEAP AND ROOTS & WINGS CHARTER SCHOOLS**
- III. **Proposed Motions:**
- IV. **Executive Summary:**

CSD Director Poulos will discuss the Corrective Action Plans for two charter schools, DEAP and Roots & Wings.

9A - DEAP Corrective Action Plan

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:

Findings: Failure of the school board to maintain required membership, the report changes in a timely manner, and to fill vacancies in a timely manner

Corrective Action Plan Requirements: The school board will maintain board membership of 5 members at all times.

The school board will report any changes to board membership within 30 days of the change.

The school board will fill all vacancies within 45 days of accepting a resignation notification. The school board will fill any vacancies created by voting to remove a member within 45 days.

Members who miss three consecutive meetings will be removed at the third meeting.

The PEC will receive monthly reports to monitor compliance with this requirement.

**SCHOOL'S PROPOSED PLAN
(To Be Completed By The School)**

Intended Outcome of Corrective Actions: School's governing council will maintain required membership and report changes in a timely manner. **Root Cause Analysis:** 1. Given the rural location of the school, DEAP has faced challenges in recruiting and maintaining governing council members with the necessary experience and expertise to govern the affairs of a charter school. 2. A change in employment for one GC member and the transfer of one GC members' student forced two GC members to resign. 3. The requirement to physically attend meetings in person has limited the school in recruiting qualified individuals to serve on the GC. **SMART Goal:** DEAP's Governing Council (GC) will maintain five (5) board membership as indicated in bylaws, GC will notify PEC of any changes within a 30 day time period for any change in GC membership for school year 2017-2018.

Description of Corrective Action(s) to Address Immediate Concern:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
The governing council will maintain board membership of 5 members at all times	1. Board Secretary will take attendance for each monthly board meeting to ensure all board members attend monthly meetings. 2. Any GC member who misses three (3) consecutive meetings will be removed at the third meeting. 3. DEAP school and GC members will publicly post and recruit to fill vacant GC board member position. GC President will inform PEC of any increase or decrease of DEAP GC membership.	February 2018 to July 2017, and with new school year 2018 to 2019.	1. Board minutes will include attendance of all elected governing board member present at monthly board meetings. Secretary will report monthly board membership attendance report to PEC.	1. Revised Governing Board bylaws, passed 2/13. 2. Monthly attendance by board secretary
The governing council will report any changes to board membership within 30 days of change	Board President	5/31/2018	Board minutes Monthly report to PEC	1. Revised Governing Board bylaws, passed 2/13, 2. Attendance will be monitored by GC Secretary and President.
Description of Corrective Action(s) to Ensure Concern Does Not Reoccur:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
The governing council will fill vacancies within 45 days of accepting a resignation notification	Board President	5/31/2018	Board minutes Monthly report to PEC	Revised Governing Board bylaws, passed 2/13
Members who miss three consecutive meetings will be removed at the third meeting	Board President	5/31/2018	Board minutes Monthly report to PEC	Revised Governing Board bylaws, passed 2/13
The PEC will receive monthly reports to monitor compliance with this requirement	Board President	5/31/2018	Board minutes Monthly report to PEC	Monthly reporting monitored by board President

**CORRECTIVE ACTION PLAN APPROVAL SECTION
(To Be Completed By The Commission)**

Reference, Authority, and Issue:

Corrective Action Plan Status:

Status Date:

Basis for Decision:

- A corrective plan must :
- (a) Address how the corrective action will be accomplished;
 - (b) Address how the school will identify and address other deficiencies associated with the corrective action;
 - (c) Address what measure(s) will be put in place to prevent future occurrence of defect;
 - (d) Indicate how the school will monitor compliance to assure that solutions are sustained;
 - (e) Identify person(s) responsible for corrections and sustaining change;
 - (f) Give the date by which correction will be made; and
 - (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:

Findings: Failure to implement required internal controls and segregation of duties

Corrective Action Plan Requirements: All school staff will be trained in internal controls and segregation of duties.

A properly constituted and active audit committee will implement monthly monitoring protocols to ensure fidelity to the school's internal controls and segregation of duties.

Upon release of an audit with no repeat findings, the audit committee may meet on a bi-monthly basis.

The whole board and the PEC will receive monthly reports to monitor compliance with this requirement.

SCHOOL'S PROPOSED PLAN

Intended Outcome of Corrective Actions: Internal controls will be developed and segregation of duties will be implemented. Audit committee will implement monthly monitoring protocols. Revised. SMART Goal: All staff, including all governing council member

Description of Corrective Action(s) to Address Immediate Concern:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
School staff will receive annual training in internal controls and segregation of duties	Administrator	5/31/2018	Agenda of staff training and staff sign-in	Administrator will ensure staff on-boarding and annual training includes internal controls and segregation of duties
Audit committee will implement monthly monitoring protocols to ensure fidelity to school's internal controls and segregation of duties	Board President	2/28/2018	Board agendas Monthly report to PEC	Monthly reporting monitored by board President
Description of Corrective Action(s) to Ensure Concern Does Not Reoccur:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
Audit Committee will meet monthly until the release of an audit with no repeat findings	Board President	3/31/2018	Board agendas Monthly report to PEC	Monthly reporting monitored by board President
Monthly report to board and PEC on compliance	Board President	5/31/2018	Board agendas Monthly report to PEC	Monthly reporting monitored by board President

