



STELLAR COLLEGIATE

Bright Futures Start Here

October 17, 2018

Jim Owczarski
City Clerk
City Hall
200 E. Wells Street, Room 205
Milwaukee, WI 53202

RE: Letter of Interest for 2431 S. 10th Street

Dear Mr. Owczarski,

The purpose of this letter is to notify the City of Milwaukee of Stellar Collegiate Academy's interest in exploring the feasibility of purchasing the above referenced property. We are pleased to present the following proposal for your consideration:

- Property:** Former Hayes School Building located at 2431 S. 10th Street
- Buyer:** Stellar Collegiate Academy and/or Assigns. Stellar Collegiate Academy is a 2R charter school, operated under contract with the University of Wisconsin-Milwaukee (attached). Stellar intends to occupy the Hayes property in the Fall of 2019 and operate a K4-5th grade school. Assigns, if applicable, shall meet the criteria outlined in item #6 of the Education Operations definition.
- Seller:** City of Milwaukee
- Purchase Price:** To be negotiated following property inspection, with a purchase price agreed upon by January 30th, 2019.
- Closing Date:** 30 Days following waiver of contingencies; a closing date no later than April 15, 2019 is needed in order for the school to prepare the building for occupancy by August 1, 2019.

CITY OF MILWAUKEE
2018 OCT 19 PM 4:08
CITY CLERK'S OFFICE



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Feasibility Period: Buyer shall have 60 days in which to conduct initial property inspections, including: inspections, environmental assessment, appraisal, document review, feasibility study, zoning, title and survey. The Buyer and Seller shall cooperate with all due diligence including but not limited to: access to the building and supporting documentation, inspections and economic feasibility, and government approvals. This period will commence upon the first date of building access.

Contingencies: A contingency period of 90 days following the initial feasibility period will allow for the following contingencies to be satisfied by the buyer:

- 1) Additional property inspections, as determined by the buyer during the feasibility period.
- 2) Negotiation of an acceptable purchase price by January 30th, 2019.
- 3) Financing commitments from a lender for up to 90% of the purchase and renovation cost under terms that are acceptable to the buyer.
- 4) Government approvals as required.

The Buyer shall have the right to terminate the Offer to Purchase at any time during the contingency period at the Buyer's sole discretion and judgment. If Buyer fails to deliver written notice of waiver of contingencies prior to completion of the contingency period, this Offer shall be null and void, all earnest money shall be returned promptly to Buyer, and thereafter neither party shall have any further liability under the Offer.

Title and Survey: Within 60 (60) days of acceptance of the Offer to Purchase, Seller, at Seller's expense, shall provide Buyer with a current ALTA survey. A preliminary title insurance policy shall be provided within fifteen days of a mutually accepted Offer.

We look forward to discussing this potential purchase with you further. It is understood that this Proposal and any subsequent responses are not intended nor shall it be construed to create any agreement or obligation between the parties until and unless such an agreement is subsequently expressed under a written Offer to Purchase executed by both parties.



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Stellar Collegiate Academy is supported in this effort by a partner school and board consultant, Heather Heaviland. Communications regarding this LOI and property investigations shall be directed to Heather Heaviland at heavilandh@carmenhighschool.org or 414-510-3000.

Sincerely,

A handwritten signature in black ink, appearing to read "Melissa McGonegle". The signature is written in a cursive style and is positioned above a horizontal line.

Melissa McGonegle, School Director

CHARTER SCHOOL CONTRACT

between

THE BOARD OF REGENTS
OF THE
UNIVERSITY OF WISCONSIN SYSTEM
(d/b/a the University of Wisconsin-Milwaukee)

AND

STELLAR COLLEGIATE, INC.
(Grantee)

This Contract is made by and between the Board of Regents of the University of Wisconsin System (d/b/a the University of Wisconsin-Milwaukee), with a mailing address of P.O. Box 413, Milwaukee, WI 53201, and Stellar Collegiate, Inc., located at 1115 S. 7th St., Milwaukee, WI 53204 with a mailing address of P.O. Box 64089 Milwaukee, WI 53204.

Whereas, the State of Wisconsin has created a Charter School program under the provisions of s. 118.40, *Wisconsin Statutes*; and

Whereas, the Chancellor of the University of Wisconsin-Milwaukee is authorized by s. 118.40(2r)(b), *Wisconsin Statutes*, to initiate and enter into a contract with an individual or group to operate a school as a charter school, subject to the approval of the Board of Regents of the University of Wisconsin System; and

Whereas, on February 5, 2016 the Board of Regents of the University of Wisconsin System has approved (i) the Chancellor's grant of a charter to the Grantee and (ii) the Chancellor's entering into this Contract with the Grantee for operation of the Charter School; and

Whereas, the University of Wisconsin-Milwaukee has established the Office of Charter Schools to serve as the University's administrative unit to implement the provisions of s.118.40, *Wisconsin Statutes*, and to carry out the University's oversight responsibilities under the statute; and

Whereas, it is the intention of the Chancellor of the University of Wisconsin-Milwaukee to grant charter school status to qualified organizations that can bring quality educational services to the children residing within the State of Wisconsin pursuant to the provisions of s. 118.40, *Wisconsin Statutes*; and

Whereas, the mission of the University of Wisconsin-Milwaukee includes research and the dissemination of knowledge that results from research, and the particular mission of its School of Education is to provide leadership and inspiration for learning and human development in urban communities; and

Whereas, the Office of Charter Schools has been organized to cooperate with community organizations, parent groups, educators and other individuals who are committed to improving the quality of education for children; and

Whereas, the Parties have successfully negotiated this Contract as a charter school contract in accordance with s. 118.40, *Wisconsin Statutes*, and in particular, the provisions specified under sub. (1m)(b) 1. to 14. and sub. (2r)(b), and additional provisions as authorized by sub. (2r)(b);

- (9) "Grantee" means Stellar Collegiate, Inc., a corporation duly organized and existing under the laws of the State of Wisconsin.
- (10) "Parties" means the Board (including the University) and the Grantee, through their designated representatives.
- (11) "School Board" means the Board of Directors of the Charter School.
- (12) "University" means the Board, d/b/a the University of Wisconsin-Milwaukee, and the Chancellor acting as the Board's representative.

ARTICLE TWO: PARTIES, AUTHORITY AND RESPONSIBILITIES

Section 2.1 The Parties to this Contract are the University and the Grantee.

Section 2.2 The University.

- (1) Under the authority of Wis. Stat. § 118.40(2r), the University, with the approval of the Board, hereby grants to the Grantee a charter to operate a Charter School under the terms and conditions of this Contract.
- (2) On behalf of the University, the Chancellor shall exercise all oversight responsibilities as set forth in this Contract.
- (3) The Chancellor may conduct research as set forth in Article Eight and elsewhere in this Contract.

Section 2.3 The Grantee. The Grantee is responsible and accountable for performing the duties and responsibilities associated with the Charter School assigned to it under this Contract.

Section 2.4 The Parties agree that the establishment of the Charter School shall have no effect on the liability of the University other than as to those obligations specifically undertaken by the University herein. The University thus shall not be liable to any person not a Party to this Contract on account of the establishment or operation of the Charter School. Further, the University assumes no obligation with respect to any officer, director, employee, agent, parent, guardian, student, or independent contractor of the Grantee or the Charter School, or any other persons receiving services from or doing business with the Grantee or Charter School.

ARTICLE THREE: OBLIGATIONS OF GRANTEE UNDER WISCONSIN STATUTES SECTION 118.40

Section 3.1 With regard to the requirements for Charter Schools set forth in Wis. Stat. § 118.40(2r)(b)2, the Grantee hereby agrees to operate the Charter School in compliance with all of the following specifications:

- (1) The name of the person or entity seeking to establish the Charter School:
Stellar Collegiate, Inc.

("NWEA"), or other assessment system approved by the Office, as annually designated by the Office. These assessments are designed to measure student progress and to provide information that can be used to improve teaching and learning. The Charter School shall cause such testing data to be transmitted to the Office in a timely manner. The University will contract with NWEA, or another designated provider, to make the testing program available to the Charter School. The Charter School agrees to reimburse the University for any expenses relating to such assessment including but not limited to the following: a pro rata portion of NWEA's startup costs charged to the University; NWEA's annual per student licensing fee based on the Charter School's total number of individual students assessed; a pro rata portion of NWEA's Training Workshop(s) fee(s); and any additional individualized or customized training(s) provided to the Charter School. This reimbursement is in addition to and does not supersede any of the Charter School's other contractual obligations under Section 4.6 of this Agreement.

- (6) The governance structure of the School, including the method to be followed by the School Board to ensure parental involvement:

A Board of Directors will govern Stellar Collegiate. This governing School Board, which will have no fewer than seven (7) members, will hold the charter of Stellar Collegiate and ensure accountability to its mission, financial viability, and adherence to the terms of the charter. The School Board will maintain an odd number for voting purposes.

The School Board will function according to Wisconsin state law. All School Board meetings, including Stellar Collegiate's annual School Board meeting each June, will be announced and open to the public. The School Board will meet at least 10 times per year. In November of each year the School Board will have a retreat where members will be given training on governance and School Board responsibilities including our Conflict of Interest policy, and Wisconsin Open Meeting laws.

