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Office of the City Clerk

Ronald D. Leonhardt
City Clerk

Jim Owczarski
Deputy City Clerk

January 26, 2012

Tony Evers
State Superintendent of Public Instruction
125 South Webster Street
P.O. Box 7841
Madison, Wisconsin 53707-7841

Dear Superintendent Evers:

Enclosed please find certified copies of Common Council Motions 110799 and 110800 authorizing the following to operate a charter school in the City of Milwaukee beginning with the 2012-2013 school year:

Rocketship Charter School

Milwaukee School of Academics and Character

Pursuant to Section 118.40(1), Wis. Stats., I am notifying you of the City of Milwaukee Common Council's intention to grant charter school status to these schools and enclosing a description of the schools. Please feel free to contact me if you have any questions.

Sincerely,

Ronald Leonhardt
City Clerk

Enclosures

cc: Council President Willie L. Hines, Jr.
Mayor Tom Barrett
Sharon Robinson, Director of Administration
Howard Fuller, Charter School Review Committee
Michael Bakalis, Milwaukee School of Academics and Character
John Danner, Rocketship Charter School
Files 110799 and 110800

Rdl/Council/charter12.doc

City of Milwaukee

Office of the City Clerk

200 E. Wells Street
Milwaukee, Wisconsin 53202

Certified Copy of Motion

FILE NO: 110799

Title:

Substitute motion authorizing the Rocketship Charter School to operate a Milwaukee Common Council charter school.

Body:

Whereas, The state charter school statute, s. 118.40, Wis. Stats., and the charter school ordinance, ch. 330, Code of Ordinances, authorize the Common Council to grant authority to operate a Milwaukee Common Council charter school to applicants who meet the requirements of the statute and ordinance; and

Whereas, Rocketship Charter School has applied to operate a Milwaukee Common Council charter school as authorized under the Milwaukee charter school ordinance, ch. 330, Code of Ordinances, and the Wisconsin charter school statute, s. 118.40, Wis. Stats.; and

Whereas, The Charter School Review Committee has made a written positive finding for the applicant for all factors described under s. 330-15, Code of Ordinances, and has recommended that the Common Council grant the application to operate a Milwaukee Common Council charter school; and; now, therefore

It is moved, By the Common Council of the City of Milwaukee, that the Common Council approves the Charter School Review Committee's recommendation and authorizes the Rocketship Charter School to operate a Milwaukee Common Council charter school beginning with the 2012-2013 school year.



I, Ronald D. Leonhardt, City Clerk, do hereby certify that the foregoing is a true and correct copy of a(n) Motion Passed by the COMMON COUNCIL of the City of Milwaukee, Wisconsin on November 2, 2011.

Ronald D. Leonhardt

Ronald D. Leonhardt

January 26, 2012

Date Certified

SECTION I: SCHOOL OPERATIONS

Mission, Vision, and Persons Seeking to Establish Rocketship Milwaukee

Mission Statement

Rocketship Milwaukee Public School will eliminate the achievement gap by graduating our students at or above grade level in Literacy and Math.

Vision Statement

Rocketship Milwaukee Public School seeks to create a future in which thousands of children from Milwaukee have graduated from four-year colleges and have come back to their communities to eradicate the last traces of the achievement gap.

Goals

- Rocketship Milwaukee Public School will enable economically disadvantaged students to achieve grade-level proficiency in the core subjects by second grade and achieve above grade level by the time they leave Rocketship Milwaukee Public School.
- Rocketship Milwaukee Public School students will become self-motivated, competent and lifelong learners.
- Rocketship Milwaukee Public School students will develop a deep love of reading.
- Rocketship Milwaukee Public School will provide parents in Milwaukee with a path for their children to take in order to have the best chance to attend a four-year college.
- Rocketship Milwaukee Public School will encourage our alumni to become leaders in their community and to help others achieve their goals.

Applicant Information

John Danner, Co-Founder and CEO, Rocketship Education

Before starting Rocketship Education, John served as a teacher in the Nashville public school system for three years, the last two as a second-grade teacher of students with limited English proficiency. In 2000, John co-founded Sacred Heart Nativity School, a private Catholic middle-school for at-risk Latino boys in San Jose. From 2001-2005, John served as the Chairman of the Charter School Resource Center of Tennessee, working for the successful passage of Tennessee's charter school law in 2002 and assisting the subsequent establishment of twelve charter schools in Tennessee. John served as a founding director of KIPP Academy Nashville, a charter middle school in Nashville which had achievement comparable to district magnet schools in its first year of operation. Prior to his work in education, John founded and served as CEO of NetGravity, an Internet advertising software company. John took NetGravity public and sold the company to Doubleclick in October of 1999. John holds a Bachelor's and Master's Degree in Electrical Engineering from Stanford University and a Master's Degree in Education Policy from Vanderbilt University. John is an Ashoka Fellow, and a Henry Crown Fellow at the Aspen Institute, where he won the Institute's McNulty Prize in 2010. John has been the CEO of Rocketship Education since its founding in 2006.

