



CEO Report to the Board of Directors

Draft Annual Report 2008-09

Introduction:

The attached report is an account of the major activities of the corporate offices during the 4th and final quarter of the fiscal year 2008-09. This report is intended for the internal use of informing the ASPIRA of Florida Board of Directors, ASPIRA of Florida Local Advisory Council (LAC's), the National Association Board, Associate CEOs, Staff, parents, and Aspirantes.

Among the highlights of this last quarter were; all the year-end graduations and youth awards ceremonies, FCAT results and ASPIRA's Annual MIS and Fiscal Budget results, and most importantly ASPIRA's Annual Fundraiser – the FANIA Legends Benefit Concert.

The previous three quarters (July 2008 – March 2009) added unforeseen challenges to our current operations with near catastrophic dimensions. The economic recession, which has crippled credit and has Florida leading the nation in food stamp requests and education budget cuts as reported recently in the *Miami Herald*; threaten to reverse all gains in ASPIRA's Facility Master Plan. Short falls in state revenues, compounded by reduction in all grant awards quickly reduced our operating budget from projections of over \$12 million to approximate \$11 million.

These new forecasts represents unexpected budget cuts from the state in the charter school operations, as well as other reductions of grants, foundations and other program budgets impacting the YLD Operations. Staff has maintained all ASPIRA stakeholders (Board, students, parents and staff) informed of the negative impact *The Great Recession of 2008* is having on all ASPIRA operations.

Staff Development and Reorganization:

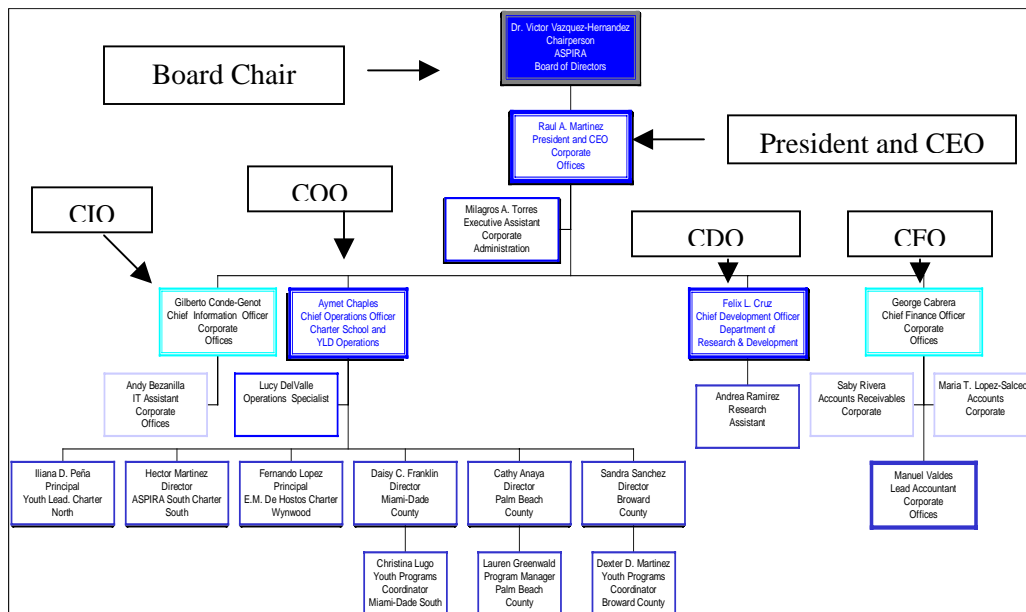
Effective January 1, 2009 the CEO announced the formal creation of its Corporate Leadership and Management Team. Strategically the ASPIRA Corporate Leadership Team quickly addressed the major issues at hand; 1) reduction in funding streams, 2) budget rescissions, 3) shortfalls/cuts in the United Way allocation and the 4) credit crisis and facility financing.

The main role of the Corporate Leadership & Management Team will be to develop grant applications for the overall organization and formulate policy recommendations to the Board of Directors and their Local Advisory Councils during this economic crisis.

Since most proposals are written for upcoming fiscal cycles, the effects are more long range in nature. However, there are immediate short-range goals to be expected.

The above efforts have resulted in 44 funding proposals submitted and three proposals which are pending completion. An average of 7 grants have been submitted monthly as of January 2009 and 16 applications have been approved thus far.