**CORRECTIVE ACTION PLAN APPROVAL SECTION
 (To Be Completed By The Commission)**

Reference, Authority, and Issue:

Corrective Action Plan Status:

Status Date:

Basis for Decision:

- A corrective plan must :
- (a) Address how the corrective action will be accomplished;
 - (b) Address how the school will identify and address other deficiencies associated with the corrective action;
 - (c) Address what measure(s) will be put in place to prevent future occurrence of defect;
 - (d) Indicate how the school will monitor compliance to assure that solutions are sustained;
 - (e) Identify person(s) responsible for corrections and sustaining change;
 - (f) Give the date by which correction will be made; and
 - (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:

Findings: Failure to record all liabilities

Corrective Action Plan Requirements: All liabilities will be recorded within 30 days and before the end of the school year. The school business manager will provide a monthly report on all liabilities and recording of the liabilities.

The school will contract with or directly employ an individual who holds a valid New Mexico Level 2 or higher school business official license, or contract with a company/firm that employs one or more individuals who hold a valid New Mexico Level 2 or higher school business official license.

The licensed business manager working with the school will spend at least 2 days per month in person on school property interacting with school financial paperwork.

If, at any time the individual, company, or firm that provides business management services tenders a resignation, the school will within 72 hours notify the PEC through the CSD and retain, through contracting or another process, an interim business manager who is able to be present on campus 2 days per month for up to 60 days until the position can be filled on a permanent basis.

A permanent business manager must begin employment within 60 days of the resignation of the previous business manager.

The whole board and the PEC will receive monthly reports to monitor compliance with this requirement.

SCHOOL'S PROPOSED PLAN

Intended Outcome of Corrective Actions: All liabilities will be recorded within 30 days, and before the end of the school year. Root Cause Analysis: DEAP has now contracted its own business manager. 2. In past, NACA/NISN hired business managers for DEAP school. SMART Goal: DEAP will hire Business Managers who hold a NM Level 2 or higher, school business official license to provide monthly reports on all liabilities and recordings of liabilities for every school year.

Description of Corrective Action(s) to Address Immediate Concern:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
School business manager will record all liabilities within 30 days and before the end of the school year	Business Manager	2/28/2018	Board agendas Monthly report to PEC	Monthly reporting will be reflected in meeting minutes and posted online
School business manager will provide a monthly report on all liabilities and recording of the liabilities	Business Manager, Board President	2/28/2018	Board agendas Monthly report to PEC	Monthly reporting will be reflected in meeting minutes and posted online
Head Administrator will ensure adherence to Internal Financial Controls by all staff including the Business Manager	Head Administrator, Board President	2/28/2018	Copies of DEAP's Financial Policies and Procedures	Members of the GC (Board President and/or Board Treasurer) will review random DEAP's financial files
Description of Corrective Action(s) to Ensure Concern Does Not Reoccur:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
A qualified licensed Level 2 Business Manager must be employed (contracted by DEAP)	Head Administrator, Board President	4/30/2018	Policy and process documents	The Head Administrator will develop policy regarding the acceptance, resignation, review/evaluation of a
Monthly report to board and PED on business manager status (if there is a vacancy)	Head Administrator, President	5/31/2018	Board agendas Monthly report to PEC	Monthly reporting and submission calendar monitored by board President
Annually, the Business Manager will review DEAP's financial files for compliance and make recommendations for improvement or correction	Business Manager, Head Administrator	6/30/2018	A written report provided to the Head Administrator	The Head Administrator will develop a review/evaluation of a Business Manager's
Annually, the Head Administrator and Business Manager will ensure all staff are given a review of DEAP Financial Policies and Procedures	Head Administrator, Business Manager	8/30/2018	An agenda and sign-in sheet of topics of discussion	The training will be included in new school year staff orientation and review.

**CORRECTIVE ACTION PLAN APPROVAL SECTION
 (To Be Completed By The Commission)**

Reference, Authority, and Issue:

Corrective Action Plan Status:

Status Date:

Basis for Decision:

A corrective plan must :

- (a) Address how the corrective action will be accomplished;
- (b) Address how the school will identify and address other deficiencies associated with the corrective action;
- (c) Address what measure(s) will be put in place to prevent future occurrence of defect;
- (d) Indicate how the school will monitor compliance to assure that solutions are sustained;
- (e) Identify person(s) responsible for corrections and sustaining change;
- (f) Give the date by which correction will be made; and
- (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:

Findings: Failure to correct audit findings

Failure to have a properly constituted and active audit committee

Corrective Action Plan Requirements: A properly constituted and active audit committee will implement monthly monitoring protocols to ensure appropriate corrective actions are implemented to correct all prior audit findings.

Upon release of an audit with no repeat findings, the audit committee may meet on a bi-monthly basis.

The audit committee will be properly constituted and vacancies in membership will be filled at the next regular monthly meeting after a resignation is tendered.

The whole board and the PEC will receive monthly reports to monitor compliance with this requirement.