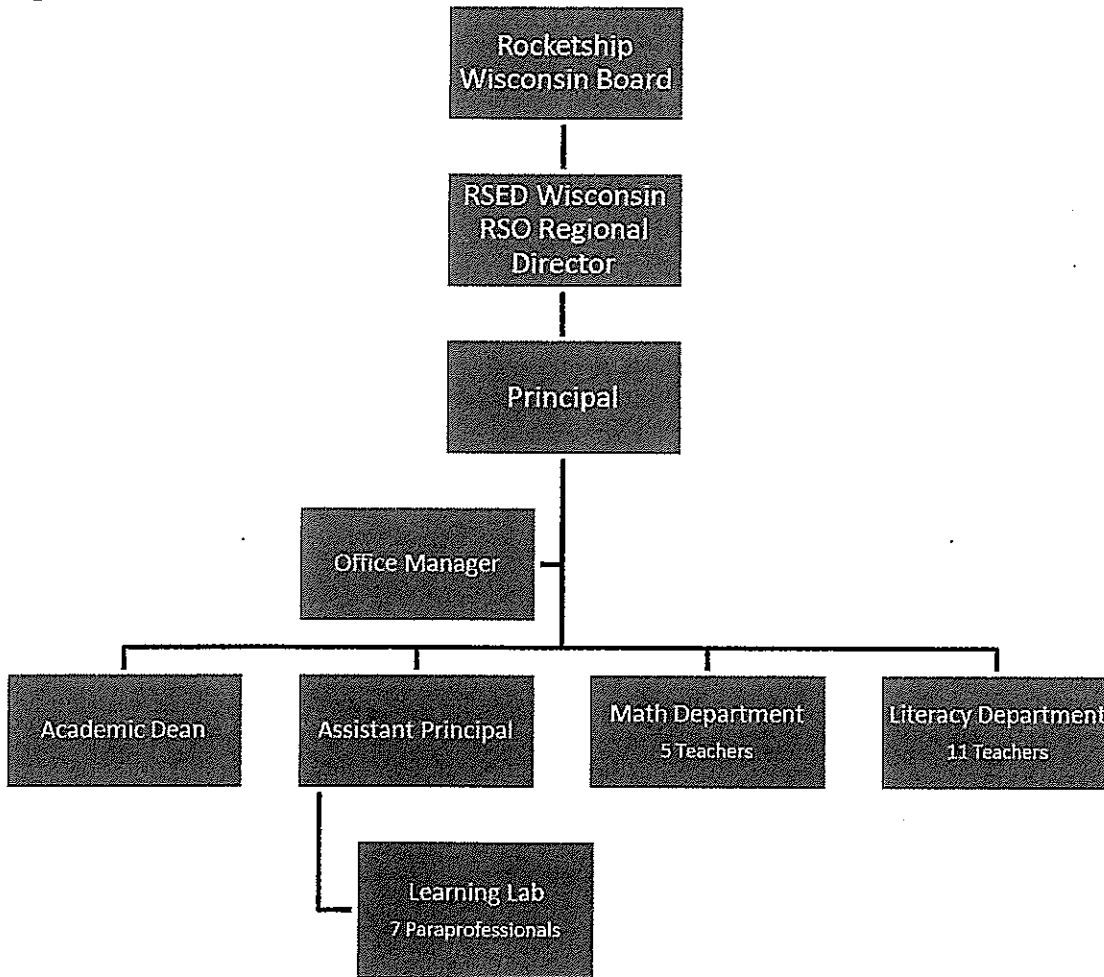
Governance

Legal Status

Rocketship Milwaukee Public School shall be operated as a Wisconsin non-profit public benefit corporation pursuant to Wisconsin law and will apply for 501(c)(3) status. Rocketship Milwaukee Public School will be governed by the Rocketship Education Wisconsin Board of Directors pursuant to its corporate bylaws as adopted, and as subsequently amended from time to time, which shall be consistent with this charter. Schools may be operated as a Limited Liability Corporation under Rocketship Education Wisconsin.

Please see draft Articles of Incorporation, Bylaws and Conflicts Code in Attachment B.

Organizational Structure



Board of Directors

Rocketship Milwaukee Public School will be governed by Rocketship Education Wisconsin’s Board of Directors (“Board”). The Board is ultimately responsible for the operation and activities of Rocketship Milwaukee Public School. Board Members have a responsibility to solicit input from, and opinions of, the parents of students, and the faculty and staff, regarding issues of significance and to weigh the input and opinions carefully before taking action. The primary method for executing their responsibilities is

the adoption of policies that offer guidance and interpretation of the charter and procedures to assist the staff in facilitating the implementation of such policies. The Board consists of at least three and up to seven members who will govern Rocketship Milwaukee Public School. The Directors shall serve staggered terms such that no more than two-thirds (2/3) of the Directors' terms shall expire in the same year. At its first meeting, the Board of Directors shall determine by lot the length of each Director's initial term, such that the initial Directors of the corporation shall each be assigned a two or three year initial term. The term thereafter will be three years. This staggering of terms will create a natural flow for future elections and ensure that the Rocketship Education Wisconsin Board does not experience full turnover at once.

The Board will meet on a regular basis (e.g., quarterly and more often as needed). Rocketship Education Wisconsin's Board of Directors may initiate and carry out any program or activity that is not in conflict with or inconsistent with any law and which is not in conflict with the purposes for which charter schools are established.

New directors will be elected as defined in the Bylaws. Board members should live, work, or participate in the communities of or near Rocketship Milwaukee Public Schools. Qualifications of current and future board members should include, but not be limited to:

- Operation of charter schools
- Real estate expertise
- Legal expertise
- Financial expertise
- Fundraising ability
- Significant involvement in the communities served by Rocketship Milwaukee Public School
- Subject and professional development knowledge in Literacy and Math
- Parents with the capacity to take a leadership role in governance of Rocketship Milwaukee Public School

The Board will adopt policies and procedures regarding self-dealing and conflicts of interest (See Conflicts of Interest Code, which is included in the Bylaws, Attachment B). The Rocketship Education Wisconsin Board of Directors may initiate and carry out any program or activity that is not in conflict with or inconsistent with any law and which is not in conflict with the purposes for which charter schools are established.

Rocketship Education Wisconsin Board Duties

The Rocketship Education Wisconsin Board of Directors will be responsible for the operation and fiscal affairs of the Charter School including but not limited to:

- Setting the enrollment and grade-level configuration for the Charter School including increasing enrollment to maximum levels, subject to authorization from the City of Milwaukee;
- Approval of annual school budget, calendar, salary schedules, major fundraising events, and grant writing;
- Negotiation and approval of a Memorandum of Understanding ("MOU") or other contracts with the City of Milwaukee;
- Approval of all financial policies that set the processes and controls for contracts, expenditures, and internal control;

- Oversight of personnel actions (e.g. hiring, discipline, dismissal) (subject to the disclosure and recusal of the employee Board member) All personnel actions other than those relating to the Principal shall be preceded by recommendation by the Principal;
- Approval of bylaws, resolutions, and policies and procedures of school operation;
- Approval of all changes to the school charter to be submitted as necessary in accordance with applicable law;
- Participation as necessary in dispute resolution;
- Monitoring overall student performance;
- Evaluation of Rocketship Milwaukee Public School Principal(s) (subject to the disclosure and recusal of an employee Board member);
- Monitoring the performance of the Charter School and taking necessary action to ensure that the school remains true to its mission and charter;
- Monitoring the fiscal solvency of the Charter School;
- Participation in Rocketship Milwaukee Public School annual independent fiscal audit;
- Participation as necessary in student expulsion matters pursuant to Rocketship Milwaukee Public School policy; and
- Increasing public awareness of the Charter School.

Rocketship Education Wisconsin will update the Rocketship Education (California) Board of Directors and City of Milwaukee on any changes to the Rocketship Education Wisconsin Board of Directors, as requested.

Board Meetings

The Board of Directors will meet regularly to review and act on its responsibilities. As long as quorum exists as defined by the Corporate Bylaws, measures voted on by the Board of Directors may be passed with a simple majority of present members. The Board of Directors meetings will be headed by a Board Chairman and shall comply with Wisconsin Open Meetings Law.

Board Training

The Rocketship Education Wisconsin Board of Directors shall participate in regular professional training regarding board governance, strategic planning and conflicts of interest rules, which are located within the Bylaws (see Attachment B).