1. COO: ASPIRA will move all Program Operations under the leadership of Aymet Chaples, as Chief Operations Officer (COO). These responsibilities include all charter and night school operations as well as ASPIRA’s tri-county youth leadership development program.
2. CDO: ASPIRA will re-create a development and research department under the leadership of Felix L. Cruz as Chief Development Officer (CDO). This department will coordinate all program applications to various funding sources be it private or public. ASPIRA’s formative years success was due to our comprehensive effort to scan the availability of grants, write an impacting story and document all necessary due diligence. Adding to support for a research component ASPIRA has named newcomer Andrea Ramirez as research associate.
3. CFO: Mr. George M. Cabrera was named Chief Finance Officer to overlook all ASPIRA’s financial needs including project management of ASPIRA’s Facility Master Plan.
4. CIO: Mr. Gilberto Conde-Genot anchors the ASPIRA Management Leadership Team with the infrastructure, technologies and communications necessary to do business and compete in Corporate America. Mr. Conde-Genot and Andy Benzanilla as his assistant manage all hardware, software, communications and Internet connectivity. Mr. Conde-Genot is also the engineer of ASPIRA technology plan and most recently ASPIRA’s newly designed website, www.aspirafll.org



Organizational Flow Chart: Executive Leadership Staff

Facility Master Plan and Financing

On March 19, 2003 the ASPIRA of Florida Board of Directors approved a policy to pursue a strategic plan to meet the growing educational and developmental needs of youth by seeking to acquire the facilities in which to conduct its charter school operations.



This plan will increase ASPIRA's capacity to serve an additional 900 middle school students yearly, raising enrollment to 1,800 students. Upon completing all construction phases, the three community education campuses will triple ASPIRA's square footage to over 155,000 SF with nearly 6 acres of prime South Florida Miami-Dade County real estate.

ASPIRA is engaged in creating an educational environment that will produce positive outcomes by raising FCAT scores, improving student achievement, increasing school attendance, improving student behavior, and promoting parental involvement for our students, their families and communities.

ASPIRA North: On November 19th, 2008 (Puerto Rico Discovery Day), the ASPIRA Board held Ribbon Cutting Ceremonies for the first of three construction projects. This project was a new construction of 35,000 SF three story building with 10,000SF renovations on a 2.5 acres campus, including site work, parking lots, playgrounds, bus lanes, sidewalks and emergency generators. Built within budget and on a record 10-month time frame, at a cost of \$7.5 million.



Eugenio Maria De Hostos Charter: The ASPIRA Wynwood purchase was rescinded

due to lack of financing and will be under a lease option for the next 2.5 years until which time financing becomes available.

ASPIRA South: The ASPIRA South Project completed approved construction documents for the Building Department and obtained a re-zoning designation from the Development Impact Council (DIC) special exception to permit a charter school.

Pre-development construction work by Campus Construction, Inc., and ASPIRA was initiated to meet school opening time lines for the 2009-2010-school season, in anticipation of loan commitments from NCB Capital Impact.

Financial Options:



In November 2008, NCB Capital Impact scaled down its intent to commit; jeopardizing the ASPIRA South project and causing a temporary halt to all development plans. The staff mobilized to seek new creditors and developed an aggressive proposal contacting Regions Bank, TD Bank, OmiVest Venture Capital, Florida Community Loan Bank, and the Fifth Third Bank.