Parents will always be welcome to attend School Board meetings. The School Board will review the feedback from parent and family surveys twice per year. When results of the semi-annual parent and family surveys are shared with the school community at Stellar Collegiate's monthly community meetings, at least one member of the School Board will be present to share conclusions drawn from survey data and next steps the school and School Board intend to take.

Stellar Collegiate will have a Parent Leadership Committee that will report to the School Board biannually. This group will engage families in working towards projects that support the mission of Stellar Collegiate and seek to continuously improve the school.

If a complaint is made regarding a staff member at Stellar Collegiate, it shall first be the responsibility of the School Director to address the complaint to the

including part-time, and outside food service vendors, have completed a thorough criminal background check prior to being present with students.

Every member of the school leadership team will be trained in first aide, and child CPR, and the office and every classroom will have a fully stocked first aid kit, and walkie-talkie for communication in the case of a school lockdown. Stellar Collegiate will establish a connection with the appropriate District 2 Milwaukee Police Department liaison once it has moved into its school site, to ensure it is informed of any incidents in the area that would lead to the necessity for a lockdown. For students who take medication during the school day, their families will be contacted prior to the start of school to review Stellar Collegiate's medication policy with the Office Manager, and ensure that the medication is kept in a locked drawer in the office at all times.

Stellar Collegiate has a strict code of conduct that makes it clear to students, families, and staff that physical violence is unacceptable for any reason. Any incident of violence will be addressed immediately and consistently following Stellar Collegiate's Code of Conduct and Negative Behavior Matrix. Students who are violent towards staff or fellow students will need a conference with a family member present before returning to school. At least two members of the leadership team will be have current training in appropriate restraint techniques from CPI (Crisis Prevention and Intervention) at all times.

Regardless of the site Stellar Collegiate chooses, it will have a buzz-in system in place to ensure that only individuals it is aware of can enter the building, and must immediately proceed to the front office and sign in. During dismissal, students will only be released to individuals listed on the emergency contact form, and for students picked up via car, families will be required to post a sign created by Stellar Collegiate in their window to identify the vehicle as an approved pick up option for our students. Students will be walked to the car, and a member of Stellar Collegiate's staff will direct traffic to ensure the safety of all students and staff during the process. Again, once a final site has been identified, a complete arrival and dismissal plan including traffic flow, and designated stopping points will be created and shared with families during orientation to ensure the safety and efficiency of these high traffic points during the day.

Any food allergies that students have will be publicized during Orientation, and through weekly newsletters for at least a month to ensure that any families choosing to send lunch with their child do not include any of the food allergy items. Stellar Collegiate staff will receive training annually on mandatory reporter obligations under Wis. Stat. §48.981. Employees will be made aware that internal reporting procedures to document suspected abuse or neglect DO NOT meet the requirements of reporting under Wis. Stat. §48.981, and suspected issues must be reported to the Wisconsin Department of Children and Families.

Online Safety

Students have access to technology daily, through the usage of Stellar Collegiate's online learning programs. However, access is a privilege and not a right—if

misconduct involves someone in the normal reporting chain such as an administrator.

- (c) The Charter School will drill all students on evacuation to a safe location in the event of fire, tornado, armed intruder or other safety hazards.
 - (d) Any other actions as may be reasonably requested by the Office.
- (9) The means by which the School will achieve a racial and ethnic balance among its pupils that is reflective of the District population:

As a public charter school, Stellar Collegiate is open to all students in Milwaukee County, and those surrounding counties. Stellar Collegiate will work to achieve a population of students that mirrors that of schools in the surrounding area. Examining the existing student population of schools within the area, Stellar Collegiate anticipates a student population that is largely economically disadvantaged (94.9% is the average of surrounding schools), with significant populations of English Language Learners (24.6%) and students with disabilities (15.6%).¹ All recruitment materials will be printed in both English and Spanish, and will clearly state that Stellar Collegiate is a public charter school open to any student in the state of Wisconsin.

Stellar Collegiate realizes that both language and perception can be very real barriers for families in choosing an appropriate school for their child. To that end, Stellar Collegiate will train all volunteers who are assisting in our recruitment efforts to answer the question "Can my child who has special needs attend Stellar Collegiate?" with an emphatic yes. Additionally, Stellar Collegiate will ensure that volunteers and founding Board members recruit in bilingual pairs to ensure families have equal access to information about our school.

To ensure Stellar Collegiate is recruiting the same population of economically disadvantaged students as the local schools currently serve, Stellar Collegiate will be targeting the 16th Street WIC Clinic, the Congregation of the Great Spirit's Food Bank, and other local organizations that support low income families. Stellar Collegiate is a school designed to prove that students given a quality education can break the cycle of poverty, and create their own futures bright with opportunity. Thus, Stellar Collegiate is committed to ensuring that the experience of Stellar Collegiate can be accessed by any interested family.

- (10) The requirements for admission to the School:

Stellar Collegiate will abide by all legal admission policies outlined in Wisconsin Statutes 118.40(4)(A)(B). The school will be nonsectarian in its programs, admissions policies, employment practices and all other operations, will not charge tuition, and will not discriminate in admission or deny participation in any program or activity on the basis of a person's sex, race, religion, national origin, ancestry,

¹ These are the averages of the existing student populations of the six schools cited in Figure 1.1, Elementary School Achievement Outcomes in 53215 are taken directly from school Accountability Report cards.

The Grantee shall submit audited financial statements of the Charter School's operation, along with the auditor's management letters and any exceptions noted by the auditors, to the Office annually beginning after the first full school year. The audit reports shall be prepared by a certified public accountant and submitted to the Office within 120 days after the end of the Grantee's fiscal year. The audit report must contain a statement as to whether the auditor does or does not have substantial doubt as to the Grantee's ability to continue as a going concern. The Grantee shall provide the Office with the name and contact information of the certified public accountant who will be performing the audit by no later than August 1 of each year. If the audited financial statements do not utilize the list of revenues and expenditures identified in Appendix E, the Grantee will simultaneously submit a completed Appendix E, along with a written verification from the auditor that the total revenues and total expenditures are accurately stated.

(12) The procedures for disciplining students:

Stellar Collegiate believes that by creating a positive and proactive culture that makes explicit what the desired behaviors for students are, it will severely limit the number and type of negative attention seeking behaviors and misbehaviors that happen in a traditional school setting. Stellar Collegiate realize that students will test the boundaries and limits imposed. Therefore, Stellar Collegiate will consistently apply consequences to drive student actions away from negative behaviors. No misbehavior will go unchecked at any time for any reason.

The Nature of Offenses

At Stellar Collegiate there are three categories of offenses which warrant a disciplinary response. The categories are **Minor Offenses**, **Moderate Offenses**, and **Serious Offenses**. Students will be held responsible for the elements of the school's Code of Conduct during the school day, during school-sponsored events, and while on school grounds, including school transportation for a field trip.

While it is clearly spelled out above that Stellar Collegiate will address infractions as they occur, Stellar Collegiate will explicitly teach and consistently reward desirable behaviors in our school. Students will be celebrated as individuals, classrooms, and grade levels for demonstrating BRIGHT values consistently and at a high level.

On such occasions when students make choices counter to a climate conducive to learning, consequences will be issued. **Figure 1.03** outlines some examples of various levels of infractions, but is not exhaustive:

Figure 1.03: Level of Offenses

Minor Offenses	Moderate Offenses	Serious Offenses
<ul style="list-style-type: none"> • Not tracking speaker • Unprepared for class • Missing homework • Late to school/class • Purposefully not participating in a lesson 	<ul style="list-style-type: none"> • Minor disrespect, such as rolling the eyes, sucking of teeth or other such body language, defiance or rudeness to adults or fellow students 	<ul style="list-style-type: none"> • Gross disrespect of a fellow student, staff member or school property • Using or possessing over-the-counter medication inappropriately

of school. The number of days the student shall be suspended will be determined by the School Director of Stellar Collegiate. In most cases the number shall not exceed five (5) days. Additional targeted and corrective consequences may be imposed as appropriate for offenses such as cheating and plagiarism.

Detention

A student may be assigned detention after repeated (three or more) moderate offenses in a single day. A fourth or fifth grade student assigned to Disciplinary Detention will be required to write an essay reflecting on the nature of the offense, the impact the offense has on the school community, and the alternative acceptable choices that the student could have made. Students who do not make adequate progress towards completing the assignment will be assigned additional days of detention. Detention will be monitored at all times by Stellar Collegiate staff.

Suspension

In accordance with Wisconsin state law § 120.13 (1) (b), Stellar Collegiate's School Director or designated staff member has the authority to suspend a child from school for the following reasons:

- For disobeying school rules.
- For conveying any threat or false information concerning an attempt or alleged attempt being made or to be made to destroy school property by explosives.
- For conduct while at school, or under the supervision of a school authority, which endangers the property, health or safety of others.
- For conduct while not at school, or while not under the supervision of school authority, which endangers the property, health or safety of others at school or under the supervision of a school authority or endangers the property, health or safety of any employee or school board member in the pupil's district. Conduct that endangers a person or property includes making a threat to the health or safety of a person or making a threat to damage property.
- The law requires suspension if the student possessed a firearm while at school or under the supervision of the school authority.²

Pursuant to state law, prior to suspending a student, the student will be informed of the reason for their suspension and their parent/guardian will be notified promptly. A student may be suspended for up to five (5) school days. However, if notice of an expulsion hearing has been sent home a student may be suspended for up to 15 consecutive school days.³

When suspended, a student will be required to make up any missed assignments or assessments in a timeframe reflecting the length of the suspension. For example, if a student is suspended for one day, they will be given one day to make up their missed assignments. Parents of a student who is placed on suspension will be notified. The School Director may require that a parent conference take place before the student returns to regular school activities. Additionally, the School Director may require the student to:

- write a letter of apology and publicly present this letter to the Stellar Collegiate community during Morning Motivation.