Parent Participation

As Rocketship Milwaukee Public School is being established to serve the needs of the students and their families, there are a number of ways that parents may participate in the leadership of the school. Rocketship Milwaukee Public School will encourage parents to create a Parent/Teacher Council ("PTC") to facilitate communication among parents, teachers and the Board as well as to promote cultural and social activities within the school community. The PTC will:

- Serve as a forum for the discussion of matters of interest and concern to the parents of Rocketship Milwaukee Public School students;
- Act as a communication channel between the parents and other interested individuals and groups, both within and outside the school community;
- Coordinate and sponsor committees, clubs and other activities that enhance the intrinsic value of Rocketship Milwaukee Public School and contribute to the fulfillment of its mission. These committees will work with various bodies within Rocketship Milwaukee Public School, providing support activities as appropriate;

- Coordinate PTC fundraising activities and oversee the allocation and disbursement of funds raised by the PTC; and
- Report as needed to the Rocketship Education Wisconsin Board of Directors at its regular meetings and provide ongoing advice to the Board as requested by the Board or deemed necessary by the PTC.

Additional Opportunities for Parent Involvement

- Parents, students and teachers meet regularly to plan and assess the student's learning progress and determine goals.
- School and staff evaluations - parents fill out a survey each year evaluating the strengths and weaknesses they identify with the program to be reviewed by staff and faculty for consideration of ongoing improvement of Rocketship Milwaukee Public School.
- Volunteer opportunities – the Principal(s) will maintain a list of various opportunities for parents to volunteer at Rocketship Milwaukee Public School. For example, parents have the opportunity to help in classrooms, lead extracurricular activities, assist in event planning, attend field trips and serve on parent committees.
- Fundraising - parents and community members work with Rocketship Milwaukee Public School to raise additional resources to support students and the school program.
- Advocacy - parents and community members communicate the school design and outcomes to the public, educators and policy makers and advocate for necessary policies and resources.

Operations and Fiscal Management of School

Roles and Responsibilities

Principal

The Rocketship Education Wisconsin Board of Directors intends to hire a Rocketship Education-trained Principal who will be responsible for creating a school capable of achieving the Rocketship Milwaukee Public School mission and goals. This will include leading the Charter School in all aspects of its day to day operations, working with the Rocketship Education Wisconsin Board of Directors, the PTC, City of Milwaukee, students, parents, and community members and the other governing bodies specified by local and state law. The Principal's operational and fiscal management duties shall include, but are not limited to, the following:

Daily Operations

- Participate in the dispute resolution procedure and the complaint procedure when necessary;
- Attend IEP meetings when necessary;
- Attend to student disciplinary matters;
- Coordinate the administration of Standardized Testing;
- Plan and coordinate student orientation;
- Attend all school Board meetings and other meetings as necessary;
- Ensure site safety;
- Facilitate open house events; and
- Develop and implement Charter School policies and procedures.

Authorizer, State Department of Education Relationships and Accountability

- Attend necessary meetings as requested by the Authorizer and/or DPI and stay in direct contact with the Authorizer to assist the Authorizer in its oversight duties.

Human Resources

- Participate in hiring and firing of Charter School leaders and staff.

Office Manager

The Office Manager will be responsible for daily operations at Rocketship Milwaukee Public School. The Office Manager will report to the Principal. The Office Manager's responsibilities include:

- Recording attendance;
- Primary responsibility for input of Free and Reduced Lunch information into the student database;
- Managing the office;
- Overseeing purchases of materials;
- Doing day to day bookkeeping;
- Managing the schedule of the Principal; and
- Serving as first point of contact for Parents contacting Rocketship Milwaukee Public School.

Rocketship Education Wisconsin Regional Support Office

In order to allow the Principal to focus most of his or her energy on instructional management, Rocketship Milwaukee Public School will utilize operational and fiscal management services from the Rocketship Education Wisconsin Regional Support Office (RSO). The Rocketship Education Wisconsin RSO will provide the following services to Rocketship Milwaukee Public School:

- (a) creating the School, including, but not limited to, any and all required legal and financial filings
- (b) creating, preparing and submitting the School's charter
- (c) researching, locating and preparing a suitable facility (the "Facility") for the operation of the School
- (d) researching, providing or preparing for any future expansion of the Facility to accommodate growth of the School
- (e) providing professional development training for certain employees of the Charter School prior to the commencement of the school year and continuing throughout the school year as necessary
- (f) providing office services, such as accounting, payroll, human resources and billing
- (g) supervising the annual budget
- (h) developing and executing fundraising opportunities
- (i) working with the Charter Authorizer, CDE and other agencies as necessary, including complying with reporting requirements and any other general inquiries received from these agencies
- (j) supervising the parent involvement generally
- (k) marketing for student enrollment
- (l) assisting with public relations
- (m) writing grants for state and other funding
- (n) providing guidance relating to the curriculum
- (o) providing support for information technology
- (p) securing working capital financing for the school
- (q) providing financial support as needed; provided, however, that such support be agreed to by the parties in a separate writing

- (r) providing any other operational or educational needs relating to the School that the Regional Support Office may reasonably request of Manager
- (s) collecting Special Education funds and managing the Special Education program budget on behalf of all Rocketship Education schools and therefore having the authority to determine the allocation of Special Education dollars based on Special Education needs at each site

Additional Documents

Job descriptions and/or resumes for Principal and Fiscal Manager (part of Regional Support Office staff) are included in Attachment F. Our personnel manual is included as Attachment D and the Fiscal Policies and Procedures Manual is included as Attachment J. Rocketship Education RSO and Rocketship Milwaukee Public School will comply with all City of Milwaukee Charter School financial reporting requirements and procedures.

Budget

A complete proposed budget is attached to this proposal as Attachment G. Included are a one-year budget and a five-year budget projection. All assumptions are listed in the budget document and two alternate enrollment scenarios, 15% below enrollment and 30% below enrollment, are included. As shown in the five year budget projection, the school is sustainable in each year of operation. Additionally, please see Attachment O for financial statements from Rocketship Education from the 2009-2010 school year.

Facility

Rocketship Milwaukee has met with IFF to discuss location and strategies for securing a facility in anticipation of the 2013 school opening and has asked IFF for a proposal to assist with site identification. The anticipated facility will be located in one of Milwaukee's highest need zip codes, as identified in the recent IFF report Choosing Performance: An Analysis of School Location and Performance in Milwaukee. Rocketship Milwaukee will give priorities to facilities in the most densely populated and highest need areas of the city. The agency is currently on target to begin site selection in September 2011 and to have a purchase or lease contract in place by February 1, 2012. Rocketship Milwaukee will notify the Charter School Review Committee (CSRC) upon selection of facility location and provide the appropriate compliance materials according to deadlines established by CSRC.

Insurance

Please see Attachment M for a letter describing intent to provide coverage for Rocketship Milwaukee Public School. Per the application instructions, an occurrence form with minimum liability insurance coverage will be provided to CSRC within 30 days of final execution of a charter contract between Rocketship Education Wisconsin Regional Support Office and City of Milwaukee. The establishment of or operation of the Charter School shall not have any impact on the liability of the City of Milwaukee.