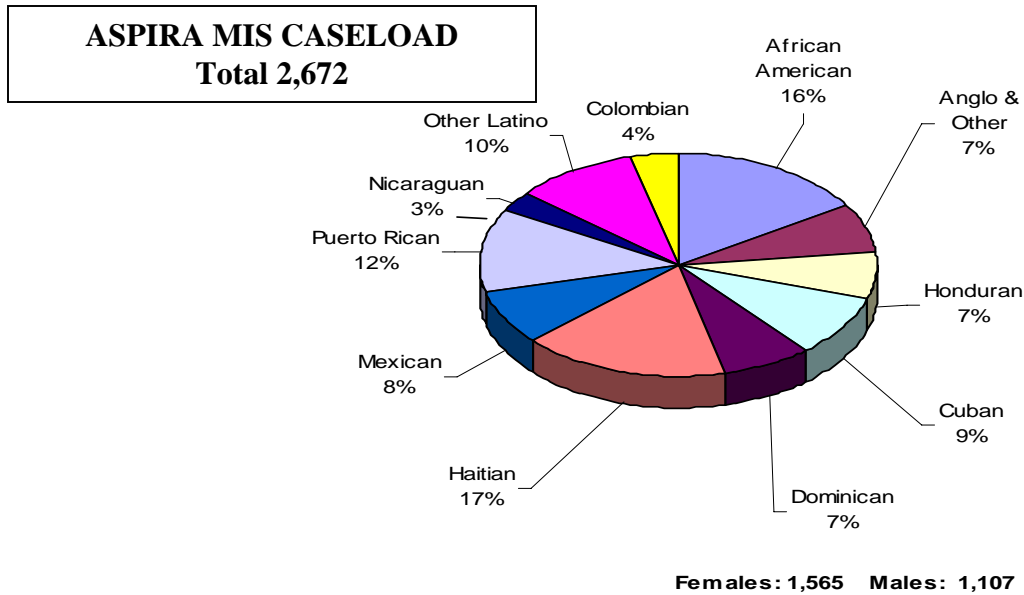
After months of submitting proposals and meeting with potential creditors, the staff has secured a loan through Fifth Third Bank for the completion of ASPIRA South in the amount of \$2.4 million. On March 4, 2009 ASPIRA had the closing and symbolic ground breaking ceremonies at the Corporate Offices in Miami, Florida, in anticipation of a 2009-10-school opening.

Financial Statements (audit in process):

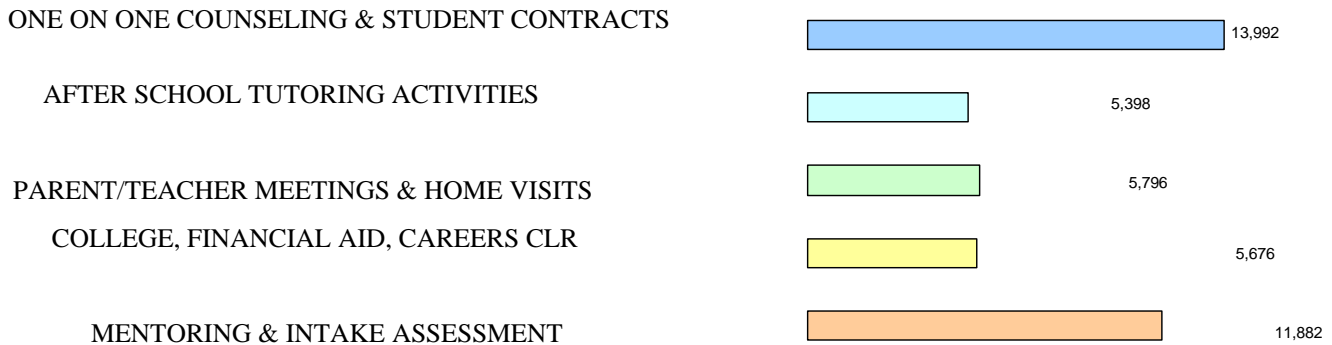
| ASPIRA of Florida, Inc. | | | |
|---|--|--|--------------------|
| Projected Revenues & Expenses Budget | | | |
| 2008 - 09 REVISED BUDGETS | | | |
| REVENUES | 2008-09 APPROVED BUDGET | 2008-09 PROPOSED BUDGET | |
| YLD BROWARD | 263,924 | 363,356 | 99,432 |
| YLD MIAMI-DADE | 705,496 | 787,719 | 82,223 |
| YLD PALM BEACH | 683,234 | 611,729 | (71,505) |
| FAMILY LITERACY/ADULT ED | 225,583 | 204,583 | 21,000 |
| CHARTER NORTH | 3,258,290 | 3,392,108 | 133,818 |
| CHARTER SOUTH | 2,050,679 | 1,578,955 | (471,724) |
| CHARTER WYNWOOD | 4,110,113 | 3,487,799 | (622,314) |
| G.O. CORPORATE | 484,554 | 104,000 | (380,554) |
| | 11,781,873 | 10,530,250 | (1,209,624) |
| EXPENSES | | | |
| YLD BROWARD | 263,924 | 363,356 | 99,432 |
| YLD MIAMI-DADE | 705,496 | 787,719 | 82,223 |
| YLD PALM BEACH | 683,234 | 611,729 | (71,505) |
| FAMILY LITERACY/ADULT ED | 225,583 | 204,583 | (21,000) |
| CHARTER NORTH | 3,383,984 | 3,386,946 | 2,962 |
| CHARTER SOUTH | 2,015,455 | 1,778,498 | (236,957) |
| CHARTER WYNWOOD | 4,115,288 | 3,453,834 | (661,454) |
| CORPORATE | 632,001 | 438,559 | (193,442) |
| | 12,024,965 | 11,025,225 | 733,201 |
| Revenues over Expenses | (243,092) | (494,975) | |