² Wisconsin state law §120.13 (1) (bm).

³ Wisconsin state law §120.13 (1) (b).

- For conduct that endangers a person or property, including making a threat to the health or safety of a person or making a threat to damage property.

(Note: these examples are not intended as an all-inclusive list.)

A school board shall commence proceedings and expel a pupil for at least one year for possession of firearms on school property. The school board may, however, modify this requirement on a case-by-case basis.⁴

A student who has begun the expulsion process will be subject to due process under Wisconsin state law. At Stellar Collegiate the due process will be as follows:

- The School Director will follow standard disciplinary policies and procedures for investigating the facts, obtaining witness statements, and ensuring adherence to due process procedures.
- If the School Director believes it is warranted, the board will conduct an expulsion hearing.
- The School Director shall report to the Milwaukee Police Department any documentable or suspected incident involving illegal drugs, firearms, explosives, or other weapons.

Upon the request of the pupil and, if the pupil is a minor, the pupil's parent or guardian, the hearing shall be closed. In addition, in the absence of pupil or parent request to close the hearing to the public, the School Board may determine to conduct a closed hearing based on rules governing the conduct of a school board meeting. There is no right to an open hearing. The pupil and, if the pupil is a minor, the pupil's parents or guardian may be represented at the hearing by counsel. With or without an attorney, the pupil and parent have a right to question witnesses, to call witnesses and to offer other evidence or arguments of their own.

Further, § 119.25 (2) (d) and 120.13 (1) (h) of Wisconsin state law authorize a school board to make expulsion decisions and to impose one or more early reinstatement conditions under which a pupil who is expelled from school may be reinstated to school before the end of the term of his/her expulsion. An early reinstatement condition may be: (1) a condition that a pupil is required to meet before he/she may be granted early reinstatement; or (2) a condition that a pupil is required to meet after his/her early reinstatement, but before the end of the term of the expulsion specified in the pupil's expulsion order. The early reinstatement conditions must be related to the reasons for the pupil's expulsion and must be specified in the expulsion order.

In order to expel a student, there must be evidence presented to the school board to establish that the facts alleged in the notice of expulsion hearing are true; that since the grounds for expulsion listed in the notice of hearing are met and that the board is "satisfied that the interest of the school demands the pupil's expulsion."⁵

State Reporting

The Stellar Collegiate shall include in each application to the Wisconsin Department of Public Instruction for assistance under the Elementary and Secondary Act the following report of expulsions imposed in accordance with this policy as it applies to the Gun Free Schools Act:

⁴ Wisconsin state law §119.25 (2) (a) 2 and 120.13 (1) (g).

⁵ Wisconsin state law § 120.13 (1) (c) 1.

The Grantee shall provide the Office with evidence of a lease or ownership of the School premises in accordance with the provisions of Section 7.4 of this Contract.

The Grantee shall provide the following insurance coverage with minimum limits as set forth below:

	<u>Coverage Type</u>	<u>Minimum Limit</u>
A.	Commercial General Liability (which must include coverage for sexual abuse and molestation, corporal punishment, athletic events, and use of gymnasium equipment):	
	Each Occurrence Limit	\$1,000,000
	Personal & Advertising	\$1,000,000
	Damages to Premises Rented to You	\$500,000
	General Aggregate	\$2,000,000
	Medical Expense	\$5,000
B.	Auto Liability	
	Combined Single Limit	\$1,000,000 each accident
C.	Umbrella (providing excess employer's liability, general liability and auto liability coverage)	
	Each Occurrence Limit	\$5,000,000
	General Aggregate Limit	\$5,000,000
D.	Worker's Compensation	
	Worker's Compensation	Statutory Coverage
E.	School Leader's Errors & Omissions/Educator's Legal Liability	
	Aggregate Limit	\$2,000,000
F.	Fidelity Bond Coverage (covering Crime, and including employee theft, forgery, larceny and embezzlement for the employees, School Board members and management companies who are responsible for the financial decisions of the Charter School, including but not limited to the CEO)	
	Limit per Loss	\$500,000

The "Board of Regents of the University of Wisconsin System, its officers, employees, and agents" shall be named as an additional insured under the insurance

related to the School, whose employees or representatives will have face-to-face contact with students, staff, or the School site, and which subcontractor is not expressly covered by the Grantee's own liability insurance coverage as described above.

- (15) The effect of the establishment of the Charter School on the liability of the University:
- (a) The University shall not be liable to any person not a Party to this Contract on account of the establishment or operation of the Charter School. Further, the University assumes no obligation with respect to any officer, director, employee, agent, parent, guardian, student, or independent contractor of the Grantee or the Charter School, or any other persons receiving services from or doing business with the Grantee.
 - (b) The Parties agree that nothing contained in this Contract will create any association, partnership, or joint venture between the Parties, or any employer-employee relationship between the University and the Grantee or the Charter School.
- (16) The methodology that will be used by the School Board to monitor and verify pupil enrollment, credit accrual, and course completion.

The Stellar Collegiate Board of Directors is already monitoring enrollment efforts on a monthly basis via an Enrollment Dashboard. This dashboard is used to track the number of families who have completed and Intent to Enroll form. After the lottery Stellar Collegiate will hold in March (should we have more than 140 applicants), the School Board will continue to monitor touchpoints with admitted families so as to have the best predictive information about which students will attend the school on day one.

After the school has opened, the Student Achievement Committee, and the school board as a whole, will review attendance, tardiness, and relevant student achievement data on a monthly basis. This reports will be compiled by the School Director and Outreach and Office Manager and shared in advance of school board meetings. Additionally, in the first weeks of school, there will be daily attendance reports that will be shared with the school board as needed to make any necessary budget allocations should enrollment fall below our target.

The School Board will also have access to STEP, MAP, and internal Interim Assessment data to follow the progress towards mastery of grade level standards by students, classes, grade levels, and the school as a whole.

Section 3.2 Nonsectarian Practices. The Charter School shall be nonsectarian in all its programs, admissions policies, employment practices and all other operations.

Section 3.3 Tuition. To the extent provided in Wis. Stat. § 118.40 *et seq.*, the Charter School shall not charge tuition.

shall remain a nonstock corporation under the laws of Wisconsin for the duration of this Contract and shall from time to time (but not more often than annually) after the date this Contract is executed, as the Chancellor requests, provide the Office documentary evidence that confirms its good standing and its nonstock status. The Grantee shall apply for and obtain tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986.

Section 4.3 Background Screening. The Grantee shall, at its own expense, perform or cause to be performed background screening through the State of Wisconsin Department of Justice of all full- and part-time employees, agents, contractors, and volunteers engaged at the Charter School as teachers or otherwise having access to pupils, and shall not assign any employee, agent, contractor, or volunteers to teach or otherwise to have access to pupils until the Grantee or its designee investigates and determines that there is nothing in the disclosed background of the employee, agent, contractor or volunteer which would render the him/her unfit to teach or otherwise have access to pupils of the Charter School including, but not limited to, conviction of a criminal offense or pending charges which substantially relate to the duties and responsibilities assigned to the employee, agent, contractor, or volunteer. For purposes of this Section, "volunteer" shall mean a non-paid person who serves at the Charter School and who has significant or unsupervised access to pupils, but shall not include a parent/guardian whose significant/unsupervised access is limited to his/her own child/ward.

Section 4.4 Employment of Personnel. The Grantee or its agents or designees shall contract with personnel in accordance with all state law requirements regarding certification and qualifications of employees of public schools, including but not limited to, Wis. Stat. § 118.19 and Wis. Stat. § 121.02. The Grantee shall provide to the Office a copy of all faculty and staff certification reports filed with the Department, including but not limited to the Fall Staff Report (Report No. PI-1202), showing that such personnel are licensed as required by this section or have applied for licensure from the Department. The Grantee or its designee shall make available to the Office, upon request, all licenses, certifications, and employment contracts for personnel engaged at the Charter School.

Section 4.5 Training. School Board shall participate in any training required by UWM.

Section 4.6 Administrative Fee.

- (1) The Grantee shall pay to the University annually an administrative fee to reimburse the University for the actual direct and indirect costs of administering this Contract during each period of July 1 to June 30 during the term of this Contract, which actual costs shall include but not be limited to execution of the University's oversight responsibilities. Actual costs shall not include research fees. The administrative fee shall be determined by the University but shall not exceed 3% of the amount paid to the Grantee each year by the Department under Article Five, Section 5.2 of this Contract.

documents, including but not limited to pupil records and reports submitted by the Grantee to the Department, at any time within normal business hours during the term of this Contract; provided, however, that such inspection shall not materially interfere with the orderly and efficient operation of the Charter School or otherwise unduly burden the staff of said school. The Grantee shall provide the Office with a copy of any report submitted to the Department at the time of filing, including the reports identified in Appendix B. The Grantee also agrees to provide the Office with a copy of any and all Charter School records and documents within two (2) weeks of any reasonable request. To the extent that the Charter School provides any Charter School records to the University that are protected by privacy or confidentiality laws, the University agrees to abide by such laws as are applicable to the Charter School and not to disclose such records to any third party, except as required by law.