Audits

Although no current audit has been performed on Rocketship Education Wisconsin Regional Support Office, please see Attachment O for a copy of the most recent audit and audit affidavit from Rocketship Education in California. An independent audit engagement letter for the first fiscal year can be found in Attachment N.

City of Milwaukee

Office of the City Clerk

200 E. Wells Street

Milwaukee, Wisconsin 53202

Certified Copy of Motion

FILE NO: 110800

Title:

Substitute motion authorizing the Milwaukee School of Academics and Character to operate a Milwaukee Common Council charter school.

Body:

Whereas, The state charter school statute, s. 118.40, Wis. Stats., and the charter school ordinance, ch. 330, Code of Ordinances, authorize the Common Council to grant authority to operate a Milwaukee Common Council charter school to applicants who meet the requirements of the statute and ordinance; and

Whereas, Milwaukee School of Academics and Character has applied to operate a Milwaukee Common Council charter school as authorized under the Milwaukee charter school ordinance, ch. 330, Code of Ordinances, and the Wisconsin charter school statute, s. 118.40, Wis. Stats.; and

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It is moved, By the Common Council of the City of Milwaukee, that the Common Council approves the Charter School Review Committee's recommendation and authorizes the Milwaukee School of Academics and Character to operate a Milwaukee Common Council charter school beginning with the 2012-2013 school year.



I, Ronald D. Leonhardt, City Clerk, do hereby certify that the foregoing is a true and correct copy of a(n) Motion Passed by the COMMON COUNCIL of the City of Milwaukee, Wisconsin on November 2, 2011.

Ronald D. Leonhardt

Ronald D. Leonhardt

January 26, 2012

Date Certified

SECTION I: SCHOOL OPERATIONS

Mission and Vision of the Charter School and the Persons Seeking to Establish a Charter School

Describe the mission and vision of the charter school.

The mission of the Milwaukee School of Academics and Character (MSAC) is to prepare young men and women with a solid foundation of basic and advanced academic and social skills, which will ensure success both at the secondary school level and for future participation in post-secondary education and the workplace.

We seek to accomplish our mission through the creation of an educational institution utilizing a rigorous curriculum, high quality teachers, a critical thinking/problem-solving teaching strategy, and a school culture that encourages and respects students, welcomes parent involvement and treats and rewards teachers as professionals. Our vision is for the school to be known for its ability to transform the lives of students and for resolve to incite excellence within our neighborhood community and the city of Milwaukee.

As we look forward 10 years in the future, our vision for MSAC is to be a school that because of it's high-quality academic program, strong parent and community involvement, and unwavering commitment to a culture of success, is a premier community asset that has not only helped to stem the tide of families moving out of the area, but is actually an attraction for families to move into the area. We strive to create a neighborhood school that becomes a magnet for neighborhood activities. It is a school of which the entire community is proud.

The above stated vision/mission will be reviewed annually and measured through the use of student standardized test scores such as DIBELS (Dynamic Indicators of Basic Early Literacy Skills) the Northwestern Evaluation Association Measures of Academic Progress (NWEA) Test, and the Wisconsin Knowledge and Concepts Exam (WKCE) test. These instruments, however, may or may not capture the informal, intuitive lessons that our school will infuse within modules purposefully instilled to foster cultural pride, leadership development and academic excellence, which the Milwaukee School of Academics and Character will be known for, not only within the City of Milwaukee, but nationwide.

Provide the name and address of the person seeking the charter. For purposes of this application, "person" means the individual or organization seeking authority to operate the charter school. Please provide information about the person seeking the charter, including employment or organizational history and experience in education. Also attach the resume, college transcripts and copies of any licenses held by the person seeking the charter and, if different, the educational leader and financial manager of the school.

The organization seeking to establish this charter is American Quality Schools, a not-for-profit regional educational management organization. American Quality Schools currently runs 12 very successful charter schools in Illinois, Indiana, and Missouri.

Please see Attachment A for information on the board members and key staff members of the organization seeking the charter school.

Governance

Please describe the legal structure of the school and attach supporting documentation.

American Quality Schools-Wisconsin, is a subsidiary of the American Quality Schools Corporation, founded in 1999 as a non-profit education management organization.

Please see Attachment B for copies of the articles of incorporation, by-laws, and tax determination letter.

Explain how the school will be governed. Describe the roles and responsibilities of those who will govern the school and those who will manage the school. Please provide an organizational chart and explain the lines of authority

The Founding Board (which will transition into a Governing School Board once the school begins operations) consists of 7 members and will govern the school. It will set long range goals and coordinate these goals with the principal and AQS senior staff. They along with their partner (AQS) will oversee funding, hiring, new projects, marketing and outreach, educational planning and parent committees. Please see Attachment A for their resumes.

The Founding Board is made up of respected and accomplished members of the community who are deeply committed to providing a college preparatory school for the children of Milwaukee. Each of our Founding Board members brings a wide variety of skills and talents to the Board, including finance, human resource, business, community development, education, facility, and fundraising.

Board Members have worked diligently over the months to pull together their strengths. All Board members have agreed to abide by three overarching expectations: Accountability, Leadership, and Development.

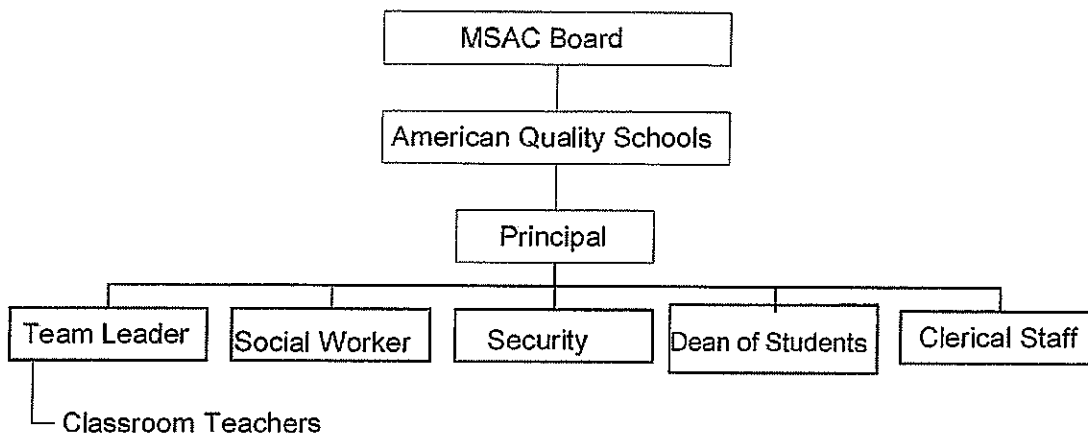
1. Accountability: Attend scheduled Board meetings and participate actively and productively in discussions and votes. Govern the academy by providing direction of policies and procedures and providing oversight of the academy's functions. Focus on critical strategic questions and governance that supports the success of MSAC. Disclose any potential conflicts of interest, whether real or perceived, to the rest of the Board and abide by any decisions the Board may make with regards to the matter in the interest of MSAC.