SCHOOL'S PROPOSED PLAN

Intended Outcome of Corrective Actions: A properly constituted and full audit committee will implement monthly monitoring protocols to ensure corrective actions are implemented to correct all prior audit findings. **Root Cause Analysis:** identified several reasons

	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
Audit committee will implement monthly monitoring protocols (checklists, or audit sampling on one account) to ensure appropriate corrective actions are implemented to correct all prior audit findings	GC Board President, GC Treasurer	5/31/2018	Board agendas, with active audit committee(s) Monthly report to PEC	1. Monthly reporting monitored by board President, 2. Evaluating the flowchart of a Requisition Request and a Purchase Order Processs, ensures eternal
Description of Corrective Action(s) to Ensure Concern Does Not Reoccur:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	
1. Audit Committee will review all prior audit findings to monitor compliance. 2. Business Manager will provide mini finance training	1. Board President and Business Manager,	3/31/2018	Board agendas Monthly report to PEC	Monthly reporting monitored by board President
Monthly report to board and PEC on compliance	1. Board President, Treasurer and Business	5/31/2018	Board agendas Monthly report to PEC	Monthly reporting monitored by board President

**CORRECTIVE ACTION PLAN APPROVAL SECTION
(To Be Completed By The Commission)**

Reference, Authority, and Issue:

Corrective Action Plan Status:

Status Date:

Basis for Decision:

A corrective plan must :

- (a) Address how the corrective action will be accomplished;
- (b) Address how the school will identify and address other deficiencies associated with the corrective action;
- (c) Address what measure(s) will be put in place to prevent future occurrence of defect;
- (d) Indicate how the school will monitor compliance to assure that solutions are sustained;
- (e) Identify person(s) responsible for corrections and sustaining change;
- (f) Give the date by which correction will be made; and
- (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:

Findings: Failure to abide to budgetary authority and to monitor and maintain budget

Corrective Action Plan Requirements: The finance and audit committees, school board, and the PEC will receive monthly reports on monthly and annual spending in comparison to budget. BARs will be submitted to the board and PED on a monthly basis to correct any expenses exceeding budget authority.

After the first quarter, there shall not be over-expenditures in any function that persist more than one month unless the school is able to provide a justification for the expectation of excess revenues and expenditures that support the excess budgetary authority.

SCHOOL'S PROPOSED PLAN

Intended Outcome of Corrective Actions: School will abide to budgetary authority and maintain budget. Root Cause Analysis: Did not have a highly qualified business manager with a NM Level 2 or higher to guide and provide budget reviews for GC members or

Description of Corrective Action(s) to Address Immediate Concern:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
BARs will be submitted to the board and PED on a monthly basis to correct any expenses exceeding budget authority.	Business Manager, Board President	2/28/2018	Board agendas Monthly report to PEC	Monthly reporting monitored by board President
The finance and audit committees, school board, and the PEC will receive monthly reports on monthly and annual spending in comparison to budget.	Board President	3/31/2018	Board agendas Monthly report to PEC	Monthly reporting monitored by board President
Description of Corrective Action(s) to Ensure Concern Does Not Reoccur:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
After the first quarter there shall not be over-expenditures in any function that persist more than one month unless the school is able to provide a justification for the expectation of excess revenues and expenditures that support the excess budgetary authority	Business Manager	10/31/2018	Monthly reports submitted to School Budget and Finance Bureau	Monthly reporting monitored by board President

**CORRECTIVE ACTION PLAN APPROVAL SECTION
(To Be Completed By The Commission)**

Reference, Authority, and Issue:

Corrective Action Plan Status:

Status Date:

Basis for Decision:

A corrective plan must :

- (a) Address how the corrective action will be accomplished;
- (b) Address how the school will identify and address other deficiencies associated with the corrective action;
- (c) Address what measure(s) will be put in place to prevent future occurrence of defect;
- (d) Indicate how the school will monitor compliance to assure that solutions are sustained;
- (e) Identify person(s) responsible for corrections and sustaining change;
- (f) Give the date by which correction will be made; and
- (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:

Findings: Failure to maintain proper staffing, Licensed School Business Manager

Corrective Action Plan Requirements: The school will contract with or directly employ an individual who holds a valid New Mexico Level 2 or higher school business official license, or contract with a company/firm that employs one or more individuals who hold a valid New Mexico Level 2 or higher school business official license.

The licensed business manager working with the school will spend 2 days per month in person on school property interacting with school financial paperwork.

If, at any time the individual, company, or firm that provides business management services tenders a resignation, the school will within 72 hours notify the PEC through the CSD and retain, through contracting or another process, an interim business manager who is able to be present on campus at least 2 days per month for up to 60 days until the position can be filled on a permanent basis.

A permanent business manager must begin employment within 60 days of the resignation of the previous business manager.

The whole board and the PEC will receive monthly reports to monitor compliance with this requirement.