- Section 4.11 Financial Reports. As required under Section 3.1(11) of this Contract, the Grantee shall submit audited financial statements of the Charter School's operation, the auditor's management letters and any exceptions noted by the auditors, to the Office annually. The audit reports shall be prepared by a certified public accountant and submitted to the Office within 120 days after the end of the Grantee's fiscal year on June 30. Audits shall be conducted in accordance with generally accepted auditing standards and with the prevailing Government Auditing Standards issued by the Comptroller General of the United States. Audited statements shall be prepared in accordance with "Generally Accepted Accounting Principles" [GAAP]. In the case that the Grantee contracts with one or more management companies for the operation or administration of the Charter School, the report shall include a separate report of the management companies' expenditures on behalf of the Charter School. If the audited financial statements do not utilize the list of revenues and expenditures identified in Appendix E, the Grantee will simultaneously submit a completed Appendix E, along with a written verification from the auditor that the total revenues and total expenditures in Appendix E are accurately stated. The Office specifically reserves the right to request, in its sole discretion, monthly financial reports from the Grantee.
- Section 4.12 School Year Calendar. The calendar for each Charter School for each school year shall be submitted to the Office no later than the prior July 1, in the format required by the Department, and shall be subject to the approval of the Chancellor or Chancellor's designee. Schools must annually schedule at least 437 hours of direct pupil instruction in kindergarten, at least 1,050 hours of direct pupil instruction in grades 1 through 6, and at least 1,137 hours of direct pupil instruction in grades 7 to 12. Scheduled hours may include recess and time for pupils to transfer between classes but shall not include lunch period. If the Chancellor or Chancellor's designee does not notify the Grantee otherwise, the calendar or the exception shall be deemed approved 30 days after submission to the Office.
- Section 4.13 Grant Applications. The Grantee shall submit to the Office copies of any applications for grants made on behalf of the Charter School at the time the application is submitted to the funding authority.

the approval of the Chancellor or the Chancellor's designee, which approval shall not be unreasonably withheld, conditioned, or delayed.

- (3) Every Operation or Management Contract shall: (i) be written and executed by both the Grantee and the third party; (ii) contain the third party's covenant to submit to the Office any documentation material to the Office's efforts to assist the Chancellor in carrying out its oversight responsibilities; and (iii) provide that the third party shall, subject to Applicable Law, grant the Chancellor or the Chancellor's designee and the Grantee the right to inspect and copy at cost any and all records and documents directly related to the terms and conditions of this Contract, including pupil records. In addition, every Operation or Management Contract with a third-party provider of educational management services shall specify the nature and methods of compensation for such third-party provider of educational management services, and shall specify the methods and standards the Grantee shall use to evaluate the performance of the third party.

Section 5.2 Payments to Charter School. Upon execution of this Contract, the Chancellor shall notify the Department in a timely fashion of the Grantee's eligibility for funds under Wis. Stat. § 118.40(2r)(e). During the term of this Contract, the Grantee shall be paid by the Department the amount during each school year as specified by Wis. Stat. § 118.40(2r)(e) and applicable rules and policies of the Department.

Section 5.3 Performance Evaluation.

- (1) The University shall evaluate the performance of the Charter School based on academic, financial and legal and organizational performance using the indicators and standards set out in Appendix F of this contract.
- (2) Substantial fulfillment of the targets set out in Appendix F shall be the standard for subsequent renewal of Charter School's charter.
- (3) The University shall evaluate Charter School at least annually consistent with the standards and measures set out in Appendix F.
- (4) The Grantee shall provide to the University the following required reports, at the times described below:
 - (a) Annual School Accountability Plan. By the later of September 1 of each school year or ten (10) days following the date on which the Grantee receives written State-required test results for the most recently completed school year, the Grantee shall submit to the Office for approval a school accountability plan which sets forth, in measurable terms, goals for school improvement in the following school year. If the Charter School's annual average percentage is less than the minimum targets set forth in Appendix F, this plan shall include a detailed description of the Grantee's plan to improve those targets that were not satisfactorily met. The Annual School Accountability Plan shall also specify the mission and vision of the School, identify the target population of students, and establish strategic goals for the development of the School, and contain a School and

Section 7.1 Athletic and Other Associations. The Charter School may, but shall not be required to, join any organization, association, or league as is customary for public schools in the State of Wisconsin which has as its objective the promotion and regulation of sport and athletic, oratorical, musical, dramatic, creative arts, or other contests by or between pupils.

Section 7.2 Code of Ethics. A member of the School Board and any of the officers of the Grantee directly involved in the implementation of the terms and conditions of this Contract (each a "Board Member") shall be subject to the following code of ethics:

"Anything of value" means any money or property, favor, service, payment, advance, forbearance, loan, or promise of future employment, but does not include compensation paid by the Grantee for the services of a Board Member, or expenses paid for services as a Board Member, or hospitality extended for a purpose unrelated to Charter School business.

"Immediate family" means a Board Member's spouse and any person who receives, directly or indirectly, more than one half of his or her support from a Board Member or from whom a Board Member received, directly or indirectly, more than one half of his or her support.

- (1) No Board Member may, in a manner contrary to the interests of the Charter School, use or attempt to use his or her position or Charter School property, including property leased by the Charter School, to gain or attempt to gain anything of substantial value for the private benefit of the Board Member, his or her immediate family, or any organization with which the Board Member is associated.
- (2) No Board Member may solicit or accept from any person or organization anything of value pursuant to an express or implied understanding that his or her conduct of Charter School business would be influenced thereby.
- (3) No Board Member may intentionally use or disclose confidential information concerning the Charter School in any way that could result in the receipt of anything of value for himself or herself, for his or her immediate family, or for any other person or organization with which the Board Member is associated.
- (4) (a) If a Board Member, a member of a Board Member's immediate family, or any organization with which a Board Member is associated proposes to enter into any contract (including a contract of employment) or lease with the Grantee that may within any 12-month period involve payments of \$3,000 or more derived in whole or in part from payments made pursuant to Wis. Stat. § 118.40(2r)(e), such Board Member shall be excused from, and shall not participate in, any dealing, discussion, or other position of approval or influence with respect to the Grantee's entering into such contract or lease; provided, however, that such Board Member may be part of a discussion concerning such proposed contract or lease for the limited

The Grantee shall use its good faith efforts to provide reasonable notice of the above listed meetings to the parent/guardian of each student attending the Charter School and shall notify the public according to Wis. Stat. § 120.08(2)(b).

Section 7.7 Additional Schools. Pursuant to Wis. Stat. § 118.40(2r)(b)2c, Grantee may open one or more additional charter schools if, at the time of submitting an application for such school(s), all charter schools operated by Grantee were assigned to one of the top two performance categories in the most recent accountability reports published under Wis. Stat. § 115.385. If open or more new charter schools are opened under this provision, this Contract shall be amended to apply to such school(s) unless the Parties enter into a new contract.

ARTICLE EIGHT: PROVISIONS FACILITATING UNIVERSITY RESEARCH

Section 8.1. Research. The Parties agree that the University may seek information from the Grantee and the Charter School for purposes of research. Prior to conducting such research, the University shall seek the Grantee's prior written approval, which will not be unreasonably withheld. Information relevant to such research shall include, but not be limited to, the following:

- (1) Surveys. The University may survey individuals and groups (including but not limited to, parents, students, teachers, board members, others involved in the governance of the Charter School, and the public) concerning the performance of the Charter School, provided that such surveying (i) shall be done at the University's sole expense and (ii) shall not materially interfere with the orderly and efficient operation of the Charter School. The Grantee agrees to cooperate with the University's efforts to conduct such surveys. Employment contracts with teachers employed at the Charter School shall specify that they shall cooperate with such surveys.
- (2) Parent/Guardian Evaluation Participation. The University may ask the parent and/or legal guardian of a pupil enrolled in the Charter School to participate in an evaluation or research, which may include their participation in an interview or responding to a questionnaire, about the performance of the Charter School. The Grantee shall use its good offices to urge that the parent and/or legal guardian to participate in such evaluation or research process, subject to their consent.
- (3) Research Observers. The Grantee agrees to accept on the Charter School's premises research observers designated by the University to serve as observers of the activities of the Charter School, provided that the activities of such research observers shall not interfere with the orderly and efficient conduct of education and business at the Charter School.

ARTICLE NINE: REVOCATION OF CONTRACT BY THE UNIVERSITY

Section 9.1 Events of Default by Grantee. This Contract may be terminated by the University under procedures in Section 9.2 if the University finds that any of the following events have occurred, each of which shall constitute an "Event of Default":

to address the pertinent charge, and shall thereafter complete its investigation as quickly as reasonably practicable.