MIS Program Outputs and Outcomes: Caseload Statistical MIS Data July 1, 2008- June 30, 2009

The ASPIRA Clubs System utilizes the ASPIRA MIS, an integrated Data System, to support the work of the ASPIRA Advisors as a Case Management Tool of Program Management and Evaluation. These are the results:



Individual Advisement Sessions
Total Counseling Sessions 45,380
(including 2,636 community service contacts)



Total Hours of Individual Advisement Sessions = 18,409
(Including 2,636 hours of Community Service)

Group Advisement Sessions

Total Group Sessions 5,458

| TYPE OF GROUP SESSION | NUMBER OF SESSIONS | ATTENDANCE |
|-----------------------|--------------------|---------------|
| Club Meetings | 3,409 | 48,427 |
| Workshops | 1,790 | 26,636 |
| Sm Grp Advisement | 134 | 796 |
| Conferences | 22 | 1,022 |
| Educational Trips | 88 | 3,219 |
| Recreational Trips | 15 | 1,267 |
| TOTAL | 5,458 | 81,367 |

Intense individual and group activities contributed to 97.6% of the ASPIRA Club participants (1375) staying in school. Of the 263 participating high school seniors, 94% graduated and 91% enrolled into post-secondary institutions (audit in process).

During 2008-2009, 146 adults attended the ASPIRA Night School at ASPIRA South for GED, ESOL, Family Literacy and Adult Basic Education, and Advocacy Training.

The ASPIRA Charter Schools maintained very high attendance rates and strong parental involvement. During the school year, ASPIRA Charter Schools continued to serve the most economically disadvantaged students in the state and are designated as Title I Schools. Significantly, the percentage of students making learning gains in reading and math at the three ASPIRA Charters was higher than at the district level. The ASPIRA Charter Schools were able to motivate the low scoring student. The lowest 25% of the students in reading and math also outperformed the district students by showing greater learning gains.

The State awarded ASPIRA South Charter a grade of "A"; ASPIRA Eugenio Maria De Hostos Charter received a grade of "B" and ASPIRA Youth (North) Charter School a grade of "C".

Other outcomes included a strong partnership with Miami-Dade College (MDC) Pathways to Success Mentoring Program, created by Dr. Danixia Cuevas, Citizen Science Urban Bird Project with Cornell University, and the African American Read Program at MDC North Campus, as well as renovated presence throughout Broward County Chambers of Commerce, most notably the Latin Chamber.

New Website:

Through the leadership, initiative and development of ASPIRA's Information Technology Director Gilberto Conde-Genot and President & CEO Raul A. Martinez, Florida has announced the launch of its new website on January 1, 2009.

The new website will be content managed by ASPIRA's Executive Leadership Teams of Charter School and YLD Outreach Operations. Among the new features are:

- ❑ **Donations:** this feature will allow contributors to make credit card donations.
- ❑ **Homework Assignments:** will be posted by each teacher for student and parent access.
- ❑ **Charter School Enrollment Applications:** parents will be able to enroll their child into any of ASPIRA's Charter Schools via the Internet.
- ❑ **ACFF:** the ASPIRA Club Federation of Florida will host an array of features for each ASPIRA Club Federation and will link to the ASPIRA National Sites for Blog access.
- ❑ **YLD Outreach:** the Youth Leadership Development Divisions of Palm Beach, Broward and Miami-Dade will have control of their own pages and manage their contents.
- ❑ **WebPages' Banner, Facts and Video streams are all new.**

The Aspirante, ASPIRA of Florida's Official Newsletter will also be available through online subscriptions. For more information, access the Florida new site, log-on to: www.aspirafll.org



Note: (the above report is a synopsis of the major activities of ASPIRA of Florida, Inc., submitted to the Florida State Board of Directors, the Florida Local Advisory Councils and the National Board of Directors, as well as the Council of Presidents and CEOs for internal purposes.)