SCHOOL'S PROPOSED PLAN

Intended Outcome of Corrective Actions: The school will maintain appropriate staffing, business manager responsibilities will be carried out by a licensed school business manager, staffing turnover will not result in compliance issues for the school. Root Cause Analysis: 1. DEAP had a high turnover of business managers beginning with its first year of operation, SY 2014-15 to 2017. 2. DEAP had no control with hiring of BMs because NACA/NISN hired BMs. 3. NACA/NISN hired BMs who lacked understanding of Generally Accepted Accounting Principles, internal controls and accounts payable, allowed excess of expenditures over budget to ensure compliance, resulting with six (6) turnovers of BMs. 4. With the high turnover of unqualified business managers, DEAP failed to maintain proper staffing of a licensed school business manager. SMART GOAL: DEAP will contract with Vigil Group, for a licensed Business Manager (BM) who holds a NM Level 2 or higher school business official license for SY 2017-2018, BM will spend two days per month to interact with school finances, budget planning, and prepare monthly financial reports to PEC on a monthly basis for SY 2017-2020.

Description of Corrective Action(s) to Address Immediate Concern:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
1. The school will contract with or directly employ an individual who holds a valid New Mexico Level 2 or higher school business official license, or contract with a company/firm that employs one or more individuals who hold a valid New Mexico Level 2 or higher school business official license.	Administrator and Board President	2/28/2018	1. Verify Business Manager accreditation, contract approved by Governing Board with Business Manager evaluation, Renewal or non-renewal will be noted in meeting minutes and agendas reflecting effectiveness of Business Manager	1. Evaluation of Business Manager by Governing Board: two day school visits with financial updates on financial records and updated monthly budget reports to Head Administrator, and Governing Board, and PEC.
2. B.M. will spend 2 days per month, to interact with staff and Governing Council, school finances, and review school budget for Head Administrator budget updates. If necessary, revision of current Business Manager's contract to meet requirement for two (2) days on campus.	Administrator and Board President	2/28/2018	Business services contract reflecting on campus, in-person support 2 times per month	Board review of annual contract for Business Manager and two day of service on campus, 2. Review and adjust job description.
Description of Corrective Action(s) to Ensure Concern Does Not Reoccur:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
1. Monthly updated finance reports by Business Manager. 2. Business Manager will create and provide monthly report to monitor financial compliance to PEC. 3. Development and implementation of policy and process for accepting resignation of business manager and transitioning a new business manager, or hiring of a new business manager. Vigil Group will provide interim Business Manager until a highly qualified, licensed Business Manager replaces the interim BM.	Board President, Head Administrator	4/30/2018	Policy and process documents	Board reviews and approvals monthly business reports. 2..Reviews PEC monthly submissions
1. Monthly report to board and PED on business manager status, monthly budget reports, financial status, yearly contract renewal or non-rentwal.	Board President, Head Administrator	5/31/2018	Board agendas Monthly report to PEC	Monthly reporting and submission calendar monitored by board President.

**CORRECTIVE ACTION PLAN APPROVAL SECTION
(To Be Completed By The Commission)**

Reference, Authority, and Issue:

Corrective Action Plan Status:

Status Date:

Basis for Decision:

- A corrective plan must :
- (a) Address how the corrective action will be accomplished;
 - (b) Address how the school will identify and address other deficiencies associated with the corrective action;
 - (c) Address what measure(s) will be put in place to prevent future occurrence of defect;
 - (d) Indicate how the school will monitor compliance to assure that solutions are sustained;
 - (e) Identify person(s) responsible for corrections and sustaining change;
 - (f) Give the date by which correction will be made; and
 - (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:

Findings: Failure to comply with Procurement Code

Corrective Action Plan Requirements: The school will have a current, reported Chief Procurement Officer at all times in compliance with the requirements of statute and regulation. Replacement will occur as required by statute or regulation.

If, at any time, the reported Chief Procurement Officer tenders a resignation, the school will report this information to the PEC and the State Purchasing Division within 30 days.

A properly constituted and active audit committee will implement monthly monitoring protocols to review random purchasing files (all files must be available and the board will select at least 5 files at random). The committee will review files to ensure all required documentation is present including requisitions, POs, and support to demonstrate most reasonable cost.

The school business manager, when on site, will implement a monitoring protocol to review purchasing files and ensure all documentation is properly kept.

The board and the PEC will receive monthly reports to monitor compliance with this requirement.

SCHOOL'S PROPOSED PLAN

Intended Outcome of Corrective Actions: School will comply with statutes and regulations regarding the training and reporting of the current Chief Procurement Officer. Root Cause Analysis: 1. School did not identify a CPO for school site. 2. DEAP former Business Managers did not inform school a CPO was essential to the financial process. **SMART Goal:** DEAP school will comply with Procurement Code by Identifying a staff member identified and designated as certified, CPO, with renewal every two years so that school's purchase orders, authorization of small purchases and approve procurement to the Procurement Code.1 for School Year 2017 to 2019.