- (b) Upon completing its investigation, the University shall promptly deliver to the Grantee in writing either (i) a notice of immediate termination, (ii) a notice of an Event of Default and an opportunity to cure pursuant to Section 9.2(2), or (iii) a notice rejecting the pertinent charge and reinstating control of the Charter School to the Grantee.

- (2) Non-Emergency Revocation and Opportunity to Cure. If the Chancellor determines that any Event of Default has occurred but that such occurrence does not thereby immediately put at risk the health or safety of the Charter School's students, the University shall advise the Grantee in writing of the pertinent occurrence and shall specify for the Grantee a reasonable period of time (though in no instance less than 30 days) within which the Grantee shall cure or otherwise remedy the specified Event(s) of Default to the reasonable satisfaction of the Chancellor.

- (a) If the Grantee gives the University written notice of its intent not to cure or fails to cure the specified Event(s) of Default by the prescribed deadline for doing so, the University may terminate this Contract by written notice delivered within 10 days after the earlier of (i) the receipt of such notice and (ii) expiration of the specified period.

- (b) If the University shall so terminate this Contract, termination shall become effective at the end of the current academic year. If the written notice of termination under (a) above is delivered after the close of a school year but before the commencement of the next school year (i.e. during summer break), termination shall become effective immediately (i.e. prior to the start of the next academic semester scheduled for the Charter School).

Section 9.3 General Termination or Nonrenewal Procedures.

- (1) Final Accounting. Upon termination or nonrenewal of this Contract, the Grantee shall assist the Chancellor in conducting a final accounting of the Charter School by making available to the Chancellor all books and records that have been reviewed in preparing the Grantee's annual audits and statements under Section 3.1(11) of this Contract. The Grantee shall also submit a final audited financial statement of the Charter School's operation, including auditor's management letters and any exceptions noted by the auditors, which must be received by the Office within 120 days after the end of the Grantee's final school year.
- (2) Records Retention. Upon termination and nonrenewal of this Contract, the Grantee shall designate a records custodian who will be responsible for maintaining its records in accordance with the law and this Contract. Following the expiration of any statutory retention period and the contractual retention requirements as

- (2) The Grantee's Operation or Management Contract with a third-party provider of educational management services has been terminated and a reasonable replacement cannot be determined;
- (3) The Charter School has lost its right to occupy all or a substantial part of its physical plant and cannot occupy another suitable facility, at a cost deemed reasonable by the Grantee, before the expiration or termination of its right to occupy its existing physical plant;
- (4) The Grantee has not timely received any one of the payments contemplated under Wis. Stat. § 118.40(2r)(e);
- (5) The Grantee's current liabilities exceed current assets, or the Grantee is insolvent (i.e. total liabilities exceed total assets), has been adjudged bankrupt, or has received a qualified audit opinion regarding its ability to continue as a going concern; or
- (6) The University defaults materially in any of the terms, conditions, promises or representations contained in or incorporated into this Contract.

Section 10.2 Procedures for Grantee Termination of Contract. The Grantee may terminate this Contract according to the following procedures:

- (1) Notice. If the Grantee determines that any of the Events of Termination set forth in Section 10.1 has occurred, the Grantee shall notify the Chancellor of the pertinent Event(s) of Termination. The notice shall be in writing, shall set forth in sufficient detail the grounds for termination, and shall specify the proposed effective date of termination (which date shall, to the extent reasonably practicable, be the end of the next academic semester scheduled for the Charter School).
- (2) Discretionary Termination.
 - (a) If one or more Events of Termination have occurred, the Chancellor may conduct a preliminary review of the alleged bases for termination to ensure that such bases are bona fide. Such review shall be completed promptly and, within 30 days after the Chancellor receives the Grantee's notice, the Chancellor shall deliver to the Grantee a notice (i) approving the Grantee's requested termination or (ii) denying the same on the grounds that the asserted bases for termination are not in fact bona fide.
 - (b) If such results of the review and the Chancellor's determination are not delivered to the Grantee in writing within 30 days after the Chancellor receives the Grantee's notice, the Grantee's notice shall be deemed an approved basis for termination.
- (3) Automatic Termination. If, one or more Event(s) of Termination have occurred and the Chancellor, in his/her sole-discretion, has determined that immediate

- Section 11.6 Amendments. This Contract may be amended only upon the written agreement of the Parties.
- Section 11.7 Severability. If any provision of this Contract is held to be invalid or unenforceable, it shall be ineffective only to the extent of the invalidity, without affecting or impairing the validity and enforceability of the remainder of the provision or the remaining provisions of this Contract. If any provision of this Contract shall be or become in violation of any federal, state, or local law, such provision shall be considered null and void, and all other provisions shall remain in full force and effect.
- Section 11.8 Successors and Assigns. The terms and provisions of this Contract are binding on and shall inure to the benefit of the Parties and their respective successors and permitted assigns.
- Section 11.9 Entire Agreement. This Contract sets forth the entire agreement among the Parties with respect to the subject matter of this Contract. All prior application materials, agreements or contracts, representations, statements, negotiations, understandings, and undertakings are superseded by this Contract.
- Section 11.10 Assignment. This Contract is not assignable by either Party without the prior written consent of the other Party.
- Section 11.11 Non-waiver. Except as provided herein, no term or provision of this Contract shall be deemed waived and no breach or default shall be deemed excused, unless such waiver or consent shall be in writing and signed by the Party claimed to have waived or consented. No consent by any Party to, or waiver of, a breach or default by the other, whether expressed or implied, shall constitute a consent to, waiver of, or excuse for any different or subsequent breach or default.
- Section 11.12 Force Majeure. If any circumstances occur which are beyond the control of a Party, which delay or render impossible the obligations of such Party, the Party's obligation to perform such services shall be postponed for an equivalent period of time or shall be canceled, if such performance has been rendered impossible by such circumstances.
- Section 11.13 No Third Party Rights. This Contract is made for the sole benefit of the Parties. Except as otherwise expressly provided, nothing in this Contract shall create or be deemed to create a relationship among the Parties or any of them, and any third party, including a relationship in the nature of a third party beneficiary or fiduciary.
- Section 11.14 Governing Law. This Contract shall be governed and controlled by the laws of the State of Wisconsin.
- Section 11.15 Notices. Whenever this Contract provides that notice must or may be given to another Party, or whenever information must or may be provided to another Party, the Party who may or must give notice or provide information shall fulfill any such responsibility under this Contract if notice is given or information is provided to:

APPENDIX A
PART 4.D OF THE UW SYSTEM RISK MANAGEMENT MANUAL ON VENDOR
CERTIFICATES OF INSURANCE

Criteria of High Risk Services:

- Service presents a severe risk of injury or death to students, faculty, staff, and visitors.
- Service presents a severe risk of extensive property damage to institutionally or privately owned property.
- Service has a history of negligently causing injury or damage to property.
- Likelihood is great the service provider will have difficulty procuring and maintaining insurance because of the hazards of the work.

High Risk Services:

Air Charter
Ambulance Service
Asbestos Abatement Contractors
Building Remodeling and Construction
Custodial Services*
Daycare*
Elevator Maintenance
Food Service
High Risk Entertainment/Speakers*
Medical Services
Recreational Services
Refuse Transportation and Disposal
Security*
Tower Inspection and Maintenance Services
Transportation Services

***Denotes High Risk Service Vendors requirement unique to the UW System.**

High Risk services, other than the above, are to be evaluated on a case-by-case basis.

The following pages delineate the requirements for each class of vendor and provide a list of vendor types for each class. Judgment must be used by the contract manager when dealing with vendors that are not specified on these pages.

Attention must be paid to the various outside contractors who service the institutions with respect to their insurance protection. Failure to monitor this exposure by the contract manager may result in substantial losses for the institution.

Certificates are required for all service vendors; however, high risk service vendors require receipt of the certificate and continued renewal of the certificate while the contract exists. Internal audit will periodically sample the service contracts to ensure compliance.

IV. Cancellation:

If a certificate of insurance is not received prior to issuance of the Purchase Order or is incomplete, notice should be given to the vendor indicating the certificate must be received by the contract administrator, via certified mail within 15 days or the contract will be canceled. See sample letter shown in Appendix 1. Receipt of one certificate from the vendor is all that is necessary for that one year, if the institution has multiple contracts with the vendor. However, the vendor must send a renewal each year or cancellation should take place. Appendix 2 is a sample letter for noncompliance after the 15 day period.

V. Procedures:

Specific procedures for the evaluation of vendor certificates of insurance exist at each institution and at the System level. System Risk Management considers the Additional Insured Provision an important condition to be stated on the certificate, especially with regards to our high risk service vendors. The following

C. Automobile Liability Combined Single Limit	\$1,000,000
D. Contractor's Pollution Liability Insurance (With one year extended reporting period)	
Each Occurrence	\$1,000,000
Aggregate	\$2,000,000

E. Additional Insured Provision:

The contractor shall add the "Board of Regents of the University of Wisconsin System, its officers, employees, and agents" as an additional insured under the commercial general liability policy. In addition to these coverages the contract must contain all of the clauses listed under the Special Terms and Conditions for the UW System.