2. Leadership: Advocate for the school's mission and vision while building public and private support for the charter school within the community. Lend their reputation and credibility to MSAC by reflecting commitment to fostering the school culture of perseverance, professionalism and social responsibility. Collaborate with fellow board members, and the community to ensure that diverse perspectives are represented on the board. Volunteer up to ten hours a month for committees and consultation on MSAC activities.

3. Development: Cultivate prospective donors, partners, and volunteers and utilize personal and professional networks for the financial, organizational, and educational benefit of MSAC. Contribute to fundraising goals to the best of personal ability at a level that is meaningful and appropriate.

The structure of the Milwaukee School of Academics and Character will be as follows (Attachment C):

1. The Educational leader of the school is the Principal who as an employee of AQS, is accountable to AQS.
2. Reporting to the Principal will be two team leaders, teachers, classroom aides, a dean of students, a counselor/social worker, clerical staff, and building security/maintenance personnel. All school personnel are employees of AQS.
3. AQS will report directly to the MSAC Board, who will have ultimate oversight for the school.



1. The Board of MSAC would be the governing authority and policy making body for the school.
2. The day to day operation of the school will be the responsibility of AQS. AQS will hire all personnel, administer all human resource functions, do all financial administration and record keeping, and provide required audits and financial documentation to the Board. AQS will set the curriculum, purchase all books, supplies, equipment and furniture and oversee the maintenance of the physical plant of the school. Salary and bonus allocations to the school's personnel will be the responsibility of AQS.
3. On all the above mentioned activities, AQS will work jointly with the Board to develop policies and make decisions.

The Board will maintain a standing Finance Committee to deal with all financial aspects of the School, a standing Academic Committee to deal with all curriculum and instruction aspects of the School, and an Executive Committee to deal with all administrative and personnel aspects of the School. On a scheduled basis, at minimum, once per academic year, AQS senior staff will meet with the Board. The Board will conduct an end of year evaluation of AQS's management of the school, on the basis of criteria jointly agreed upon by the Board and AQS.

The Board will oversee the education management organization's performance in:

- o implementation of the school's curriculum
- o hiring staff and developing the staff

- creating culture of achievement among students, parents, teachers and administrators
- empowering students to make decisions and assume more responsibilities
- encouraging parents to be partners in educating their children
- overseeing the financial accountability of the school
- focusing on the school's stakeholders: the students, parents, property owners, taxpayers, and the business community.
- solving day-to-day crisis management issues

Include a description of the skills and experiences each board member brings to the board that will help ensure the success of the charter school. Also, please indicate the areas of expertise each member of your board brings to the operation of the school.

Rochelle R. Regenauer – Board President: Most recently holding the position of Director of Education for Kaplan College's Milwaukee Campus, Rochelle has been serving the area of higher education for almost 20 years. She has held positions in administration, admissions and management of institutions of higher education. Most of her experience has been focused in the area of adult student retention and faculty development. Having received a Bachelor's Degree in Psychology from the University of Wisconsin – Milwaukee, a Master of Business Administration (with a Graduate Certificate in Human Resource Management) from Keller Graduate School of DeVry University, Rochelle continues her educational pursuit as she works on a Doctorate of Education Degree from Walden University studying "The School Administration's Role in Adult Student Retention".

Brandt Foster – Board Treasurer: Brandt Foster is currently an Investment Manager with US Bank. He has been with US Bank since 2009 and works with various trusts and investment vehicles. He has prior experience in Real Estate working in investment and development with Principal Real Estate Investors based in Des Moines, IA. Brandt is active with the Big Brothers and Big Sisters of Milwaukee and is passionate about the academic options available to inner city youth. He looks forward to working on the board and providing a successful academic option for local youth.

Jeff Christman – Board Secretary: Jeff Christman, a life-long Wisconsin resident, has interest in the quality of education our children receive. Unfortunately, not all of Wisconsin's youngest residents have the ability to attend high achieving schools. After growing up in the metro-Milwaukee area, Jeff moved to Madison to attend the University of Wisconsin, where he obtained Bachelor of Science degrees in Genetics and Biology. After a short while working in the biotech industry, Jeff returned to Milwaukee, where he entered the business side of the medical field. He currently acts as Account Manager for a medical device company, Medtronic. Jeff has broad experience marketing the products used in various specialties including, orthopedics, neurosurgery and surgical oncology. Outside of his professional life, Jeff enjoys spending time in all of Wisconsin's four seasons, rooting for hometown teams and visiting all the great attractions Milwaukee has to offer.

Debra Kenner-Klepp – Board Member: Debra is President and CEO of K&A. Prior to founding K&A, Kenner-Klepp was regional director of INROADS, Inc. and President of the Greater Milwaukee Education Trust. She was educated in Detroit, Michigan, at Carroll College (undergraduate), and the University of Wisconsin-Milwaukee (graduate studies). For her work in management and leadership, she has received numerous awards. She has studied leadership and management as a Kellogg Fellow (Battle Creek, Michigan) and as an Aspen Institute Fellow (Aspen, Colorado). Mrs. Kenner-Klepp is married and has a teen daughter. She resides in Milwaukee, Wisconsin. Mrs. Klepp is a board member of several non profit organizations, including the YMCA Young Leadership Academy, V.E. Carter Development Group and Girl Scouts of Wisconsin SouthEast

Diane Pollard – Board Member: Dr. Pollard is Professor Emeritus of Educational Psychology at the University of Wisconsin-Milwaukee. At the university she taught primarily Masters' and Doctoral level courses in the areas of Human Development, The Psychology of Race and Ethnicity and Urban Education and Multicultural Studies. She also served as Director of the Urban Education Doctoral Program Her research has focused on factors related to coping and academic achievement in African American children, African American families' contributions to their children, and on the intersections of gender and race. Since retiring from UWM, Professor Pollard has served as external program evaluator for several entities including, The Milwaukee Urban League's *MathPlus* program, the Milwaukee Repertory Theater's *Live Theater and Live Skills* program, The Milwaukee Public Schools *Elementary School Counseling Grant*, and UWM's GEAR UP program. Dr. Pollard received her BA in Psychology from Wellesley College, Wellesley MA and her MA and PhD from the University of Chicago.

Jo Ann Randerson – Board Member: Jo Ann has been educating students of all ages and working with people in the public arena for over 25 years. She loves working with those facing challenges and difficulties, wants to help make a difference and believes positive change starts locally. Jo Ann is compassionate and caring while modeling her strong character, work ethic and social responsibility. As an educator, Jo Ann has worked in the private (K3-8), and public sector. Her children attended Milwaukee area private and public schools. As a Librarian, Jo Ann has taught library skills, research skills, geography, mapping, and more. In addition, she has taught Art, Computer Technology, Web 2.0 skills and Biology. Jo Ann feels every child should have access to great academics, and each student's social skills, social responsibility and character should be nurtured. Her energy and enthusiasm, along with her areas of expertise make her an asset to the board.