Description of Corrective Action(s) to Address Immediate Concern:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
School will update required databases, inputting current CPO, and ensure that in the event that the current CPO resigns, a staff member will be identified to attend CPO training, pass CPO test and register online.	Administrator	Nov. 2017, Dec. 2017, Jan. 2018, Feb. 2018, Mar. 2018, Apr. 2018, May 2018, Jun.2018, July 2018.	Updated state CPO database reflecting current CPO-- completed	Regular review of CPO database
Description of Corrective Action(s) to Ensure Concern Does Not Reoccur:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
1. Members of school's Audit committee will implement monthly monitoring protocols: review bids and vendor files to ensure Purchase Requisitions, quotes, Purchase Orders, and receipts are properly maintained.	Board President, treasurer, and audit committee	Nov. 2017, Dec. 2017, Jan. 2018, Feb. 2018, Mar. 2018, Apr. 2018, May 2018, Jun.2018, July 2018.	1. Board, business manager and CPO will discuss and create a quick check list to use to monitor 30 day purchasing. 2. Audit committee will use a check list to randomly check 5 purchase files to ensure all required documentations is present and DEAP school is following purchasing flow chart. 3. Board agendas, financial reports will receive, discuss and approve CPO's monthly purchasing files. Monthly report to PEC	Monthly reporting presented by Audit Committee representative, monitored by board President
School business manager will implement monitoring protocols to review purchasing files	School Business Manager	2/28/2018	Governing council, audit committee, CPO and Head Administrator will approve checklist to be used to monitor monthly purchasing.	Monthly reporting monitored by business manager
Monthly report to board and PEC on compliance	Board President	5/31/2018	Board agendas Monthly report to PEC	Monthly reporting monitored by Audit Committee

**CORRECTIVE ACTION PLAN APPROVAL SECTION
(To Be Completed By The Commission)**

Reference, Authority, and Issue:

Corrective Action Plan Status:

Status Date:

Basis for Decision:

- A corrective plan must :
- (a) Address how the corrective action will be accomplished;
 - (b) Address how the school will identify and address other deficiencies associated with the corrective action;
 - (c) Address what measure(s) will be put in place to prevent future occurrence of defect;
 - (d) Indicate how the school will monitor compliance to assure that solutions are sustained;
 - (e) Identify person(s) responsible for corrections and sustaining change;
 - (f) Give the date by which correction will be made; and
 - (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:

Findings: Failure to reconcile all general ledger accounts

Corrective Action Plan Requirements: The finance and audit committees, whole board, and the PEC will receive monthly reports that include reconciliations of all general ledger accounts to the bank account. Revised, SMART Goal: DEAP's general ledger accounts will be reconciled on a monthly basis and reported to the finance and audit committee, discussed with governing council members at regular board meetings. Root cause analysis identified reasons general ledger accounts were not prepared nor presented properly: 1. lack of consistent business manager at school site. 2. Currently, Vigil's business manager is communicating on a weekly basis, via phone calls, emails and with needed site visits to reconcile all general ledgers, 3. Licensed business manager prepares monthly ledger accounts are prepared and shared with governing council members for budget discussions.

SCHOOL'S PROPOSED PLAN

Intended Outcome of Corrective Actions: General ledger accounts will be reconciled on a timely basis and reported to the finance and audit committees and whole school board at regular board meetings

Description of Corrective Action(s) to Address Immediate Concern:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
Business Manager will prepare and present monthly general ledger reconciliation reports to the finance and audit committees, the school board and send to the PEC	Business Manager, Board President	Nov 2017, Dec 2017, Jan 2018, Feb. 2018, Mar. 2018, April 2018, May 2018, June, 2018, July 2018.	1. The Board President will ensure regular monthly board agendas and meeting minutes will be posted online and indicate monthly general ledger accounts, 2. The Board President will ensure monthly ledger report to is submitted to the PEC on a monthly basis, 3. The Business Manager will ensure general ledger accounts are provided to Finance and Audit Committee and full Board prior to monthly meetings, 4. DEAP's audit informal financial checklist to ensure monthly reconciliation of general ledger accounts documented in checklist.	Monthly checklist of business manager's electronic document of reconciliation of all general ledger accounts is in DEAPS G-Drive financial, monitored by board President, Treasurer, and GC's audit committee.
Description of Corrective Action(s) to Ensure Concern Does Not Reoccur:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
1. Before each monthly governing council meeting, the audit committee members will check to see if an electronic monthly reconciliation of all general ledgers account is in G-drive, audit will review document, comment for questions to ask business manager during board meeting.	DEAP President, Treasurer, GC's Audit Business Manager, Board President	Nov 2017, Dec 2017, Jan 2018, Feb. 2018, Mar. 2018, April 2018, May 2018, June, 2018, July 2018.	1. Email communications between Head Administrator and Audit committee, to verify electronic document has been uploaded to G-drive for monthly school board finance discussions..	
2. The Business Manager must possess level 1 (with at least 1 year experience) or level 2 School Business license to be contracted or employed at DEAP with verification of demonstration of competency by the Head Administrator.	Head Administrator, Business Manager	April 30, 2018	Copies of School Business Officials License must be kept on file	Annual review of staff personnel files to verify
3. The Governing Board President and Treasurer (at a minimum--ALL GC members is preferable) will ensure annual training on Financial Controls	Governing Board President, Head Adminis	June 30, 2018	Copies of training certifications will be kept on file for Governing Council members	GC trainings will be a standing agenda topic on regular monthly board meetings to ensure GC members comply with required GC training hours

CORRECTIVE ACTION PLAN APPROVAL SECTION

(To Be Completed By The Commission)

Reference, Authority, and Issue:	Corrective Action Plan Status:	Status Date:
Basis for Decision: A corrective plan must : (a) Address how the corrective action will be accomplished; (b) Address how the school will identify and address other deficiencies associated with the corrective action; (c) Address what measure(s) will be put in place to prevent future occurrence of defect; (d) Indicate how the school will monitor compliance to assure that solutions are sustained; (e) Identify person(s) responsible for corrections and sustaining change; (f) Give the date by which correction will be made; and (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.		

