

Finance Committee Compensation Plan Recommendation for Board Packet

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Jenna Leadbetter

12:38 PM (3 hours ago)

to me, CCS, Adam,
Kelly, Annette,
Rose 

Paula,

Please include this summary of the Finance Committee's compensation plan recommendations and my executive recommendation in the Board packet for our May 19th meeting.

Finance Committee Review: The Finance Committee (Adam Hewitt, Rose Bierce, Gena Jacobson, Mindy Glazier, Ronda Veit, Kelly Bittner, and Annette Klang) reviewed multiple budget models between May 8-13. Their detailed feedback is as follows:

Thursday, May 8, 2025

- Adam Hewitt (4:28 PM): "Hello. Based on the information provided, we have created six budget models for you to review. The details for each are in the attached PDF's. I have also created a table in the screenshot below which gives a snapshot of each budget. I know that a couple of the budgets show a deficit in the first year and one

even shows a deficit in the second year but if ADM eventually gets to our goal of 690, we end up with a surplus. Normally I would not recommend running a deficit but in some cases, it is encouraged. Your fund balance compared to total expenditures is generally considered healthy at around 20%. I show that we ended FY24 at 34.2% and our revised budget for FY25 is projecting to be around 31.6%. Please make sure you are taking this percentage into account when making your decision and not just looking at a surplus vs. deficit."

- Rose Bierce (4:37 PM): "Feedback: I really think we should consider splitting the two schools when talking about director pay. We based all our district comp numbers on a school that is 500-999 students, but the online school will hit that all on our own. As we continue to grow, the online program is going to continue to get larger and larger. Either by student count (150 vs 550) or FTE (21 vs 41) the online school is already so many more staff and students than seat based and it's only going to get more stark as we continue to expand. At some point (I would argue now), it's not going to make sense to be paying the heads of those two very differently sized schools the same amount."
- Gena Jacobson (8:49 PM): "Good evening, I was unable to come to the financial meeting because I was an admin for an IEP meeting. I am trying to catch up on everything that went on, but if I am looking at the pay scale correctly, my salary goes down? I thought that wasn't going to happen. Sorry to message so late. I just got home from Cross Lake. If you could shed any light on this, it would be great thanks so much. G"

Saturday, May 10, 2025

- Rose Bierce (12:46 PM): "Further thoughts: Creating teacher, Coordinator, Associate Director without license, Associate Director with license, Director without license, director with license, executive director without license and then executive director with license pay scales is just a whole lot of grids to try to fit into a small range of dollar amounts. Could the with license incentive just be a set percentage that gets added to wherever you are on your grid? That way you could focus more on the positions and where they should fall. And you wouldn't have to cram quite so many grids into the plan. And in case I haven't said this lately, I very much appreciate all the work you put into all of this. We are lucky to have you."

Monday, May 12, 2025

- Mindy Glazier (11:26 AM): "Thank you everyone for all your hard work on this! I think moving forward with the tiered license teacher scales and paid holidays for hourly staff is a great step for this months meeting. I appreciate having more time to discuss the other scales for coordinators, managers, etc.. I also like the idea of using the budget for 660 as a compromise to going all in at 690 or being conservative at 600. Thanks Mindy"

- Gena Jacobson (12:08 PM): "I agree with all of the above as written by Mindy.. I am in favor of the 660."
- Rose Bierce (12:16 PM): "I am in favor of the slower enrollment growth budget that goes from 600-660-690 so that we are more conservative in case we do not grow that quickly in the first year. I would rather revisit the budget to increase our ADMs than decrease them. 600 is still an increase of 100 students from where we are right now and in the past the most we've grown by is 75 students. I do not recommend including the compensation increases for coordinators, managers, and directors at this time. I would like to have that additional time to thoroughly review and refine leadership compensation proposals."

Tuesday, May 13, 2025

- Ronda Veit (6:54 AM): "I vote for budgeting for initial growth to 600. If we surpass that, great. These models anticipate having that number of students enrolled on day one, so I am more comfortable being conservative based on past enrollment trends. It sounds like there is more discussion needed about director/manager/coordinator increases. Leaving them until June for the reasons suggested makes sense. However, it might be helpful to include these estimates so the total future impacts can be considered by the BOE. We could show what the bottom line looks like with and without this group included at 600. Hope this is helpful!"
- Gena Jacobson (7:34 AM): "Good morning, The way that I read it, for model five, it is growth to 660 (meaning not on day one, but by the end of the 25-26 school year) If it is that I understood incorrectly, and model 5 means starting at 660, I am not in favor of any of the models. I do not want to purposely operate in a deficit (I did take into account the percentages) Although this still makes me uncomfortable deciding, if there is no way that the models can be reconfigured, and I have to choose from only the models given now, I'd go with model 1. Have a great day, G"

Summary of Finance Committee Recommendations:

- Some members favor Model 5 (660 ADM with updated compensation plan)
- Others prefer more conservative approaches (Model 1 or Model 4 with 600 ADM)
- General agreement to implement tiered license teacher scales and paid holidays for ALL hourly staff
- Consensus to delay decisions on coordinator/manager/director compensation increases for further discussion

Executive Director Recommendation: After careful consideration of the Finance Committee's feedback and our historical enrollment growth patterns, I recommend the Board consider Model 4 (600 ADM with Updated Compensation Plan) as our primary option. This more conservative approach:

- Projects an initial deficit in 2025-2026 but recovers to positive territory by 2026-2027
- Represents a realistic enrollment growth target (100 students above our current 500)
- Still implements the important tiered license teacher scales and paid holidays for ALL hourly staff
- Allows us to adjust upward if enrollment exceeds expectations rather than facing potential shortfalls

Regarding leadership compensation, I recommend the Board approve the concept of a bottom line allocation for all coordinator, manager, director, and executive director positions, with the specific allocation amount to be calculated and presented at the May 19th meeting. This approach allows us to establish the principle while ensuring the allocation aligns with our healthy fund balance position (currently at 31.6% of expenditures, well above the 20% considered healthy).

As Adam Hewitt noted, "Your fund balance compared to total expenditures is generally considered healthy at around 20%. I show that we ended FY24 at 34.2% and our revised budget for FY25 is projecting to be around 31.6%. Please make sure you are taking this percentage into account when making your decision and not just looking at a surplus vs. deficit."

The actual strategy for distribution of this leadership compensation allocation will be presented at the June Board meeting.

All budget models are attached to this email and will be attached to the Board packet, and Adam Hewitt from Creative Planning will be virtually present at the meeting to answer any questions and provide additional financial context.

If Board approved, our contracted marketing company could enhance the formatting of this recommendation for both internal use and external posting on our website.

Please let me know if you need any additional information.



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(she/her)