Timothy H. Ricordati – Board Member: Dr. Ricordati has over 30 years of experience in senior levels of education and business. Currently, he is Vice President, New Schools Development, for the America Quality Schools Corporation (AQS), a not-for-profit education management organization, where he is responsible for providing strategic direction for the growth of the organization through the development of new K-12 charter schools. Prior to joining AQS, Dr. Ricordati spent 17 years with DeVry University in a variety of senior leadership capacities, including Vice President, Enrollment Management and Vice President, Student Affairs. He was also the Vice President and Dean of their Keller Graduate School of Management. He earned both a B.S. and M.S.Ed. from Northern Illinois University, and an Ed.D. from Nova Southeastern University in Curriculum and Instruction. Dr. Ricordati is an accomplished teacher, having taught business, organizational culture, and leadership at the high school, undergraduate, and graduate levels. He has authored numerous articles and presentations on the implementation of mastery learning to increase student achievement.

Please explain the school's internal procedures for resolution of disputes relating to governance or management of the school or its policies and practices.

PROBLEM RESOLUTION PROCESS

All staff, parents and affiliates to the school are encouraged to identify ways in which our services, policies, procedures and business environment can be improved. The school is committed to being helpful and understanding in hearing suggestions and problems and to responding to them constructively. In most situations, informal discussions can resolve problem issues satisfactorily.

COMPLAINT PROCEDURES:

1. In those instances where the person (parent, employee or entity) believes a problem or the complaint has not been resolved properly, the complainant may wish to pursue the matter in a more formal way. An appeals procedure exists to handle these concerns without fear of intimidation or retaliation.
2. The procedure follows the normal line of report, starting with the immediate supervisor if other than the principal or the administrator of the school. A request should be presented in writing to the appropriate person in charge of the school and a copy forwarded to the human resource personnel at AQS.
3. Alternately the request may be directed to the President of the MSAC School Board.

REVIEW AND RESPONSE OF ACTION PROCEDURES:

A review for the request should be made in writing within 14 calendar days of an action, except for an employee termination in which case review of appeal must be requested seven days of the staff member's learning of the termination.

If the issue remains unresolved after the initial request procedures, the person may pursue a further review process of the decision through subsequent levels of management to the appropriate administrative committee by submitting a timely written request.

A response to the request will be given within 14 calendar days from the receipt of the request at each level of review.

Describe the method the school will use to ensure parental involvement and the means by which the school proposes to report on the results of this involvement.

Research shows that meaningful parental involvement has a positive impact on a child's achievement. On a quarterly basis, the teacher, student and parents will meet to discuss student progress. Toward this end, the Principal will convene a Parent Advisory Council that will meet regularly to discuss issues and to hear families' concerns and suggestions.

The PAC will meet monthly and will include full participation with the School's administrative team. The PAC will provide not only the members, but also all parents and community stakeholders with the opportunity to be empowered to advise on the school's operations and climate. Any potential issues stemming from community concerns will be handled by the school principal in consultation with the PAC.

To maintain strong channels of communication, teachers will be required to contact families a minimum of once a month by either phone or by email regarding their child's progress even if it is satisfactory or above.

Parent interest surveys will also be collected to match parents with the many volunteer opportunities that occur throughout the year. American Quality Schools' annual customer satisfaction surveys based on the business paradigm of Total Quality Management are administered to teachers, students and parents. Results of these surveys are reported to the Board, the Parent Advisory Council, the staff and students.

The Milwaukee School of Academics and Character, as with all schools managed by AQS, will utilize PowerSchool from Pearson Education, as our student information system to track student attendance hours, eligibility for free/reduced lunch, special education and IEP students.

MSAC will provide information in the form of a school report card to parents, community members, the print and broadcast media, and legislators by July 1st each year, or as soon thereafter as soon as information is available to the school. MSAC will provide a printed copy of the school's report card to any person upon request and will make reasonable efforts to supply local businesses with the information so parents and businesses from outside the area who may be considering relocation have access. The report card will meet all state and federal requirements for disclosure of statistics about students, staff, finances, academic achievements, and other indicators.

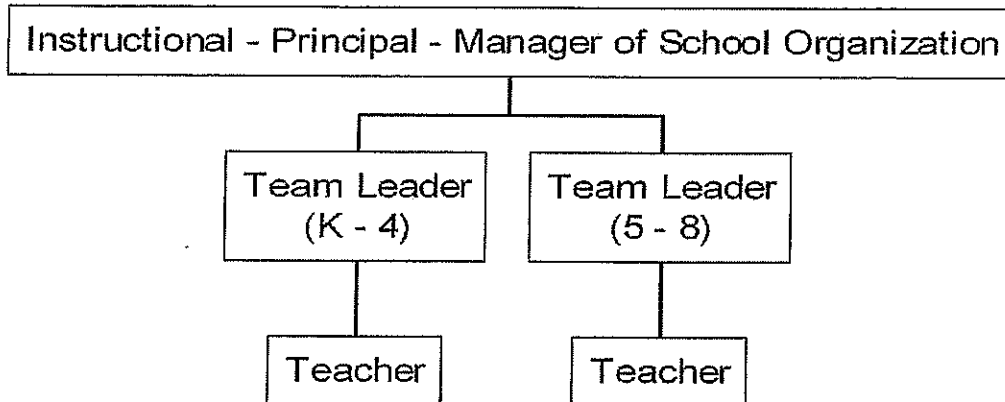
Please submit your personnel, operations manual and parent handbook (Attachment D, Attachment E and Attachment Q).

Please see Attachment D for a copy of the AQS Employee Handbook and Attachment Q for an example of a Parent/Student Handbook from an existing AQS school that will be used as a baseline model for creating one for MSAC.

Operational and Fiscal Management of School

Describe the organizational structure and responsibilities of the management and staff.

The instructional staff of the school will be organized as follows when the school becomes a full K-8 school.



In the first year, the Academy will employ the following staff (Attachment T):

Number of Teachers	Description
1	Principal
1	Team Leader
11	K4-4 Classroom Teachers
1	Physical Education Teacher
1	Special Education Teacher
1	Social Worker/Counselor
1	Art/Music Teacher
1	Computer Teacher
1	Nurse
1	Dean of Students
5	Teacher Assistants
2	Clerical Assistants
1	Security Person (if needed)
1	Custodian

Provide resumes for the person(s) who will serve as educational leader(s) and the person responsible for financial management.

While we have not selected the school leader (Principal) as of yet, AQS in consultation with the Board will look for an individual with certain key qualifications. Among these are:

1. Appropriate State of Wisconsin Administrative credentials.
2. Experience as a school administrator
3. A demonstrable love of children and belief in their academic potential.

