

August 29, 2018

Commissioner Brenda Cassellius
Minnesota Department of Education
1500 Highway 36 West
Roseville, MN 55113
Via email

Dear Commissioner Cassellius,

Below is the University of St. Thomas' statement of financial expenditures related to authorizing duties for fiscal year 2018, pursuant to *Minnesota Statute*, 124E.05, subd. 8.

The University of St. Thomas (UST) is a private higher education institution whose mission is "to educate students to be morally responsible leaders who think critically, act wisely, and work skillfully to advance the common good." UST has found that acting as a charter school authorizer is a valuable way in which to work toward achieving its mission and honor its commitment to quality education. Our programmatic mission is "to advance the common good by using quality authorizing practices to oversee and promote the health of a portfolio of charter schools that demonstrably assist students in reaching their full academic and human potential." We also operate in accordance with our core values which include respecting the whole student, educational equity, valuing multiple educational models, empowered autonomy, excellence-first authorizing, and being reflective practitioners. More information on our mission, core values, and current strategic goals can be found on our [website](#). The current UST portfolio includes twelve charter schools. We did not transfer any schools in or out, or close any schools during FY2017.

The following statement is based on unaudited financial information, as UST's fiscal year 2018 audit is not yet complete. It is important to note that the expenditures shown do not include the substantial value of the resources, space, and faculty time donated by UST. These in-kind contributions on the part of the institution and its members greatly benefit the authorizing program and allow us to add value to our community. UST spent \$184,050.73 on authorizing-related activities during the 2017-2018 school year (July 1, 2017 to June 30, 2018). UST received \$248,076.72 in revenue via fees from charter schools for authorizing-related activities during the same period. As noted below, this margin is unusually high due to the unexpected departure of a staff member in early FY2018.

Please do not hesitate to contact me with any additional questions at mmcgraw@stthomas.edu or 651-962-4372.

Sincerely,



Molly McGraw Healy
Director of Charter School Authorizing
University of St. Thomas

CC: Jennifer Nelson, Minnesota Department of Education

University of St. Thomas Authorizer Income and Expense Report Detail

FY 2018 Income and Expense Report Detail		
Income		<i>Notes</i>
Charter school fees		
<i>Academia Cesar Chavez</i>	\$24,752.00	
<i>Community of Peace Academy</i>	\$24,752.00	
<i>Face to Face Academy</i>	\$8,910.72	
<i>Global Academy</i>	\$24,752.00	
<i>Hiawatha Academies</i>	\$24,752.00	
<i>Hope Community Academy</i>	\$24,752.00	
<i>Metro Deaf School</i>	\$6,188.00	
<i>Spero Academy</i>	\$10,210.00	
<i>PIM Arts High School</i>	\$24,752.00	
<i>St. Paul Conservatory for Performing Artists</i>	\$24,752.00	
<i>Twin Cities Academy</i>	\$24,752.00	
<i>Twin Cities German Immersion School</i>	\$24,752.00	
Other income sources		
<i>Organizational support (internal)</i>	\$0	<i>The University of St. Thomas provides substantial in-kind support. See note below.</i>
<i>Contributions/Donations (external)</i>	\$0	
<i>Grants (external)</i>	\$0	<i>While the program did not directly receive any grant dollars, we benefitted substantially from the NACSA Leaders Program and NACSA fellows program, which substantially decreased our staffing and professional development costs.</i>
Total Income =	\$248,076.72	
Expenses		<i>Notes</i>
Personnel Salaries	\$171,268.04	<i>Includes both salary and benefit costs, and the cost of consultants to assist with language interpretation and school evaluation.</i>
Personnel subtotal	\$171,268.04	
Administrative/office expenses		
<i>Professional fees (staff development/conferences/workshops/training/dues/subscriptions)</i>	\$5781.48	<i>NACSA, MACSA and MACS Memberships, NACSA Conference, regional conferences, etc.</i>
<i>Transportation and Travel</i>	\$4,526.30	
<i>Office space use/lease</i>	\$N/A	<i>In kind contribution</i>
<i>Office supplies and equipment</i>	\$2474.91	
<i>Other</i>	\$0	

Administrative/office expenses subtotal	\$12,782.69	
Total Expenditures =	\$184,050.73	
Net Income/(Deficit)	\$64,025.99	<i>Note that UST lost a staff member in early FY2018 and the replacement process took several months. This significantly lowered our personnel salary/benefit costs and resulted in higher-than-budgeted net income.</i>

It is important to note that although UST shows a net income, this is only possible due to the substantial in-kind support provided in the form of facility use, technology, faculty expertise, and more, the actual costs of which would far exceed current income. For example, the conservatively estimated value of the over 250 hours of time donated to the program by faculty with expertise in general and special education, finance, accounting, leadership, and governance during FY2018 would easily cost in excess of \$47,500 if valued at current market rates.