Building Remodeling and Construction

Coverage Type	Minimum Limit
A. Worker's Compensation	REQ'D NO EXCEPTONS
B. Commercial General Liability Each Occurrence	\$1,000,000
Gen. Aggr. Incl. Prdts/CO	\$2,000,000
C. Automobile Liability Combined Single Limit	\$1,000,000
D. <i>If hazardous substance is involved:</i>	
Contractor's Pollution Liability (With one year extended reporting period)	
Each Occurrence	\$1,000,000
Aggregate	\$2,000,000

E. Additional Insured Provision:

The contractor shall add the "Board of Regents of the University of Wisconsin System, its officers, employees, and agents" as an additional insured under the commercial general liability policy. In addition to these coverages the contract must contain all of the clauses listed under the Special Terms and Conditions for the UW System.

Custodial Services

Coverage Type	Minimum Limit
A. Worker's Compensation	REQ'D NO EXCEPTONS
B. Commercial General Liability Each Occurrence	\$1,000,000
Gen. Aggr. Incl. Prdts/CO	\$2,000,000
C. Automobile Liability Combined Single Limit	\$1,000,000

D. Additional Insured Provision:

The contractor shall add the "Board of Regents of the University of Wisconsin System, its officers, employees, and agents" as an additional insured under the commercial general liability policy.

In addition to these coverages the contract must contain all of the clauses listed under the Special Terms and Conditions for the UW System.

Daycare

Coverage Type	Minimum Limit
A. Worker's Compensation	REQ'D NO EXCEPTONS
B. Commercial General Liability Each Occurrence	\$1,000,000
Gen. Aggr. Incl. Prdts/CO	\$2,000,000
C. Automobile Liability Combined Single Limit	\$1,000,000

D. Additional Insured Provision:

The contractor shall add the "Board of Regents of the University of Wisconsin System, its officers, employees, and agents" as an additional insured under the commercial general liability policy.

In addition to these coverages the contract must contain all of the clauses listed under the Special Terms and Conditions for the UW System.

E. Additional Insured Provision:

The contractor shall add the "Board of Regents of the University of Wisconsin System, its officers, employees, and agents" as an additional insured under the commercial general liability policy.

In addition to these coverages the contract must contain **all** of the clauses listed under the Special Terms and Conditions for the UW System.

Recreational Services - This applies to a broad range of contracted services including, but not limited to golf course management, carnival activities, audience participation activities, third parties hosting camps and clinics at our institutions, and the like.

<i>Coverage Type</i>	<i>Minimum Limit</i>
A. Worker's Compensation	REQ'D NO EXCEPTONS
B. Commercial General Liability Each Occurrence	\$1,000,000
Gen. Aggr. Incl. Prdts/CO	\$2,000,000
C. Automobile Liability Combined Single Limit	\$1,000,000
D. Umbrella Liability	\$1,000,000

E. Additional Insured Provision:

The contractor shall add the "Board of Regents of the University of Wisconsin System, its officers, employees, and agents" as an additional insured under the commercial general liability policy.

In addition to these coverages the contract must contain **all** of the clauses listed under the Special Terms and Conditions for the UW System.

Refuse Transportation and Disposal

<i>Coverage Type</i>	<i>Minimum Limit</i>
A. Worker's Compensation	REQ'D NO EXCEPTONS
B. Commercial General Liability Each Occurrence	\$1,000,000
Gen. Aggr. Incl. Prdts/CO	\$2,000,000
C. Automobile Liability Combined Single Limit	\$1,000,000
D. Contractor's Pollution Liability (with 1 year extended reporting period)	
Each occurrence	\$1,000,000
Aggregate	\$2,000,000

E. Additional Insured Provision:

The contractor shall add the "Board of Regents of the University of Wisconsin System, its officers, employees, and agents" as an additional insured under the commercial general liability policy.

In addition to these coverages the contract must contain **all** of the clauses listed under the Special Terms and Conditions for the UW System.

Security

<i>Coverage Type</i>	<i>Minimum Limit</i>
A. Worker's Compensation	REQ'D NO EXCEPTONS
B. Commercial General Liability Each Occurrence	\$1,000,000
Gen. Aggr. Incl. Prdts/CO	\$2,000,000
C. Automobile Liability Combined Single Limit	\$1,000,000
D. Professional Liability Insurance	\$1,000,000

E. Additional Insured Provision:

The contractor shall add the "Board of Regents of the University of Wisconsin System, its officers, employees, and agents" as an additional insured under the commercial general liability policy.

In addition to these coverages the contract must contain **all** of the clauses listed under the Special Terms and Conditions for the UW System.

* All policies of insurance shall contain a covenant requiring sixty (60) days written notice by the insurer and sent certified mail to the contract administrator at the specific institution, before cancellation, reduction or other modifications of coverage. The insurance certificate shall be for the initial contract period of one (1) year and shall be renewed by the contractor for each subsequent renewal period of the contract.

* In the event of non-renewal, cancellation, or expiration, the contractor shall provide the University evidence of the new source(s) of required insurance within twenty-one (21) calendar days after the University's receipt of the sixty (60) day notice. Failure to maintain the required insurance in force may be cause for contract termination.

* In the event that the contractor fails to maintain and keep in force the insurance herein required, the University shall have the right to cancel and terminate the contract without notice.

* The contractor agrees to indemnify, defend and hold harmless the Board of Regents of the University of Wisconsin System, its officers, employees and agents from and against any and all claims, losses, liability, costs or expenses (hereinafter collectively referred to as "claims") occurring in connection with or in any way incidental to or arising out of the occupancy, use, service, operations or performance of work in connection with this contract, but only to the extent that such claims are caused by or result from the negligence, misconduct or other fault of the contractor, its agents, employees, subcontractors or contractors.

Revised 02/24/10

APPENDIX C
OTHER PROVISIONS

DESCRIPTION OF EDUCATIONAL PROGRAM (3.1(3)):

Stellar Collegiate will be a K to 5 school, beginning in year 1 with grades K4, K5, and potentially grade 1. Stellar Collegiate will grow one grade per year until it reaches 5th grade.

Stellar Collegiate is prepared to take on a cohort of 1st grade students in year one, should the need arise, as the Charter School is working towards having all curriculum and assessments for graded K4 through 1st grade in place prior to the start of its first school year.

While Stellar Collegiate believes mastery of all core subjects is a necessity for its students, it makes no apologies for maintaining an explicit and prioritized focus on literacy skills. Stellar Collegiate believes that by ensuring all students have a solid foundation in literacy, it is safeguarding their ability to make real choices about their future academic and professional endeavors. To that end, Stellar Collegiate will provide students with an extended day, specialized teachers, and data driven small group instruction daily to support their development of a strong literacy foundation.

The aspects of Stellar Collegiate's education model that it believes are critical for student success are the following:

- **Extended Day:** Students will be in class from 8:00am to 4:00pm daily and will have earned almost 2 additional instructional years during their entire K4 through 5th grade career, when compared to a traditional MPS schedule.
- **Specialized Teachers:** Each student at Stellar Collegiate will benefit from a team of three educators working to support their learning. Each grade level will have a Lead Literacy Teacher, Lead Math & Research Teacher and Co-Teacher. Students will spend about half their day in a Literacy classroom with the Lead Literacy Teacher and the Co-Teacher who will teach reading comprehension, phonics, phonemic awareness, grammar/spelling/vocabulary, and writing. The other half of the day will be spent in the Math & Research classroom learning math and science or social studies (depending upon the point in the year, Stellar Collegiate will alternate between science and social studies units across the year) and informational writing. Additionally, students will have access to Enrichment (P.E., Spanish, Dance etc.) and Choice Time in the afternoons.
- **Small Group Instruction:** Students will be taught Phonics, Guided Reading, and CGI (Math problem solving) in groups of no more than 10 students daily. Also, during Choice Time, groups of students needing extra support will be taught in small groups to support students with concepts they are struggling with.
- **Standards Based Curriculum:** Stellar Collegiate is putting a great deal of effort into developing a rigorous standards based curriculum that will be a mixture of internally

Science	<p>Integrated Content and Literacy Skills Approach</p> <ul style="list-style-type: none"> • <i>Content</i> (Teacher created lessons, informed by Next Generation Science Standards and GLAD strategies) • <i>Experimentation</i> (FOSS Kits) • <i>Writing</i> (Lucy Calkins CCSS aligned Units of Study, teacher created lessons)
Social Studies	<p>Integrated Content and Literacy Skills Approach</p> <ul style="list-style-type: none"> • <i>Content</i> (Teacher created lessons, informed by Wisconsin Model Academic Standards for Social Studies and GLAD strategies) • <i>Writing</i> (Lucy Calkins CCSS aligned Units of Study, teacher created lessons)

The Charter School shall pursue and make reasonable progress toward the achievement of the academic and non-academic goals set forth in the Application and in the Annual Accountability Plan described herein.

DESCRIPTION OF METHODS FOR MEASURING PUPIL PROGRESS (3.1(4)):

Stellar Collegiate is committed to serving all students well, and believes that the structures it has built into its regular schedule will support the growth of students with disabilities and those who may require additional time to master a concept. Through the use of small group instruction up to five times daily, all students will receive data driven, targeted instruction that will support their attainment of grade level mastery or mastery of relevant IEP goals.

Stellar Collegiate believes the following approaches will ensure all of our students, especially those with disabilities, are making educational progress. Stellar Collegiate will employ a robust assessment system to monitor progress, and be able to adapt our lessons accordingly.