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:

Findings: Failure of school board to meet in person on a regular basis

Corrective Action Plan Requirements: The board shall meet in person on a monthly basis. No board member shall attend more than 4 board meetings telephonically on an annual basis. If a board member loses connection while participating telephonically, the board member may not vote on action items being discuss while that member is disconnected.

The PEC will receive monthly reports to monitor compliance with this requirement.

**SCHOOL'S PROPOSED PLAN
 (To Be Completed By The School)**

Intended Outcome of Corrective Actions: School's governing council will meet in person on a regular basis according open meetings act.

Description of Corrective Action(s) to Address Immediate Concern:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
The Board shall meet in person on a monthly basis	Board President	2/28/2018	Board meeting minutes Governing Board bylaws, where applicable	Governing Board onboarding training will cover high expectations for board membership, including in-person participation in monthly meetings and call-in protocols
			Revised	
Description of Corrective Action(s) to Ensure Concern Does Not Reoccur:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
Monthly report to board and PEC on compliance	Board President	5/31/2018	Board minutes Monthly report to PEC	Monthly reporting monitored by board President

**CORRECTIVE ACTION PLAN APPROVAL SECTION
 (To Be Completed By The Commission)**

Reference, Authority, and Issue:

Corrective Action Plan Status:

Status Date:

Basis for Decision:

- A corrective plan must :
- (a) Address how the corrective action will be accomplished;
 - (b) Address how the school will identify and address other deficiencies associated with the corrective action;
 - (c) Address what measure(s) will be put in place to prevent future occurrence of defect;
 - (d) Indicate how the school will monitor compliance to assure that solutions are sustained;
 - (e) Identify person(s) responsible for corrections and sustaining change;
 - (f) Give the date by which correction will be made; and
 - (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.

CORRECTIVE ACTION PLAN

Reference, Authority, and Issue:
 22-8B-10. Charter schools; employees. - The head administrator of the charter school shall employ, fix the salaries of, assign, terminate and discharge all employees of the charter school.

Findings:
 The school has failed to maintain proper staffing including a licensed administrator. Some administrative actions taken by non-licensed staff include signing on behalf of the school, making staffing decisions, making budget decisions, and processing time sheets.

Corrective Action Plan Requirements:

The school will have on campus as a full time employee an individual who possesses a valid New Mexico 3B Administrative License (who may split time between administrative and other responsibilities).

If, at any time the individual who possesses a valid New Mexico 3B Administrative License, the school will within 72 hours retain, through contracting or another process, an interim administrator who is able to be present on campus at least .5FTE for no more than 60 days until the position is filled on a permanent basis.

The whole board and the PEC will receive monthly reports to monitor compliance with this requirement.

The school leader and the school board will work together to redefine the responsibilities of the "Director of Operations" to ensure the person in that role, if they do not possess a valid New Mexico 3B Administrative License, does not perform any administrative duties.

The whole board will receive monthly reports from the school leader on the responsibilities of the Director of Operations to monitor compliance with this requirement. 3. Revision of Head Administrator contract, if necessary, revise Administrator's contract to meet requirement for full time administrator, no teaching responsibilities, FTE=1.0. 2. Current Head Administrator contract: Admin. FTE=0.8, Level III teacher, FTE=0.1, 233 contract dates at 0.9 FTE

SCHOOL'S PROPOSED PLAN

Intended Outcome of Corrective Actions: The school will maintain appropriate staffing, administrative responsibilities will be carried out by a licensed administrator, staffing turnover will not result in compliance issues for the school. **Root Causes Analysis:** 1. DEAP school, in its third year of operation, has experienced challenges in retaining or finding qualified and committed school administrator in its short 2 1/2 years. 2. Retaining school administrators has been a challenge as evidenced with six past administrators. 3. HA's role is very comprehensive and can be overwhelming if there is no other staff member with a Level III who can share some responsibilities; currently there are no other staff members with a level two or higher to share in delegating some duties and responsibilities. 3. Current certified staff have not and currently do not hold Level III licensure to be delegated as "acting or interim" in case administrator resigns. 4. Director of Operations cannot be designated as "acting or interim" administrator due to Charter school administrative licensure requirements and policies. 5. DEAP is researching and analyzing viable options through NMPED alternative administrative licensure pathways. 5. Current administrator has contract for 0.9, FTE. HA is on campus full time, five days a week. **SMART Goal:** DEAP Governing Council members shall recruit, employ, support, and evaluate the school administrator who holds a valid NM 3B administrative licensed to carry out charter school responsibilities and provide ongoing supervision for all job responsibilities in job description and will conduct beginning, mid year an end of year evaluation for H.A. for every contracted school year.