4. A knowledge of elementary school curriculum theory and practice. Here the Principal must be the educational leader of the school.
5. Experience and ability as an effective administrator of a school organization. Here we are looking for a person with managerial competence.
6. Demonstrable human relations skills. The Principal we seek must be able to effectively deal with a variety of constituents. Among those are students, staff, teachers, parents and community members.

Also provide a personnel manual that addresses staff recruitment, retention, licensing and other personnel policies.

Please see Attachment D for a copy of the AQS Employee Handbook.

Provide explanatory material or recent audits that demonstrate knowledge of and compliance with generally accepted procedures for fiscal management, including those related to proper internal controls and investment of funds.

AQS will manage the School's finances on a day-to-day basis. They will be financially responsible for managing the banking, petty cash, purchasing, payables, fixed assets and payroll for the school. AQS will provide the Board with regular reports and will fulfill all State reporting requirements.

The Board's treasurer shall deposit all school funds in the School's bank account in a timely manner and report to the Board on a monthly basis.

- All expenditures are accounted for through the use of the Accounting system, "Financial Accounting for Windows". Revenues are recognized as they are received and expenditures as they are made (Cash Accounting).
- The Board prior to the release of the funds must approve all expenditures. The Academy will use a numbered purchase order system and fund numbers are coded on all purchase orders. Items and services, when received are verified by the appropriate administrator and submitted to the AQS accounting department for processing. The records of all financial transactions are readily available on the automated accounting system. MSAC is subject to periodic audits. In addition, each year an outside auditor will audit the Academy's finances to ensure compliance with Wisconsin and Federal accounting standards.
- American Quality Schools also will contract with a Milwaukee accounting firm to oversee its Wisconsin financial transactions and to insure compliance with all state rules and regulations.

Developing the annual budget each year

The budget will start at the functioning level of the organization with the principal and administrative team of the school. Beginning in January, identified personnel at the school will be given work processing papers which will have the previous year's budget on those items directly under their control. The teachers and the other school personnel will be asked for their recommendations on expenditures for the upcoming school year. The principal will then submit completed worksheets with their recommendations to AQS senior management who will review and approve. AQS will then submit to the school board the proposed budget. The school board will review and may make adjustments in consultation with AQS. The budget will then go to the entire board for final approval.

Approving expenditures

All expenditures are recommended to the principal through the administrative channel established for the school. Eventually, the request for expenditure is submitted to central administration for payment. The school board is kept informed by regular monthly reports that include the payee, the purpose of the payment, and any other data which is relevant to the payment. Each month the board will vote on the payments to all the vendors who have submitted appropriated paperwork and have been processed by the AQS staff. No expenditure is to be submitted to the central office without the principal's approval.

Reporting on financial operations

The reporting of financial operations is important to the success of charter schools. Taxpayers are increasingly aware of the fact that the majority of public funds go towards financing public education. The school will report its financial information using traditional sources. It will prepare for annual audits

In addition to the formal audits, the board will avail itself to the financial information presented to it on the monthly reports. The board will make its financial information available to the local press and seek to inform local media about the school's financial condition whenever practical. The school will publish its financial information each year as required.

Please see Attachment E for a copy of our Operations Manual and Attachment J for a copy of our Financial Policies Manual.

Budget

Provide an estimated budget for the 2013-2014 school year, including: (1) sources and uses of funds; (2) basis for revenue estimates; (3) and contingency plans for revenue shortfalls. Explain the methods for estimating revenues and expenses and plans to manage revenue deficits.

Our plan calls for the school to begin with one section of 25 students for grade K4, and two sections of 25 students per section in each of grades K5-4. Thus the school would open with an enrollment of 275 students. The second year, moving to grade five would make the enrollment 325, adding grade six the third year would create an enrollment of 375 and 425 in the fourth year when grade seven is added, with the addition of grade eight in year five, the final enrollment would be 475 students, and be the expected maximum enrollment in subsequent years.

1. 2013-2014 Estimated Budget Projection Based Upon 275 Enrolled Students (Excel Sheet Attachments G and H plus two alternate budgets on 15% and 30% below projected enrollment levels respectively in process).

2. Revenue Assumptions

- i) We will enroll 275 students the first year from K4 - 4th grade. For purposes of this budgeting, we have assumed no annual attrition rate and we will not typically admit students after the 8th grade in the seventh year. (See Full Capacity Enrollment Plan Attachment).
- ii) The projected per student state allocation is estimated at \$7,775/ student.
- iii) Milwaukee Public Schools currently have approximately a 70% free and reduced lunch student population. It is likely that our student population qualifying for free and reduced will exceed that percentage because we plan to recruit heavily in underserved communities. Being conservative, we have based our Title I allotment on a 70% free and reduced rate and used 2010 school year projections to calculate this revenue.
- iv) The Title monies and secured charter planning grants were also projected based on conservative budgeting with estimated 100 - 175 eligible students and the revenue of other similar schools with similar populations and missions within our zip codes and the MPS district.
- v) We will engage Food Service Professionals as a contracted food service provider, the revenues are estimated based on the National School Lunch program and Food Service Expenditures are estimated at 100% of revenues in year 1.
- vi) We estimated that salaries will be increased by average of 3%.
- vii) We anticipated average of \$30 per pupil in instructional education activity fees.
- viii) The budget reflects cash and financed expenses for all equipment purchases that may or may not be capitalized. Therefore no depreciation is reflected.
- ix) Individual expenses are indexed for inflation based on historical experience for those line items.
- x) Cash flow short falls due to scheduled tuition disbursements by the charter program will be resolved through future funding and line of credit sources that will be pursued or funded by AQS.

3. Contingency Plans (Fiscal Solvency Plan Attached)

Also, if you are affiliated or in partnership with an existing organization other than MPS, submit financials for that organization. This applies if the affiliated organization will:

- Guarantee financial performance
- Administer accounting procedures or
- Otherwise perform fiscal or financial procedures for the applicant

Please see Attachment O for the 2010 Audit Report for American Quality Schools, and the internal year-end report for FY 11.

New school applicants must submit:

- **Detailed Budget with key assumptions.**
 - For all new applications two alternate budgets based on 15% enrollment below projected levels and 30% below projected levels should be submitted.
 - To assure consistent reporting, each school's budget revenue and expenditure accounts must directly reconcile to the accounting system line item or objects of expenditure accounts

Please see Attachment G for the detailed budget and the above listing of key assumptions.

- **Annual cash budget** showing monthly receipts, disbursements and beginning and end of month cash balances with key assumptions.

Please see Attachment H for the Annual Cash Budget.

- **Position listing** of all part- and full-time positions and the professional resumes of all full-time teaching and management personnel currently filling these positions, including all certifications.

Please see Attachment T for the Staffing Plan and key job descriptions.

- **Line of Credit** or other source(s) of cash (other revenues, reserves, personal guarantees, etc.) as needed for adequate liquidity over the fiscal year.