Plans for Evaluating Student Performance

Each lesson is aligned with clear end-of-year student goals, a comprehensive view of current learning, and strategic benchmarks that connect the two. For students with special needs or for English Language Learners, Stellar Collegiate’s detailed assessment program supports the rapid identification of areas where students may need more support, and learning strengths that can be leveraged. This data will be used to (1) place students in small groups for targeted instruction, (2) develop tailored lesson plans and guide targeted interventions, and (3) support the creation of differentiated assignments and homework as needed.

Prior to the start of the school year, Stellar Collegiate will conduct a diagnostic assessment of each student using the Strategic Teaching and Evaluation of Progress (STEP)⁶ Assessment system to measure instructional and independent reading levels and the nationally normed Northwest Education Association Measures of Academic Progress (NWEA MAP) assessment to measure initial literacy and math proficiency. Results from these diagnostics will provide a benchmark against which Stellar Collegiate will measure student progress and inform instructional planning. Information will be sent home to parents every six to eight weeks as well as presented to the Board of Directors every ten weeks. **Figure 1.02** a detailed list of other assessments Stellar Collegiate intends to use.

Figure 7.01: Assessments at a Glance

⁶ The STEP assessment is used in all of the highest performing elementary schools we studied. STEP is a —developmental literacy assessment, instructional tool, and data management system that defines the pathway and tracks the progress of pre-Kindergarten through third grade students as they learn to read using research-based milestones.

**Wide Access Placement
(W-APT) or ACCESS**

The W-APT is an English language proficiency screener given to incoming students to determine English language learning level and the necessary supports needed for instruction.

1 time annually

ACCESS is an assessment given to students already identified as ELLs (English Language Learners) that measures students' social and academic English language proficiency.

*Stellar Collegiate students will take whatever state level assessment is instituted.

Stellar Collegiate carefully selects assessments to provide ongoing sources of data that allow it to evaluate individual students, grade level performance, and whole school performance throughout the year. Stellar Collegiate will continually evaluate the assessments it uses, and may choose to incorporate new assessments or eliminate others as tests are developed and refined.

Additionally, through the use of **Extended Learning Time**, Stellar Collegiate students will be supported to reach grade level mastery. Stellar Collegiate provides 184 days of instruction from 8:00 am to 4:00 pm daily due to research demonstrating that extended time in learning has a positive impact on low-income and minority student academic success.⁷

Research-based Instructional Programs, Practices, and Strategies: Stellar Collegiate implements an inclusive, heterogeneous educational model that serves all students in a manner that maximizes their academic potential and prepares all of them for achievement in middle and high school, graduation from college, and leadership in the community. Stellar Collegiate's approach and design emulate high performing urban schools serving similar students with disabilities, language proficiency barriers, and/or special circumstances that put them at risk for academic failure. Based upon the research of Special Education expert Thomas Hehir of Harvard University and others, Stellar Collegiate provides an educational program that maximizes accommodations and minimizes modifications.⁸

⁷ Hoxby, Caroline M., Sonali Murarka, and Jenny Kang. "How New York City's Charter Schools Affect Achievement, August 2009 Report." Second report in series. Cambridge, MA: New York City Charter Schools Evaluation Project, September 2009.

⁸ <https://www.gse.harvard.edu/faculty/thomas-hehir/>.

APPENDIX E
FINANCIAL REPORTING REQUIREMENTS

The Grantee shall submit audited financial statements of the Charter School's operation, including an audited list of the revenues, expenditures and balances in each of the categories and subcategories:

Total Revenue

CATEGORY	TOTAL	PER PUPIL (based on 3 rd Friday in Sept count)
State per Pupil Aid		
Special Education Aid		
Federal Funds (see (b) below)		
Grants		
Donations From Sponsor		
Other Donations		
Other Revenue		
Total		

Federal Revenue (Break Out)

CATEGORY	TOTAL	PER PUPIL
Title I		
Title II		
Title III		
Title IV		
Title V		
Title VI		
Other Federal Funds (List each source individually, for example, Safe and Sound grant)		
Total		

Total Expenditures

CATEGORY	TOTAL	PER PUPIL
Instruction		
Instructional Support		
Facilities		
Administration		
Board*		

- Other Program Support

Facilities Expenses

- Building Management
 - Building Operations, Utilities, and Maintenance
 - Other Building Management
- Capital
 - Capital Projects and Capital Leases
 - Debt Services
 - Other Capital Expenses

Administrative Expenses

- School Management
 - Executive Director, Principal, and Assistant Principals
 - Other Administrative Personnel
 - School Office
- Business Management
 - Data Processing
 - Business Operations
 - Other Business Management
- School Board * School Board Expenses must be separated from Administrative Expenses if school is operated under a management contract.
 - School Board
 - Legal
- Legal
 - Claims and Settlement

Other Expenditures

- Non-Instructional Pupil Services
 - Transportation
 - Food Service
 - Safety
 - Other Non-Instructional Services

Fund Balance

Changes in fund balance are calculated on an annual and cumulative basis. The difference between annual revenue and annual expenditures provides the annual change to fund balance. The sum of each year's change to fund balance is the cumulative fund balance.

CHARTER SCHOOLS PERFORMANCE FRAMEWORK

SECTION 1: INTRODUCTION

The National Association of Charter School Authorizers' (NACSA's) *Principles & Standards for Quality Charter School Authorizing* (2012) emphasizes that a quality authorizer establishes standards for school performance that are clear, quantifiable, rigorous, and attainable. NACSA also recommends that authorizers develop and formally adopt a Performance Framework that includes academic, financial, and organizational performance measures for use by schools and authorizers to establish expectations, guide practice, assess progress, and inform decision making over the course of the charter term and at renewal or revocation. The three areas of performance covered by the frameworks—academic, financial, and organizational—correspond directly with the three components of a strong charter school application, the three key areas of responsibility outlined in strong state charter laws and strong charter school contracts, and are the three areas on which a charter school's performance should be evaluated. In each of these three areas, the frameworks ask a fundamental question.

1. **Academic Performance:** Is the educational program a success?
2. **Financial Performance:** Is the school financially viable?
3. **Organizational Performance:** Is the organization effective and well run?

The answers to each of these three questions are essential to a comprehensive evaluation of charter school performance.

The University of Wisconsin-Milwaukee Office of Charter Schools has developed this comprehensive Performance Framework to ensure that all charter schools authorized by the University are providing their students with a high-quality public education. This document describes the Performance Framework, which is the accountability mechanism that sets the academic, fiscal and organizational standards by which all UW-Milwaukee authorized charter schools will be evaluated. It also will be used to inform the public of the schools' performance and sustainability.

In addition to establishing performance criteria for charter schools, the Performance Framework also ensures that the University is accountable to charter schools by implementing a rigorous and fair oversight process carried out by the Office of Charter Schools that respects the autonomy that is vital to a charter school.

The *Core Performance Framework and Guidance* document created and published by NACSA provided the foundation and guidance needed to develop the UW-Milwaukee Office of Charter Schools Performance Framework. Additionally, the charter school leaders were included in the development process by providing input and feedback.

SECTION 3: PERFORMANCE FRAMEWORK COMPONENTS

I. Academic Performance

This component of the Performance Framework focuses purposefully on quantitative academic outcomes. Qualitative measures, most often inputs like observations of classroom instruction, may provide context for the outcomes that authorizers analyze; however, these inputs do not measure the academic performance of the students in the school and so are not included in the Academic Performance Framework.

The Academic Performance Framework is organized by indicators, measures, metrics, and targets.

Component	Definition	Example
Indicators	General categories of academic performance	Student achievement
Measures	General means to evaluate an aspect of an indicator	Proficiency on state assessments
Metrics	Method of quantifying a measure	Percentage of student achieving proficiency on specific exams
Targets	Thresholds that signify success in meeting the standards for a specific measure	75% of students achieve proficiency on state statement
Ratings	Assignment of charter school performance into one of two rating categories, based on school's performance against the targets	If school meets the target proficiency rate of 75%, the rating category is "Meets Standard", if less than 75% the rating category is "Does Not Meet Standard"

Indicators

The framework includes five indicators designed to evaluate the school's overall academic performance.

1. State and Federal Accountability

The framework includes reference to the state report card issued by the Wisconsin Department of Public Instruction.

2. Student Progress Over Time (Growth)

Growth models measure how much students learn and improve over the course of a school year. The inclusion of growth measures in the framework acknowledges that

II. Financial Performance

The Financial Performance Framework provides the Office tools to recognize schools currently in or trending towards financial difficulty and to more proactively evaluate or address the problem. It gauges both near-term financial health and longer-term financial sustainability.

The framework includes five main levels of information: Indicators, Measures, Metrics, Targets, and Ratings.

Component	Definition	Example
Indicators	General categories of financial performance	Near Term
Measures	General means to evaluate an aspect of an indicator	Current Ratio
Metrics	Method of quantifying a measure	Current ratio is the school's current liabilities over current assets
Targets	Thresholds that signify success in meeting the standards for a specific measure	Current ratio greater than 1.1
Ratings	Assignment of charter school performance into one of two rating categories, based on school's performance against the targets	If school meets the target of 1.1, the rating category is "Meets Standard", if the school's ratio is less than 1.1, the rating category is "Does Not Meet Standard"

Indicators

The framework includes two indicators, or general categories, used to evaluate financial performance.