Description of Corrective Action(s) to Address Immediate Concern:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
1. Head Administrator (HA) will have annual job performance evaluation from Governing Council at the end of school year.	1. Governing Council members	5/1/2018	By May, GC will revise and meet with HA for performance evaluations, will be noted in Governing council meeting, and inform PEC of changes and evaluations of HA.	GC will provide formal and some informal evaluations of HA through out the school year.
1. Review Governing Council approved and revised job description with the Director of Operations to ensure no administrative actions are taken.	1. HA and Governing Council members	5/2018 monthly GC meeting	2. HA will use revised job performances to ensure Director of Operations does not perform administrative duties or sign as administrative documents that require a licensed administrator signature. All administrative documents that require signatures will be electronically saved in email and in Gdrive.	2. GC and HA will collaborate to review documents that need administrative actions or signatures. All administrative actions that require administrative reviews, actions, or signatures will be reviewed or checked for administrative signature with Governing Council reports or for onsite evidence.
2. Revision of Director of Operations job description will be reviewed by HA and Governing Council, any licensed administrative duties will be removed. H.A will meet with Director of Operations to sign any documents that need administrative signatures.	3. Board President and GC members will re	2/28/2018	3. Revised contract, if necessary, use GC HA Rubric incorporating "rubric" establishing requirements for employment FTE.	3. GC members will visit school once per trig-semester to review gather evaluative evidence of Head Administrator. GC will review and evaluate the annual performance of HA for renewal or non-renewal.
4. A. Explore MOU with local school, Gallup Mckinley County School district or NACA/NISN to collaboratively design a plan for Administrative delegation and Plan of Succession. If a HA is absent for five or more consecutive days, a HA substitute will identified to cover administrative duties & responsibilities. B. Should a Head Administrator submit a resignation, a plan of Succession will be in place to ensure the school has a licensed administrator to fill in while school and GC recruits and hires a new administrator.	4. HA will contact GMCS Superintendent or	5/31/2018	4. Communication established with GMCS and NISN for discussing both MOU for Admin. Substitutes with GMCS and discussions with NACA/NISN executive director for finalizing plans of succession for HA. Discussion documents or MOUs will be presented to GC for approval, and documents will be submitted to PEC by Governing Council President.	4. Email GMCS Supt for collaboration of MOU. 2. Communicate with NACA/NISN Executive Director for plans of Succession, curtesy copy email conversations to GC President and VP.
Description of Corrective Action(s) to Ensure Concern Does Not Recurr:	Title/Role(s) of Responsible Persons:	Expected Date of Completion:	Evidence of Completion of the Corrective Action:	Description of Internal Monitoring Procedures:
1. Secure a budget that can sustain a full time Head Administrator, along with a budget to pay for substitute administrator for days extended days HA is absent, and for payment for interim head administrator.	Board President and Administrator	4/30/2018, SY 2018.	1. GC Board approved for revised H.A. job description reflecting a full time HA for school, will be reflected in the board minutes.	1. GC will monitor leave of absences of Head Administrator. GC members will adjust budget for full time HA. GC members will accept letter of resignation from H.A. and report any resignations to PEC.
2. Development and implementation of revised Director of Operations does not perform any administrative duties. H.A will monitor and evaluate Dir. Of Operations to ensure any individuals in this position does not perform administrative duties.	Board President and Administrator	5/31/2018	2. GC will submit to PEC any new adopted MOU for substitute or interim HA. Any HA changes, GC will inform PEC.	Quarterly review of board policies, including administrator resignation policy as demonstrated through agenda and meeting minutes
3. Implementation of policy and process for accepting substitute HA's and for resignation of HA. Plan of Succession of Head Administrator will be	Governing Council & HA	6/30/2018	1. a. In accepting a resignation of a HA use the policy for accepting resignation. 4. b. Any unexpected resignation	1. Board will review HA resignations and follow board approved protocol. Plan of succession will be

**CORRECTIVE ACTION PLAN APPROVAL SECTION
 (To Be Completed By The Commission)**

Reference, Authority, and Issue: 22-8B-10. Charter schools; employees. - The head administrator of the charter school shall employ, fix the salaries of, assign, terminate and discharge all employees of the charter school.	Corrective Action Plan Status:	Status Date:
Basis for Decision:		
A corrective plan must : (a) Address how the corrective action will be accomplished; (b) Address how the school will identify and address other deficiencies associated with the corrective action; (c) Address what measure(s) will be put in place to prevent future occurrence of defect; (d) Indicate how the school will monitor compliance to assure that solutions are sustained; (e) Identify person(s) responsible for corrections and sustaining change; (f) Give the date by which correction will be made; and (g) Include steps that will be taken to accomplish correction with steps, dates, and supporting evidence that the plan will be carried out as scheduled.		

Pelayo, Icela, PED

From: Pelayo, Icela, PED
Sent: Friday, March 09, 2018 5:38 PM
To: Poblano, Louella; Gavin Sosa
Cc: Poulos, Katie, PED; Benita Litson
Subject: RE: CAP Documents

Louella:

Thank you for sending. Your 10 attachments have been received. Have a great weekend!

Warmly,

Icela

Icela Pelayo, PhD, Deputy Director
Options for Parents and Families Division
New Mexico Public Education Department
300 Don Gaspar Avenue
Santa Fe, NM 87501
o: 505.827.6532
c: 505.695.8683
icela.pelayo@state.nm.us
<http://ped.state.nm.us/ped/index.html>

Driving student success in New Mexico by supporting excellent authorizing practices and charter schools that provide innovative, quality education.