With the revenue assumptions, along with the fiscal solvency of AQS, it will allow us to fund the school through current revenue sources, eliminating the need for a separate line of credit.

Facility

Provide the location of your facility. Describe the capacity of the facility, including classroom space, recreational areas, extracurricular areas, and cafeteria. Provide a floor plan, if available.

Currently we have not formally secured a facility for the school. To that end, we have engaged an organization, HighMark School Development Corporation, an end-to-end facilities solutions provider for charter schools, to assist us with the identification, selection, acquisition, renovation, and financing of a building that they would own, and the school would lease from them. Please see Attachment K for our Facilities Worksheet that describes the needed capacity of any acquired facility.

Based upon the recent study by IFF entitled "An Analysis of School Location and Performance in Milwaukee, we have identified five zip codes within the City of Milwaukee as "high need" areas to locate our school: 53206, 53209, 53212, 53216, 53224. To aid our decision making process, HighMark has prepared an overlay map of these areas that both plots existing K-8 schools and the concentration of our target population.

Please provide proof of ownership or tenant status. Please also provide an occupancy certificate for school use from the City of Milwaukee Department of Building Inspection, and a copy of a letter from the Building Inspection Department regarding code compliance.

Given that we have not secured a facility, the above does not apply at this time. Once a facility is secured, we will provide proof of tenant status, along with both an occupancy certificate and a copy of a letter regarding code compliance from the Building Inspection Department of the City of Milwaukee.

In addition, while academics and character are spelled out in our charter school's name, we feel it is important for the name to reflect the community it serves. Students and their families need to develop a strong connection with their school. They need to take ownership and feel a sense of responsibility and respect towards their school. This respect should transcend to individuals, property, and school environment, and is important to the success of the school. Therefore, we would ask to reserve the right to change the name of the school to reflect the area of the chosen site. "Milwaukee" is being used as a placeholder, and is too broad of a moniker. We would like to replace it with a word that garners an affinity to the community once it has been decided where to locate our school.

Insurance

Please provide certificates from carrier(s) demonstrating coverage in at least the minimum amounts listed below; and confirmation that carrier(s) will provide the Charter School Review Committee a 30-day notice prior to a material change to or termination of any policy.

Please see Attachment M for the certificate of insurance coverage as per the requirements below.

The minimum limits of insurance that City requires from Charter School shall be:

Worker's Compensation

Worker's Compensation	Statutory Coverage
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Employer's Liability Limits

Bodily Injury by Accident	\$100,000 each accident
Bodily Injury by Disease	\$500,000 policy limit
Bodily Injury by Disease	\$100,000 each employee

Worker's Compensation at Statutory limits and Employer's Liability at \$100,000 per occurrence or sufficient limits to meet Umbrella underlying insurance requirements. Coverage shall be modified to include a Waiver of subrogation Endorsement in favor of City including its directors, officers, agents, employees and volunteers.

Commercial General Liability

Commercial General Liability	\$1,000,000 per occurrence /
General Aggregate	\$2,000,000
Personal & Advertising Injury Limit	\$1,000,000
Products - Completed Operations Aggregate	\$2,000,000
Medical Expense	\$ 5,000

Commercial General Liability shall be on an occurrence form covering the risks associated with or arising out of the services provided under this Contract. This insurance is not to have any exclusions, sub-limits, or restrictions as respects coverage for sexual abuse and molestation, corporal punishment, athletic events, and use of gymnasium equipment.

Auto Liability

Combined Single Limit	\$1,000,000 each accident
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Business Auto Liability insurance including, but not limited to, Uninsured Motorists, Underinsured Motorists, and contractual liability for risks assumed in this Contract covering the use of any vehicle in an amount not less than \$1,000,000 per accident. (Verification of this coverage is needed only if vehicles will be used while providing services under this Contract.)

Umbrella (excess) Liability

Umbrella (excess) Liability	\$4,000,000 per occurrence / \$4,000,000 aggregate
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The Umbrella Liability insurance shall provide excess employer's liability, commercial general liability and auto liability coverage.

Fidelity Bond/Crime Insurance

Fidelity Bond / Crime Insurance

50% of the Value of the contract

Crime Insurance, in the form of either a Commercial Crime Policy or Financial Institution Bond, providing coverage for Employee Dishonesty, On Premises, In Transit (Theft Disappearance and Destruction Coverage Form and Robbery and Safe Burglary Coverage Form), Forgery/Alteration, Computer and Funds Transfer Fraud shall be carried for fifty percent (50%) of the total annual program costs of Charter School. Such insurance may be written with a deductible; however, such deductible shall not exceed \$10,000. The City shall be named as loss payee with respect to losses involving property or funds provided under this Contract by DPI. This policy is to cover all employees, officers, and board members of Charter School and all of Charter School's contractors or subcontractors handling money, securities or other property of Charter School. Proof of such coverage shall be provided to CSRC prior to the opening of Charter School.

School Leader's Errors & Omissions**

Limit per occurrence

\$1,000,000

Aggregate Limit

\$2,000,000

*** Director's and Officer's insurance may be used in lieu of School Leader's E&O provided that the Insurance Company shows proof that all employees and volunteers are protected by the coverage.*

All policies, with the exception of the School Leaders Error's & Omissions policy, shall be written on an occurrence form.

Audits

Three financial requirements for new applicants:

- *Independent Audit engagement letter for first fiscal year*
- *Auditor report on school's long range business plan and first year budget*
- *Auditor report on planned, documented internal controls policies–procedures.*
- *Completed Financial Statements with unqualified audit opinion and management letter (where an existing school or related organization has been in operation during the prior year.)*

Please see Attachment N for the most recent American Quality Schools audit and management comments.

CPA Selection

Criteria for selection of a CPA are available from the technical reviewer. Acceptability criteria include experience of the auditing firm in the field of education and results of a recent peer review, among other things.

The selection of an auditing firm will be done with care. The firm should be a local or close-in firm and have extensive experience in auditing educational institutions in Wisconsin.

It is a standard practice to learn the reputation of public auditing firms from other institutions in the state or local community. Other sources for firms familiar with state auditing practices are the various state agencies that require audits of the institutions they work with. Other schools of comparable size or larger would also serve as references and should be helpful in assisting us to find the appropriate auditing firm to do our work.

Upon learning of the potential firms available to us we would contact those who seem to have the capabilities and reputation we seek. We would interview selected firms by phone to get their basic information such as fees and other arrangements they may have. It would be feasible to interview in person those two or three firms that seem to be a fit for us.

Prospective Requirements

Each school awarded a charter must agree contractually to submit an annual independent audit and management letter to the Charter School Review Committee within 90 days of the close of the fiscal year(s)

American Quality Schools will agree contractually to submit an annual independent audit and management letter to the Charter School Review Committee within 90 days of the close of the school's fiscal year.