1. Near-Term

The portion of the framework that tests a school's near-term financial health is designed to depict the school's financial position and viability in the upcoming year.

2. Sustainability

The framework also includes a longer-term financial sustainability measure and is designed to depict a school's financial position and viability over time.

Measures

For each of the indicators, the framework provides measures by which to evaluate schools. The measures take the form of questions about each school's performance. For example:

- Is the school implementing the material terms of the education program as defined in the current charter contract?
- Is the school protecting the rights of English Language Learner (ELL) students?
- Is the school following Generally Accepted Accounting Principles?

Metrics

Metrics are expectations set forth in evaluating a measure. For example, to evaluate the question, "Is the school following Generally Accepted Accounting Principles?", the University looks to a number of areas where the school must meet existing expectations established by laws, rules, regulations, or provisions of the charter contract. Examples of metrics for this measure are:

- An unqualified audit opinion
- An audit devoid of significant findings and conditions, material weaknesses, or significant internal control weaknesses
- An audit that does not include an ongoing concern disclosure in the notes or an explanatory paragraph within the audit report

Targets and Ratings

For each measure a school receives one of two ratings based on evaluation of the established metrics.

The "Meets Standard" rating is defined by the threshold of success for the measure, or the target the school is expected to meet.

The "Does Not Meet Standard" means the school is not meeting the authorizer's expectation of satisfactory performance, and follow up by the authorizer is necessary to determine authorizer action or accountability decisions.

A.7. MAP RIT Growth Targets Mathematics – At least 50% of students meet or exceed Fall to Spring growth targets in Mathematics.

A.8. MAP Reading RIT Growth for Significant Subgroups (i.e. racial/ethnic minorities, SPED, ELL) – Significant subgroups within the charter school achieve average Fall to Spring growth in their Reading RIT scores that is at least 110% of the average target RIT growth.

A.9. MAP Mathematics RIT Growth for Significant Subgroups (i.e. racial/ethnic minorities, SPED, ELL) – Significant subgroups within the charter school achieve average Fall to Spring growth in their Mathematics RIT scores that is at least 110% of the average target RIT growth.

Post-Secondary Readiness

A.10. Attendance – Achieve an average daily attendance rate of pupils in the charter school that is the same as or higher than the average daily attendance rate of pupils in corresponding grades in all schools in the local district and the State.

A.11. Graduation – Achieve a graduation rate of pupils in the charter school that is the same as or higher than the average graduation rate of pupils in all schools in the local district and the State.

Financial Performance

Near-Term

F.1. Current Ratio - Current ratio (assets to liabilities) is greater than or equal to 1.1 or current ratio is between 1.0 and 1.1 and current year ratio is higher than last year's.

F.2. Enrollment Variance - Enrollment variance equals or exceeds 95% in the most recent year.

F.3. Default - School is not in default of loan covenant(s) and/or is not delinquent with debt service payments.

Sustainability

F.4. Debt to Asset Ratio - Debt to Asset Ratio is less than 0.9.

Organizational Performance

O.6. The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to financial reporting requirements, including but not limited to:

- Complete and on-time submission of the annual proposed budget and independent financial audit with corrective action, if applicable, and
- All reporting requirements related to the use of public funds including reports submitted to the DPI (i.e. special education, Title I and school nutrition budgets).

O.7. The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to financial management and oversight expectations as evidenced by an annual independent audit, including but not limited to:

- An unqualified audit opinion, and
- An audit devoid of significant findings and conditions, material weaknesses, or significant internal control weaknesses.

Governance and Reporting

O.8. The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to governance by its board, including but not limited to:

- Board bylaws submitted,
- Open meetings outlined in contract are followed, and
- Board composition and or membership rules followed.

O.9. The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to oversight of school management (only applicable for schools with a Charter Management Organization (CMO) or Education Service Provider (ESP)).

Facilities and Safe School Environment

O.10. The school provides adequate and appropriately maintained facilities to support teaching and learning included but not limited to:

- Evidence of fire inspections and related records, and
- Viable certificate of occupancy or other required building use authorization.

O.11. The school materially complies with applicable laws, rules, regulations and provisions of the charter contract relating to the safety and provision of health-related services, including but not limited to:

RENEWAL TERMS

The expectation from the University is for all its authorized charter schools to perform high in each individual framework; therefore, any school receiving an overall percentage of at least 75% in each framework (Academic, Financial, and Organizational) will automatically be recommended by the Office of Charter Schools for a five-year renewal term.

It is also understood that for varying reasons, a school may not reach the 75% threshold for each framework. In those cases, the school will receive a baseline renewal term length from the Office of Charter Schools determined by the lowest percentage received in one of the performance frameworks. In those instances, it will be the responsibility of the school throughout the renewal process to present to the Evaluation Committee evidence and data, which provides reasons for areas of challenge along with specific strategies that have been implemented to mitigate those challenges in the future. The Evaluation Committee will consider this information along with feedback received during the renewal site visit to make a charter renewal term recommendation. This recommendation is then forwarded to the Director of the Office of Charter Schools, who then shares it with the Dean of the School of Education, Provost, Chancellor, and ultimately University of Wisconsin Board of Regents for approval.

The table below details the baseline contract renewal term lengths determined by the Performance Framework:

Performance Percentages	Baseline Renewal Term Length
School meets 75% or more of performance targets in Academic, Financial and Organizational frameworks	Five year renewal
School meets between 60% and 74% of performance targets in Academic, Financial and Organizational frameworks	Four year renewal
School meets between 50% and 59% of performance targets in Academic, Financial and Organizational frameworks	Three year renewal

CHARTER SCHOOL DISSOLUTION PLAN

Name of Charter School:	Address:
Last day of school operation:	Charter termination date:
Board of Directors President (Name and Contact information):	Board of Directors Vice President (Name and Contact information):
Student Records Custodian (Name and Contact information):	Personnel Records Custodian (Name and Contact information):
Independent Trustee (Name and Contact information):	Independent Auditor:

A: Student Records	Projected Date of Completion	Person Responsible
<p><u>Required Task(s):</u> <i>Transfer complete student records (academic, health, special education, etc.) to the school that each student will transfer to and to archive student records for the required period of time.</i></p> <ul style="list-style-type: none"> • Board of Directors will designate a Student Records Custodian responsible for maintaining, transferring, and archiving student records in accordance with state law. • Board of Directors will provide the Office of Charter Schools with the name, telephone number, business address, and email address of the Student Records Custodian. 		

B: Personnel Records	Projected Date of Completion	Person Responsible
<p><u>Required Task(s):</u> Devise a plan to retain and maintain staff personnel and professional certification records for a minimum of six years or as required by law, whichever time period is longer.</p>		
<ul style="list-style-type: none"> Board of Directors will designate a Personnel Records Custodian responsible for maintaining, transferring, and archiving personnel records in accordance with state law. 		
<ul style="list-style-type: none"> Board of Directors will provide the Office of Charter Schools with the name, telephone number, business address, and email address of the Personnel Records Custodian. 		
<ul style="list-style-type: none"> Personnel Records Custodian will, upon request, provide letters verifying charter school employment, etc. 		
<ul style="list-style-type: none"> Personnel Records Custodian will maintain all personnel records for a period of six years or as required by law, whichever time period is longer. 		
<ul style="list-style-type: none"> Personnel Records Custodian will arrange for destruction of personnel records at the end of the appropriate retention period. Destruction will occur in a manner that ensures the privacy of all individuals. 		

C. Financial and Contractual Obligations	Projected Date of Completion	Person Responsible
<p><u>Required Task(s):</u> Board of Directors must devise a plan to maintain and administer financial, administrative and contractual obligations.</p>		
<ul style="list-style-type: none"> Board of Directors shall file all final federal, state and local employer payroll tax returns and issue final W-2s and Form 1099s by the statutory deadlines. 		
<ul style="list-style-type: none"> Board of Directors shall implement a procedure to strictly limit all expenditures to those that are reasonable and necessary for the ongoing day-to-day operations of the charter school. These expenditures are limited to salaries, benefits, utilities, rent, and insurance and must already be authorized in the budget. 		
<ul style="list-style-type: none"> Board of Directors shall appoint an Independent Trustee who will be responsible for satisfying all outstanding financial liabilities of the Charter School and properly distributing the School's assets in compliance with the law. 		
<ul style="list-style-type: none"> Board of Directors will submit to the Office of Charter Schools an approved Board resolution appointing an independent trustee including name and contact information. 		
<ul style="list-style-type: none"> Independent Trustee shall assess and satisfy all outstanding liabilities in accordance with the law. 		

<ul style="list-style-type: none"> Board of Directors will submit to Office of Charter Schools a board resolution establishing an escrow account for funds to pay for the audit and provide evidence that this account has been established; and funds deposited. 		
<ul style="list-style-type: none"> Board of Directors will submit copies of the audit to the Office of Charter School. Audit must be submitted prior to any dissolution of the Board. 		

This signed dissolution plan must be submitted to Office of Charter Schools along with an official approved Board resolution. Please provide a tally of the Board members present at the meeting and how they voted on the resolution.

Signed Approval:

 Board President

Date

 Vice President

Date