From: Louella Poblano [<mailto:administrator@deapschool.org>]
Sent: Friday, March 09, 2018 5:21 PM
To: Gavin Sosa; Pelayo, Icela, PED
Cc: Poulos, Katie, PED; Benita Litson
Subject: Re: CAP Documents

Katy,

Here's DEAP revised DEAP's CAP's, please confirm when received, thank you.

Louella Poblano,
Head Administrator,
DZIL DITL'OOI School of Empowerment, Action and Perseverance (DEAP)
P.O. Box 156
Navajo, NM. 87328

School Main Phone: [\(505\) 777-2053](tel:5057772053)
Email: administrator@deapschool.org

"Empowering students and communities through education, culture, wellness and service."

On Wed, Feb 14, 2018 at 3:00 PM, Gavin Sosa <gavinsosa13@gmail.com> wrote:

Director Poulos,

Attached are the Corrective Action Plan documents, as requested.

Our understanding is that your office will review these documents and provide feedback to DEAP so that we may finalize and submit to the Commission in advance of their March meeting.

If you would, please confirm receipt of this email.

We look forward to your feedback.

Regards,

Gavin Sosa
DEAP Governing Council VP

9B - Roots and Wings Charter School
Revised Financial CAP

Name of Charter School Roots and Wings Community Schools		Corrective Action Plan - RWCS			School State ID Number 570 location 001	
Head Administrator Randall C Green		Increase Financial Oversight Plan			School Year 2017-2018	
Governing Board Approval Date					Submission Date 03-09-2018	
Performance Framework Area for Improvement (Academic, Financial, Organizational) Specific Performance Indicator in Need of Improvement		Academic	Financial	Organizational	Deadline for Charter School to Demonstrate Improvement	
			Corrective Action Plan			
Remediation Strategy(ies)	Action Step(s)	Timeline	Person/Program Responsible for Implementation	How will you demonstrate success of the Remediation Strategy(ies)	Outcome Evidence (Data)	Met/ Did Not Meet
Additional training for GC members	.Contacted David Craig and SchoolAbility regarding training, Date set for 3/23/18 special GC meeting	March 2018	Randy Green and GC members	By all GC members getting another 3 hours of training in Financial concerns.	Completion Certificates	
Additional oversight of Business Managers Reports	Year-end budget reconciliation documents need GC approval prior to submission Added cash reports to monthly meeting.	May/June 2018	Charlotte Archuleta, And Governing Council	If David Craig accepts documents without tagging them for concerns.	If RWCS is released from the monthly reporting.	
Spending Cuts	Lowered the hours of custodial staff	2017-2018	Randy Green	Cost savings, but still have clean facilities.	Savings of \$9,640.00	
	Reduced the number of EA's from 2.5 to 1	2017-2018	Randy Green and Charlotte Archuleta		Savings of \$66,537.00	
Improvement of operations and school compliance	Hired the new director.	July/August 2017	Governing Council	Savings of \$16,000 over previous year. Improved operations, Fewer compliance issues	Better report from Site Visit on March 20th	

More oversight of spending						
More oversight of spending	GC lowered the threshold for two check signers from \$5000.00 to \$2500.00 Lowered the threshold for three bids from \$10,000.00 to \$5000.00	December GC meeting	Governing Council and Randy Green	Increased responsibility and oversight of GC check signers. Possible lower costs with more competitive procurement.	Decreased spending on some items and services.	
Increase Revenue	Lease reimbursement mistake corrected	January 2018	Randy Green	Increased funding by \$5000.00	Increased funding	Met
Increase revenue and lower demand on budget.	Requested parents pay a larger share for fieldwork and admissions to events. Approval not granted until funding goal is met.	2018 forward	Teachers Randy Green	Parents easing the burden on RWCS to provide Fieldwork	Decreased expenses for Fieldwork and event attendance	
Keep our funding at this level or above.	Keep our enrollment at 50 Look for ways to increase enrollment, by getting a waiver and improving the facility	2017-2018 April-May 2018	Randy Green Maria Medina Randy Green and GC		Being funded for 50 or more students next year.	
Reduce our FTE requirements for next school year.	Investigate costs for contracting out some part-time positions.	February-May 2018	Randy Green Charlotte Archuleta	Cost savings, yet student needs are met.		

roots & wings

COMMUNITY SCHOOL

February 28, 2018
Public Education Commission
State of New Mexico

Monthly PEC Report to Improve Financial Management- March 1, 2018

Actions:

- Arranged to have more GC training done by David Craig. The date is March 23 at 10:00, it will be a Special Board Meeting
- Revised our CAP to fit into the SIP format and added revisions. Final document will be submitted March 9, 2018

Budget Adjustments:

- We received a Taos Community Foundation grant of \$2000.00 for Winter and Spring trips.

Year-end position forecast:

- 11% carryover

Respectfully,

Randall C Green

Randy Green, Director
Maria Medina, Office Manager

HC 81 Box 22, Questa, NM 87556
575-586-2076/fax 575-586-2087

