



September 11, 2009

To the parents, staff, and friends of Grace Christian School:

The purpose of this letter is to follow up on our June 3rd letter to parents and the board open forum held on June 8th. Accompanying this letter are additional documents which will be released online, and provided as printed copies upon request. Also available online are letters sent by the board to parents, and documents related to the high school project. Information on obtaining these documents is provided at the end of this letter.

In the June 3rd letter we made several commitments regarding the release of additional information.

*"We are working on a more detailed document which will review that history, with a particular focus on school finances."*

The document titled, "GCS 2005-2009", provides a historical overview of the expansion project, the GCS auction, enrollment, and school finances over the past four years.

*"We will also be increasing parent accessibility to the board, and will be inviting the PTF President to our meetings on a regular basis to discuss school issues."*

On June 8th, we held our first open forum giving parents and staff an opportunity to directly address the school leadership with their concerns. This school year we will hold three such meetings, the first on October 8th, another in mid-Winter, and the last in the Spring. Additionally, we have created an email address, [board@gladstoneaog.org](mailto:board@gladstoneaog.org), through which questions and concerns can be sent directly to the board.

Angie Hobson, PTF President, attended our August 27th board meeting, and will be invited to board meetings at least quarterly to provide opportunity for candid discussion of issues or concerns.

*"That document will also review areas of school management which need improvement, and will detail the actions being taken immediately, and on an ongoing basis, to correct these issues."*

We have identified several areas in which, in retrospect, we could have performed better. We have taken, and continue to take steps to improve in these areas. They are:

- We did not effectively communicate the strategic vision for the high school and obtain unity on that vision and goals for the school.

We will be preparing and publicly releasing a long term strategic plan for the school. This plan will outline major goals and milestones related to finances, facilities, staff development, and accreditation. We will accept feedback from all interested parties and

will update the plan regularly as conditions warrant. It is important that parents, staff, and leadership agree upon and work together to meet the long term goals of the school.

- We did not reveal the details of the school's financial situation even when it directly impacted the use of auction funds.

Beginning this school year we will be releasing summary budget information and providing financial updates throughout the year. Our open forums will provide an opportunity to ask questions and raise concerns. We will be as open as possible regarding finances without jeopardizing confidential information related to the individual finances of staff or school families.

- We did not understand the depth of frustration over the delayed bathroom remodel, and did not respond adequately to concerns that were raised in the Summer of 2008 regarding this issue.

We have been actively seeking feedback regarding issues of concerns to parents. In addition to the open forum held in June and scheduled for this school year, we have created an email address, displayed prominently on our web page, which provides a direct line to board members. We have held discussions with Angie Hobson, PTF President, and have had private conversations with several other families.

- We did not have an established method for parents to communicate directly with board to express concerns.

As mentioned above, there are now direct communication channels available to reach board members directly.

- We did not move quickly enough from an annual budgeting and review cycle to more frequent monitoring of income and expenses as the budget tightened and deficits began to accumulate.

For this year we have developed and will maintain a detailed cash flow forecast so that any future financial difficulties can be foreseen early and handled appropriately. We are committing additional leadership resources to ongoing, in depth oversight of all areas of school finances.

- Forward progress in some operational areas has been too slow.

We are committing additional leadership resources towards operational improvements. Mrs. Denham will be spending the majority of her time in an administrative role in preparation for the transition at the end of this school year. Board members are working directly with Mrs. Denham and Mrs. Watterud on a regular basis to assist as needed.

*"The board is reviewing possible actions in several areas, including administrative and front office responsibilities, overhead expenses, and financial management practices."*

Last year, Mrs. Denham's role was expanded from oversight of the Jr/Sr High program to include oversight of all day to day educational activities. With the announcement of Mrs. Watterud's retirement effective June 15th, 2010, we began the process of transitioning all administrative responsibilities to Mrs. Denham. This will provide additional front office support this year, accelerating the pace of change, and will permit a smooth transition into next school year.

Board members Bill Strauss and Steve Parker, along with Mrs. Denham will now be involved in the day to day financial management, bookkeeping, budgeting, and financial reporting.

This will provide greater financial visibility at both the board level and operational level, improving both planning and oversight.

Beginning this year, in addition to annual budgets we are preparing detailed cash flow projections which will be monitored weekly, and updated monthly. This will ensure that we can foresee financial issues early and respond accordingly.

In addition to the above items which directly address earlier commitments, we'd like to share a number of other things we have done in the past several months to improve the school, its facilities, and operations.

- We have rebuilt and redesigned our website to support much faster and detailed communication to parents, and more effectively market the school to prospective families
- Personal visits were made to nearly 40 local churches to increase awareness in the local area. Many churches agreed to display a full color poster promoting the school.
- We attended a Christian education fair to promote the school to interested parents.
- We created a referral program to encourage school families to refer others to the school.
- We have added new signage to the front of the school, and removed shrubs to improve visibility.
- We have performed a thorough safety check of the playground, repainted, and added a fresh layer of cedar chips.
- Criminal background checks have been completed for all staff members. Additionally, all staff members have completed state mandated child abuse prevention training.
- We have updated the janitorial checklist and schedule to address concerns in certain areas.
- We added additional network access for teachers to improve their access to school technology resources and enable their use of the new website.
- Teacher handbooks have been updated and numerous operational policies revised.
- We have placed a greater emphasis on teacher qualifications during the hiring process with an eye towards the future accreditation process.
- We have greatly improved collections resulting in a greater than 99% collection rate for tuition and fees during the 2008-09 school year.
- We developed a school logo and theme and are developing plans to continue increasing awareness of our school in the local area. We have a board advisor with extensive experience in sales and marketing who is assisting with these efforts.
- We are recruiting a Missions Coordinator to direct service and outreach projects for participation by our students and families. This will support the objective of developing a heart for service in our students, and provides positive exposure in the local community.

The past four years have been challenging on many fronts. The leadership of Grace Christian School is working hard to deal with current challenges and past missteps. It is our desire to heal any division that may exist, demonstrate our commitment and ability to effectively manage the school, and move forward to the best days our school has ever seen.

We are encouraged by the support received from families that have pitched in to improve the school, in particular the Holzworth and Hobson families who spearheaded the remodel of our front bathrooms. We have also received assistance with projects from local church groups. This school is first and foremost a ministry, and we invite and encourage all families to join the effort to build this school into everything God intends for it to be.

In Christ,

Pastor Watterud

Mardel Waterud

Twila Denham

Steve Parker

Bill Strauss

Bob Denham

The following documents are available online at: <http://gcs.gladstoneaog.org/school-information/board-letters-and-reports/>. Printed copies may be requested from the school office.

### **GCS 2005-2009**

An overview of the past four years with an emphasis on school finances.

### **2009-10 Information Release Schedule**

Scheduled information updates with release dates.

Additional historical documents related to the high school project will also be made available.